

Conference Call
3Q15

October 29, 2015

WEGE3
NOVO
MERCADO
BM&FBOVESPA

Disclaimer

The statements that may eventually be made during this conference call relating to WEG's business perspectives, projections and operating and financial goals and to WEG's potential future growth are management beliefs and expectations, as well as information that are currently available.

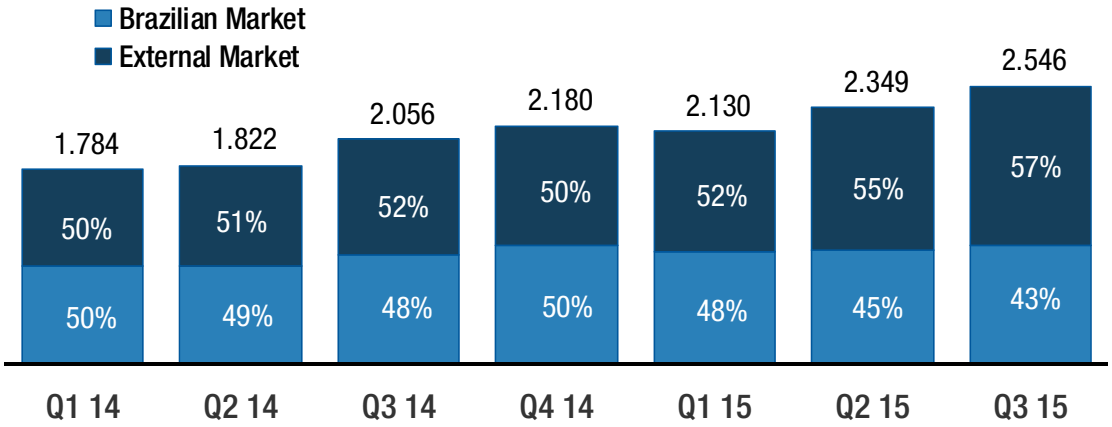
These statements involve risks, uncertainties and the use of assumptions, as they relate to future events and, as such, depend on circumstances that may or may not be present.

Investors should understand that the general economic conditions, conditions of the industry and other operating factors may affect WEG's future performance and lead to results that may differ materially from those expressed in such future considerations.

Highlights
Quarterly Figures

- Net Operating Revenues of R$ 2,546.3 million
  - Growth: 23.9% over 3Q14 and 8.4% over 2Q15;
- EBITDA of R$ 395.1 million, EBITDA margin of 15.5%
  - Growth: 12.7% over 3Q14 and 12.2% over 2Q15;
- Net Income of R$ 265.4 million, net margin of 10.4%
  - Growth: 2.6% over 3Q14 and 1.7% over 2Q15;
- Investments: R$ 334.0 million in capacity expansion and modernization in the first nine months of 2015
  - 49% in industrial plants in Brazil
  - 51% in expansion projects abroad.
- On September, WEG S.A. announced the acquisition of Autrial S.L., a manufacturer of industrial electrical panels, in Spain.

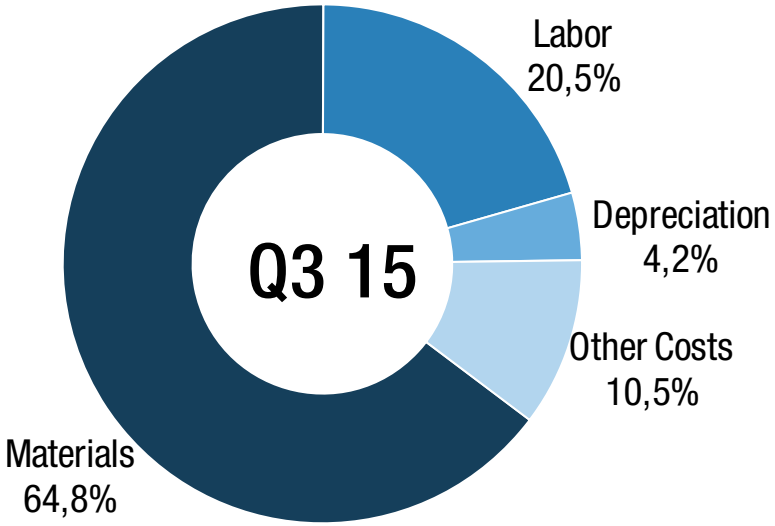
Net Operating Revenue
Quarterly Evolution



In R$ million

- Domestic Market: R$ 1,087.4 M (43%)
  - Total growth of 9.4%
  - Organic growth of 9.2%
- External Market: R$ 1,459.0 M (57%)
  - Growth in Reais: 37.4%
  - Organic growth in Reais: 33.4%
  - Growth in local currencies: 7.4%
  - Growth in US dollar: -11.9%

Costs of Goods Sold

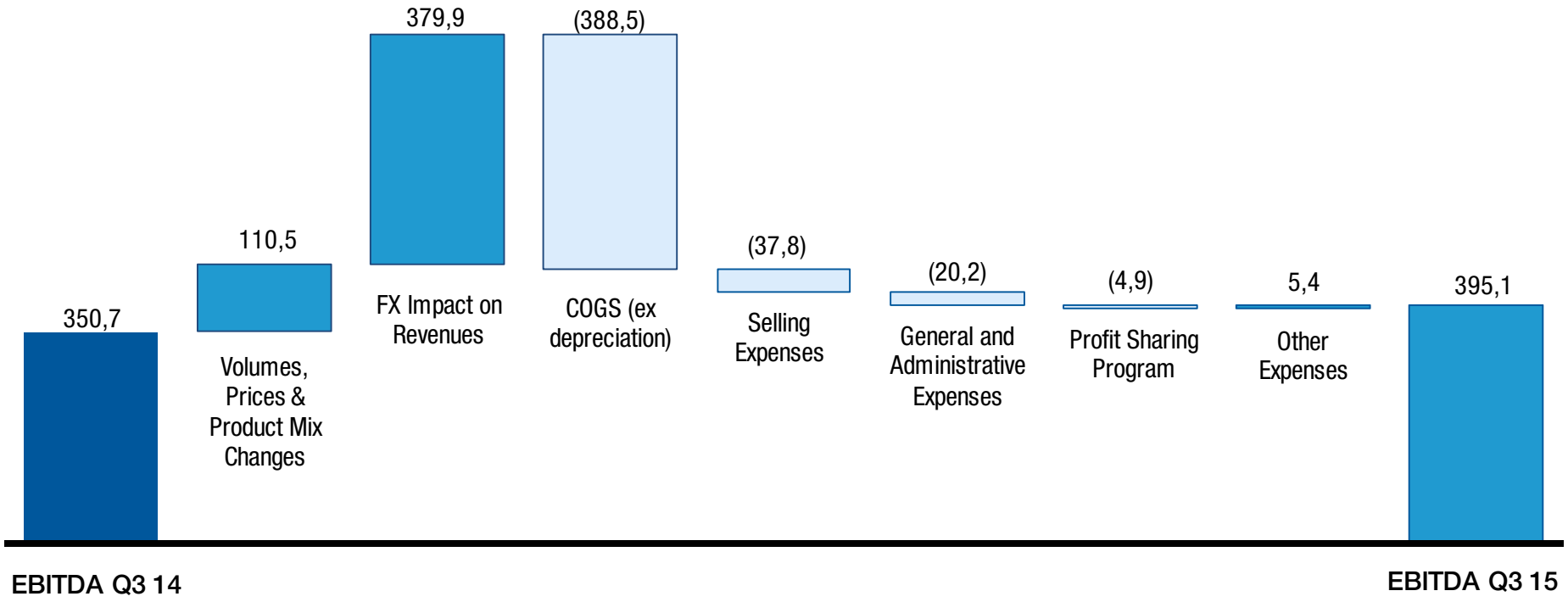


Main impacts

- Additional provisions
  - Labor (note 15)
  - Receivables (note 6)
  - Low turnover of inventories (note 7)
- Wind power generation – new integrated product, in which we expect future efficiency gains;
- Timing of implementing prices increases to counter the cost increases on raw materials denominated in or referenced to the US dollar;
- The relative importance of recent acquisitions.

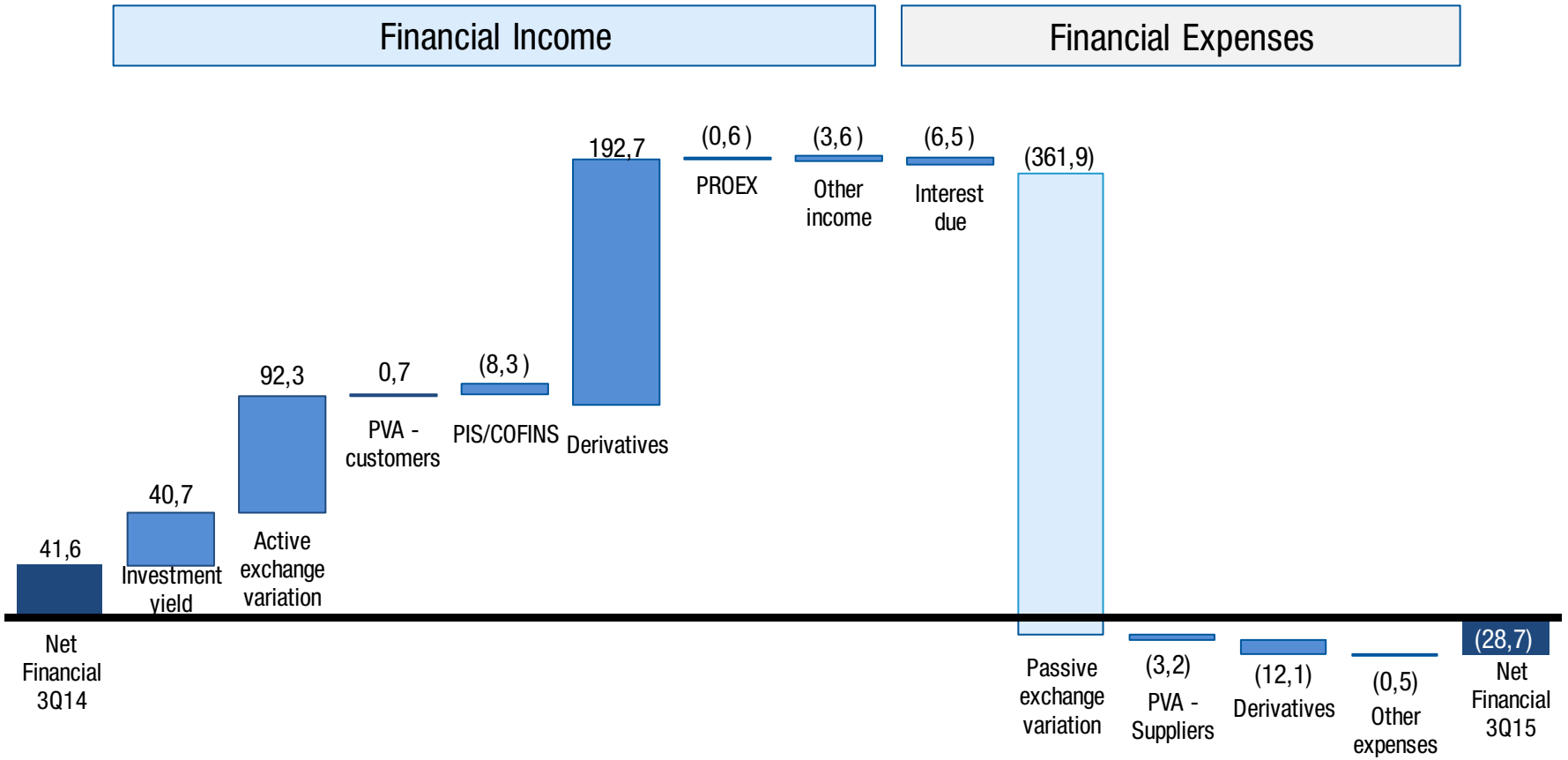
Main impacts on EBITDA

In R$ million



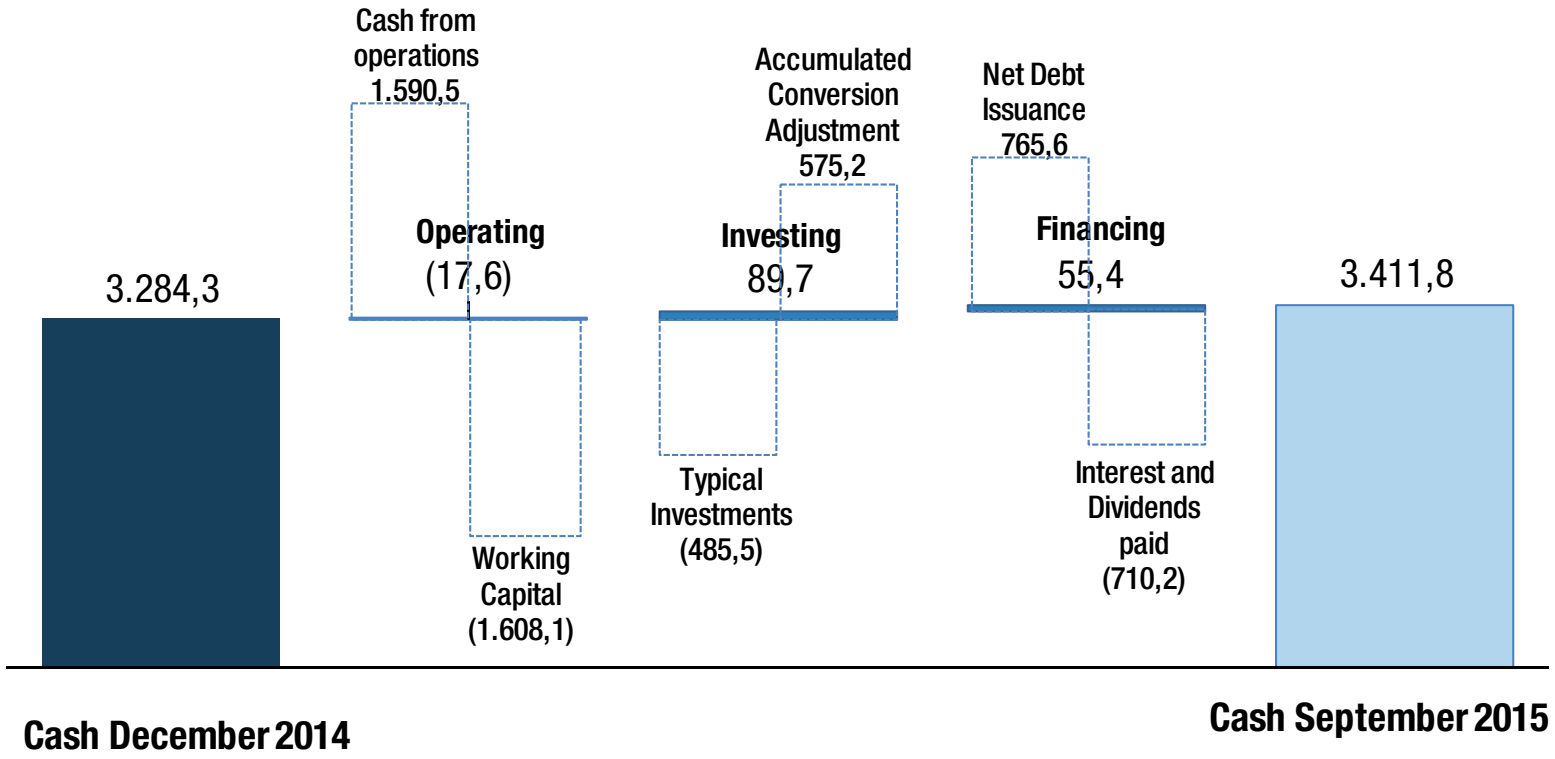
Main impacts on Net Financial Results

In R$ million



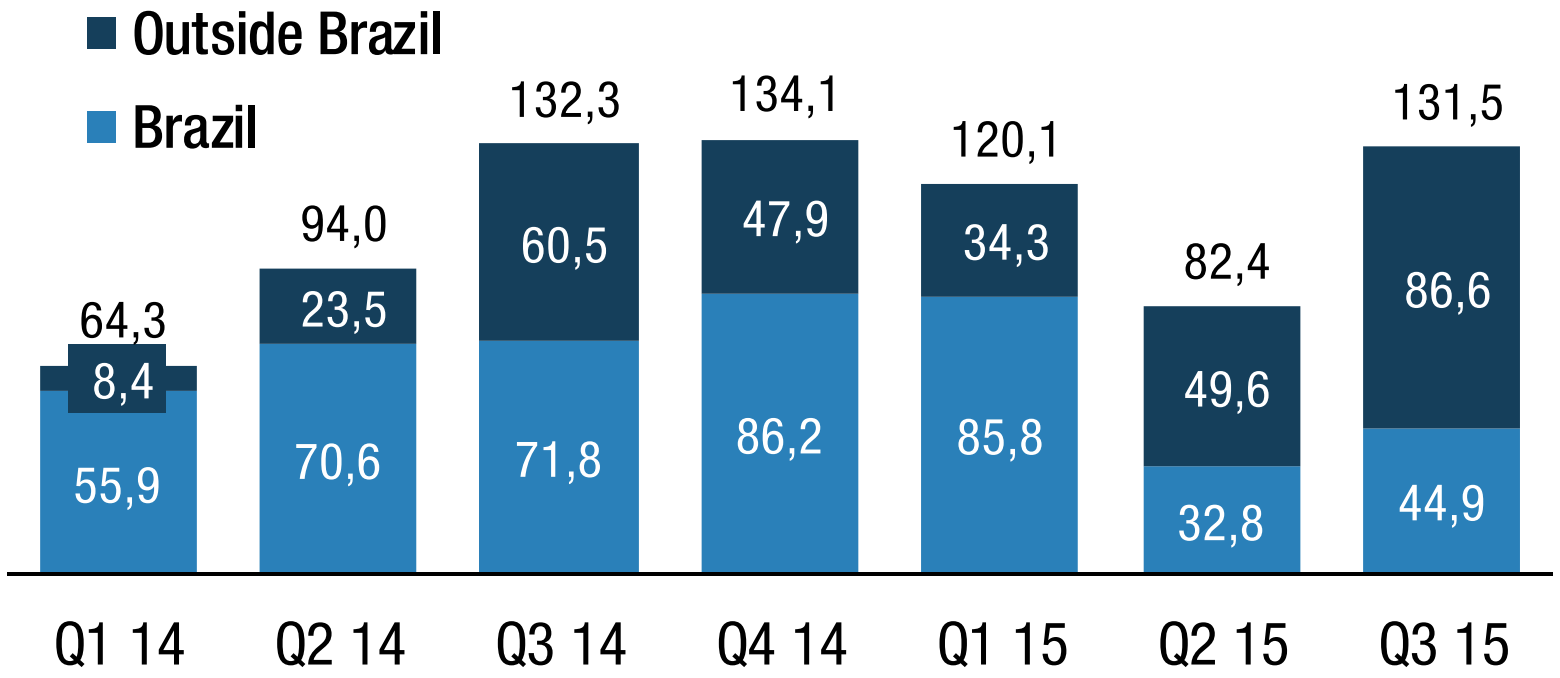
Main impacts on Cash Flow

In R$ million



Capex Program
Quarterly Evolution

In R$ million



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