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Company information / Composition of capital

Number of shares (Units)	Quarterly ended 09/30/2017
Paid-in capital	
Common	1,614,353,076
Preferred	0
Total	1,614,353,076
Treasury stock	
Common	1,340,443
Preferred	0
Total	1,340,443

Company information / Cash dividends

Event	Approval	Earning	First payment	Type of share	Class of share	Earnings per share (Reais / Share)
Board of Directors' Meeting	03/21/2017	Interest on equity	08/16/2017	Common		0.05550
Board of Directors' Meeting	06/27/2017	Interest on equity	08/16/2017	Common		0.05150
Board of Directors' Meeting	07/18/2017	Dividends	08/16/2017	Common		0.05300
Board of Directors' Meeting	09/26/2017	Interest on equity	03/14/2018	Common		0.04940

Individual financial statements / Balance sheet - Assets**(In thousands of reais)**

Account code	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
1	Total assets	6,511,527	6,188,994
1.01	Current assets	1,304,381	1,308,890
1.01.01	Cash and cash equivalents	793,635	748,385
1.01.01.01	Cash and banks	35	18
1.01.01.02	Short-term investments	793,600	748,367
1.01.02	Long-term investments	425,068	395,822
1.01.06	Taxes recoverable	20,171	19,952
1.01.06.01	Current taxes recoverable	20,171	19,952
1.01.08	Other current assets	65,507	144,731
1.01.08.03	Other	65,507	144,731
1.01.08.03.01	Dividends	-	1,158
1.01.08.03.02	Interest on equity	65,507	143,573
1.02	Noncurrent assets	5,207,146	4,880,104
1.02.01	Long-term receivables	6,666	5,173
1.02.01.06	Deferred taxes	1,999	811
1.02.01.06.01	Deferred income and contribution taxes	1,999	811
1.02.01.08	Credits with related parties	10	24
1.02.01.08.02	Credits with subsidiaries	10	24
1.02.01.09	Other noncurrent assets	4,657	4,338
1.02.01.09.03	Judicial deposits	4,657	4,338
1.02.02	Investments	5,196,066	4,870,452
1.02.02.01	Equity interest	5,196,066	4,870,452
1.02.02.01.02	Investments in subsidiaries	5,196,066	4,870,452
1.02.03	Property, plant and equipment	4,414	4,479
1.02.03.01	Property, plant and equipment in use	4,414	4,479

Individual financial statements / Balance sheet - Liabilities and equity**(In thousands of reais)**

Account code	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
2	Total liabilities	6,511,527	6,188,994
2.01	Current liabilities	105,463	221,379
2.01.01	Labor and social charges	7,771	10,433
2.01.01.01	Social obligations	7,771	10,433
2.01.03	Tax obligations	14,117	19,149
2.01.03.01	Federal tax obligations	14,117	19,149
2.01.03.01.01	Income and social contribution taxes payable	5	92
2.01.03.01.02	Other taxes payables	14,112	19,057
2.01.05	Other payables	83,575	191,797
2.01.05.02	Other	83,575	191,797
2.01.05.02.01	Dividends and interest on equity capital payable	82,411	191,022
2.01.05.02.04	Other	1,164	775
2.02	Noncurrent liabilities	5,358	4,741
2.02.04	Provisions	5,358	4,741
2.03	Equity	6,400,706	5,962,874
2.03.01	Paid-in capital	3,533,973	3,533,973
2.03.02	Capital reserves	(72,763)	(68,092)
2.03.02.04	Options granted	3,711	1,971
2.03.02.05	Treasury stock	(17,796)	(11,924)
2.03.02.07	Goodwill on capital transaction	(58,678)	(58,139)
2.03.03	Revaluation reserve	3,630	3,630
2.03.04	Income reserve	1,890,881	1,993,631
2.03.04.01	Legal reserve	161,420	161,420
2.03.04.05	Profit retention reserve	1,729,461	1,729,461
2.03.04.08	Additional proposed dividends	-	102,750
2.03.05	Retained earnings/accumulated losses	485,378	-
2.03.06	Equity valuation adjustments	416,630	442,032
2.03.06.01	Deemed cost	416,630	442,032
2.03.08	Other comprehensive income	142,977	57,700
2.03.08.01	Derivative financial instruments	(16,757)	(26,948)
2.03.08.02	Cumulative translation adjustments	159,734	84,648

Individual financial statements / Income statement**(In thousands of reais)**

Account code	Account description	Current quarter 07/01/2017 to 09/30/2017	Current period 01/01/2017 to 09/30/2017	Pior quarter 07/01/2016 to 09/30/2016	Prior period 01/01/2016 to 09/30/2016
3.04	Operating income/expenses	293,005	774,322	226,535	711,891
3.04.02	General and administrative expenses	(988)	(2,887)	(879)	(2,831)
3.04.02.01	Management fees	(598)	(1,737)	(521)	(1,703)
3.04.02.02	Other administrative expenses	(390)	(1,150)	(358)	(1,128)
3.04.05	Other operating expenses	(1,491)	(4,807)	(268)	(1,808)
3.04.06	Equity pick-up	295,484	782,016	227,682	716,530
3.05	Income before financial result and taxes	293,005	774,322	226,535	711,891
3.06	Financial result	19,111	66,611	30,784	83,134
3.06.01	Financial income	19,170	66,802	30,838	83,324
3.06.02	Financial expenses	(59)	(191)	(54)	(190)
3.07	Income before income taxes	312,116	840,933	257,319	795,025
3.08	Income and social contribution taxes	(86)	966	(276)	(589)
3.08.01	Current	(102)	(222)	(224)	(500)
3.08.02	Deferred	16	1,188	(52)	(89)
3.09	Net income from continuous operations	312,030	841,899	257,043	794,436
3.11	Profit/ loss for the period	312,030	841,899	257,043	794,436
3.99	Earnings per share - (Reais/share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	0.19338	0.52180	0.15933	0.49245
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	0.19333	0.52163	0.15924	0.49216

Individual financial statements / Statement of comprehensive income

(In thousands of reais)

Account code	Account description	Current quarter 07/01/2017 to 09/30/2017	Current period 01/01/2017 to 09/30/2017	Prior quarter 07/01/2016 to 09/30/2016	Prior period 01/01/2016 to 09/30/2016
4.01	Net income for the period	312,030	841,899	257,043	794,436
4.02	Other comprehensive income	(83,022)	85,277	49,644	(498,586)
4.02.01	Cumulative translation adjustments	(82,294)	75,086	50,527	(463,810)
4.02.02	Hedge Accounting	(728)	10,191	(883)	(34,776)
4.03	Comprehensive income for the period	229,008	927,176	306,687	295,850

Individual financial statements / Cash flow statements - indirect method**(In thousands of reais)**

Account code	Account description	Current period 01/01/2017 to 09/30/2017	Prior period 01/01/2016 to 09/30/2016
6.01	Net cash flows from operating activities	44,923	78,833
6.01.01	Cash from operations	62,197	79,862
6.01.01.01	Income before taxes	840,933	795,025
6.01.01.02	Depreciation, amortization	65	87
6.01.01.03	Equity pickup	(782,016)	(716,530)
6.01.01.04	Expenses share purchase option plan	2,598	1,110
6.01.01.05	Provision for tax, civil and labor liabilities	617	170
6.01.02	Changes in assets and liabilities	(18,914)	(1,530)
6.01.02.01	(Increase)/decrease in accounts receivable	(9,713)	917
6.01.02.02	Increase/(decrease) in accounts payable	(8,858)	(1,839)
6.01.02.03	Income and social contribution taxes paid	(309)	(608)
6.01.02.04	Profit Sharing paid to employees	(34)	-
6.01.03	Other	1,640	501
6.02	Net cash flows from investing activities	554,579	161,685
6.02.01	Dividends and interest on equity capital received	601,352	583,588
6.02.03	Investments	(17,527)	(34,882)
6.02.04	Financial Investments held until maturity	-	(353,039)
6.02.06	Income on financial investments	(29,246)	(33,982)
6.03	Net cash from financing activities	(554,252)	(506,441)
6.03.01	Dividends/interest on equity capital paid	(548,380)	(511,542)
6.03.02	Treasury Shares	(5,872)	5,101
6.05	Increase/(decrease) in cash and cash equivalents	45,250	(265,923)
6.05.01	Opening cash and cash equivalents balance	748,385	1,023,357
6.05.02	Closing cash and cash equivalents balance	793,635	757,434

Individual financial statements / Statement of changes in equity - 01/01/2017 to 09/30/2017**(In thousands of reais)**

Account code	Account description	Paid-in capital	Capital reserves, Options granted and Treasury stock	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity
5.01	Opening balances	3,533,973	(64,462)	1,890,881	102,750	499,732	5,962,874
5.03	Adjusted opening balances	3,533,973	(64,462)	1,890,881	102,750	499,732	5,962,874
5.04	Capital transactions with shareholders	-	(4,671)	-	(382,754)	-	(387,425)
5.04.03	Recognized options granted	-	1,740	-	(491)	-	1,249
5.04.04	Acquired treasury shares	-	(8,676)	-	-	-	(8,676)
5.04.05	Sold treasury shares	-	4,219	-	-	-	4,219
5.04.06	Dividends	-	-	-	(85,489)	-	(85,489)
5.04.07	Interest on equity capital	-	-	-	(296,774)	-	(296,774)
5.04.08	Capital transaction	-	(1,954)	-	-	-	(1,954)
5.05	Total comprehensive income	-	-	-	867,301	59,875	927,176
5.05.01	Net income for the period	-	-	-	841,899	-	841,899
5.05.02	Other comprehensive income	-	-	-	25,402	59,875	85,277
5.05.02.04	Translation adjustments in the period	-	-	-	-	75,086	75,086
5.05.02.06	Hedge accounting - Cash flow	-	-	-	-	10,191	10,191
5.05.02.07	Realization of deemed cost	-	-	-	25,402	(25,402)	-
5.06	Internal changes in equity	-	-	-	(101,919)	-	(101,919)
5.06.04	Dividends paid	-	-	-	(102,750)	-	(102,750)
5.06.05	Dividends prescribed	-	-	-	831	-	831
5.07	Closing balances	3,533,973	(69,133)	1,890,881	485,378	559,607	6,400,706

Individual financial statements / Statement of changes in equity - 01/01/2016 to 09/30/2016**(In thousands of reais)**

Account code	Account description	Paid-in capital	Capital reserves, Options granted and Treasury stock	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity
5.01	Opening balances	3,533,973	(70,483)	1,299,868	130,554	1,135,468	6,029,380
5.03	Adjusted opening balances	3,533,973	(70,483)	1,299,868	130,554	1,135,468	6,029,380
5.04	Capital transactions with shareholders	-	5,609	-	(348,718)	-	(343,109)
5.04.03	Recognized options granted	-	(846)	-	449	-	(397)
5.04.05	Sold treasury shares	-	6,461	-	-	-	6,461
5.04.06	Dividends	-	-	-	(58,566)	-	(58,566)
5.04.07	Interest on equity capital	-	-	-	(290,601)	-	(290,601)
5.04.08	Capital transaction	-	(6)	-	-	-	(6)
5.05	Total comprehensive income	-	-	-	834,062	(538,212)	295,850
5.05.01	Net income for the period	-	-	-	794,436	-	794,436
5.05.02	Other comprehensive income	-	-	-	39,626	(538,212)	(498,586)
5.05.02.04	Translation adjustments in the period	-	-	-	-	(463,810)	(463,810)
5.05.02.06	Hedge accounting - Cash flow	-	-	-	-	(34,776)	(34,776)
5.05.02.08	Realization of deemed cost	-	-	-	39,626	(39,626)	-
5.06	Internal changes in equity	-	-	-	(130,151)	-	(130,151)
5.06.04	Dividends paid	-	-	-	(130,554)	-	(130,554)
5.06.05	Dividends prescribed	-	-	-	403	-	403
5.07	Closing balances	3,533,973	(64,874)	1,299,868	485,747	597,256	5,851,970

Individual financial statements / Statement of value added**(In thousands of reais)**

Account code	Account description	Current period 01/01/2017 to 09/30/2017	Prior period 01/01/2016 to 09/30/2016
7.02	Inputs purchased from third-parties	(3,527)	(1,653)
7.02.02	Materials, electricity, third party services and other	(325)	(345)
7.02.03	Loss/recovery of amounts receivable	(3,202)	(1,308)
7.03	Gross value added	(3,527)	(1,653)
7.04	Withholdings	(65)	(87)
7.04.01	Depreciation, amortization and depletion	(65)	(87)
7.05	Net value added produced	(3,592)	(1,740)
7.06	Value added received in transfer	848,820	799,854
7.06.01	Equity pick-up	782,017	716,530
7.06.02	Financial income	66,803	83,324
7.07	Total value added to be distributed	845,228	798,114
7.08	Distribution of value added	845,228	798,114
7.08.01	Personnel	3,711	2,507
7.08.01.01	Direct compensation	3,578	2,384
7.08.01.02	Benefits	53	51
7.08.01.03	Unemployment Compensation Fund (FGTS)	80	72
7.08.02	Taxes, charges and contributions	(572)	1,006
7.08.02.01	Federal	(572)	1,006
7.08.03	Third-party capital remuneration	190	165
7.08.03.01	Interest	190	165
7.08.04	Equity remuneration	841,899	794,436
7.08.04.01	Interest on equity capital	296,774	290,601
7.08.04.02	Dividends	85,489	58,566
7.08.04.03	Retained profit/loss for the period	459,636	445,269

Consolidated financial statements / Balance Sheet - Assets**(In thousand of reais)**

Account code	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
1	Total assets	13,964,453	13,509,331
1.01	Current assets	9,462,943	9,127,483
1.01.01	Cash and cash equivalents	3,273,239	3,390,662
1.01.01.01	Cash and banks	200,829	223,267
1.01.01.02	Short-term investments	3,072,410	3,167,395
1.01.02	Long-term investments	1,484,343	1,373,287
1.01.03	Trade accounts receivable	2,233,281	2,251,922
1.01.03.01	Clients	2,233,281	2,251,922
1.01.04	Inventories	1,836,737	1,575,055
1.01.06	Taxes recoverable	367,578	269,626
1.01.06.01	Current taxes recoverable	367,578	269,626
1.01.08	Other current assets	267,765	266,931
1.01.08.03	Other	267,765	266,931
1.01.08.03.03	Derivative financial instruments	9,273	15,443
1.01.08.03.04	Other	258,492	251,488
1.02	Noncurrent assets	4,501,510	4,381,848
1.02.01	Long-term receivables	410,395	397,383
1.02.01.06	Deferred taxes	147,137	130,291
1.02.01.06.01	Deferred income and social contribution taxes	147,137	130,291
1.02.01.09	Other noncurrent assets	263,258	267,092
1.02.01.09.03	Judicial deposits	50,990	48,476
1.02.01.09.04	Taxes recoverable	8,342	10,296
1.02.01.09.05	Derivative financial instruments	142,210	169,221
1.02.01.09.06	Other	61,716	39,099
1.02.02	Investments	306	223
1.02.02.01	Equity interests	306	223
1.02.02.01.04	Other equity interests	306	223
1.02.03	Property, plant and equipment	3,129,052	3,032,716
1.02.03.01	Property, plant and equipment in use	3,129,052	3,032,716
1.02.04	Intangible assets	961,757	951,526
1.02.04.01	Intangible assets	152,512	161,200
1.02.04.01.02	Other	152,512	161,200
1.02.04.02	Goodwill	809,245	790,326

Consolidated financial statements / Balance Sheet - Liabilities and equity**(In thousand of reais)**

Account code	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
2	Total liabilities	13,964,453	13,509,331
2.01	Current liabilities	3,990,150	3,278,855
2.01.01	Labor and social charges	340,635	199,543
2.01.01.01	Social obligations	340,635	199,543
2.01.02	Trade accounts payable	668,828	562,851
2.01.03	Tax obligations	126,410	125,062
2.01.03.01	Federal tax obligations	126,410	125,062
2.01.03.01.01	Income and social contribution taxes payable	34,308	29,241
2.01.03.01.02	Other	92,102	95,821
2.01.04	Loans and financing	1,740,222	991,433
2.01.04.01	Loans and financing	1,740,222	991,433
2.01.04.01.01	In local currency	1,051,077	642,413
2.01.04.01.02	In foreign currency	689,145	349,020
2.01.05	Other payables	1,114,055	1,399,966
2.01.05.02	Other	1,114,055	1,399,966
2.01.05.02.01	Dividends and interest on equity capital payable	82,411	191,365
2.01.05.02.04	Advance from clients	467,451	577,688
2.01.05.02.05	Profit sharing	88,357	124,764
2.01.05.02.06	Derivative financial instruments	19,913	37,519
2.01.05.02.07	Payable accounts - foreign subsidiaries	150,460	182,426
2.01.05.02.08	Other	305,463	286,204
2.02	Noncurrent liabilities	3,461,032	4,159,644
2.02.01	Loans and financing	2,652,021	3,408,892
2.02.01.01	Loans and financing	2,652,021	3,408,892
2.02.01.01.01	In local currency	1,357,194	1,887,571
2.02.01.01.02	In foreign currency	1,294,827	1,521,321
2.02.02	Other payables	169,024	157,147
2.02.02.02	Other	169,024	157,147
2.02.02.02.03	Tax obligations	854	911
2.02.02.02.04	Derivative financial instruments	60,473	51,854
2.02.02.02.05	Other	107,697	104,382
2.02.03	Deferred taxes	137,024	159,203
2.02.03.01	Deferred income and social contribution taxes	137,024	159,203
2.02.04	Provisions	502,963	434,402
2.03	Consolidated equity	6,513,271	6,070,832
2.03.01	Paid-in capital	3,533,973	3,533,973
2.03.02	Capital reserves	(72,763)	(68,092)
2.03.02.04	Options granted	3,711	1,971
2.03.02.05	Treasury stock	(17,796)	(11,924)
2.03.02.07	Premium on capital transaction	(58,678)	(58,139)
2.03.03	Revaluation reserve	3,630	3,630
2.03.04	Income reserves	1,890,881	1,993,631
2.03.04.01	Legal reserve	161,420	161,420
2.03.04.05	Profit retention reserve	1,729,461	1,729,461
2.03.04.08	Additional proposed dividends	-	102,750
2.03.05	Retained earnings/accumulated losses	485,378	-
2.03.06	Equity valuation adjustments	416,630	442,032
2.03.06.01	Deemed cost	416,630	442,032
2.03.08	Other comprehensive income	142,977	57,700
2.03.08.01	Derivative financial instruments	(16,757)	(26,948)
2.03.08.02	Cumulative translation adjustments	159,734	84,648
2.03.09	Noncontrolling interest	112,565	107,958

Consolidated financial statements / Income Statement

(In thousand of reais)

Account code	Account description	Current quarter	Current period	Prior quarter	Prior period
		07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
3.01	Revenue from sale of products and/or services	2,435,085	6,850,083	2,238,078	6,989,677
3.02	Cost of goods sold and/or services rendered	(1,701,858)	(4,798,392)	(1,619,116)	(5,056,294)
3.03	Gross profit	733,227	2,051,691	618,962	1,933,383
3.04	Operating income/expenses	(416,881)	(1,173,119)	(364,708)	(1,181,095)
3.04.01	Selling expenses	(238,374)	(656,991)	(222,418)	(697,617)
3.04.02	General and administrative expenses	(125,875)	(361,577)	(109,558)	(349,429)
3.04.02.01	Management fees	(5,893)	(17,618)	(5,447)	(16,973)
3.04.02.02	Other administrative expenses	(119,982)	(343,959)	(104,111)	(332,456)
3.04.04	Other operating income	5,339	17,842	2,085	10,661
3.04.05	Other operating expenses	(57,971)	(172,393)	(34,817)	(144,710)
3.05	Income before financial results and taxes	316,346	878,572	254,254	752,288
3.06	Financial results	26,731	64,685	65,856	168,211
3.06.01	Financial income	178,778	615,335	236,118	553,983
3.06.02	Financial expenses	(152,047)	(550,650)	(170,262)	(385,772)
3.07	Income before income taxes	343,077	943,257	320,110	920,499
3.08	Income and social contribution taxes	(30,188)	(98,720)	(62,101)	(117,026)
3.08.01	Current	(48,180)	(137,900)	(83,457)	(175,599)
3.08.02	Deferred	17,992	39,180	21,356	58,573
3.09	Net income from continuous operations	312,889	844,537	258,009	803,473
3.11	Consolidated Income/ loss for the period	312,889	844,537	258,009	803,473
3.11.01	Attributed to shareholders of parent company	312,030	841,899	257,043	794,436
3.11.02	Attributed to non-controlling shareholders	859	2,638	966	9,037
3.99	Earnings per share - (Reais/share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	0.19338	0.52180	0.15933	0.49245
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	0.19333	0.52163	0.15924	0.49216

Consolidated financial statements / Statement of comprehensive income

(In thousand of reais)

Account code	Account description	Current period 07/01/2017 to 09/30/2017	Prior period 01/01/2017 to 09/30/2017	Prior quarter 07/01/2016 to 09/30/2016	Prior period 01/01/2016 to 09/30/2016
4.01	Consolidated net income for the period	312,899	844,537	258,009	803,473
4.02	Other comprehensive income	(86,052)	90,147	52,437	(514,306)
4.02.01	Adjustment of conversion period	(85,324)	79,956	53,320	(479,530)
4.02.02	Hedge accounting	(728)	10,191	(883)	(34,776)
4.03	Consolidated comprehensive income for the period	226,847	934,684	310,446	289,167
4.03.01	Attributed to shareholders of parent company	229,008	927,176	306,687	295,850
4.03.02	Attributed to noncontrolling shareholders	(2,161)	7,508	3,759	(6,683)

Consolidated financial statements / Cash flow statement - Indirect method

(In thousand of reais)

Account code	Account description	Current period 01/01/2017 to 09/30/2017	Prior period 01/01/2016 to 09/30/2016
6.01	Net cash from operating activities	975,205	1,589,249
6.01.01	Cash from operations	1,566,294	1,508,069
6.01.01.01	Income before taxes	943,257	920,499
6.01.01.02	Depreciation, amortization and depletion	211,445	254,047
6.01.01.03	Employee profit sharing	143,734	124,016
6.01.01.04	Expenses share purchase option plan	2,598	1,110
6.01.01.05	Provision for credit risk	(3,411)	(7,353)
6.01.01.06	Provision for tax, civil and labor liabilities	68,561	64,704
6.01.01.07	Provision for inventory losses	11,627	(2,208)
6.01.01.08	Provision for product warranty	29,494	14,736
6.01.01.09	Loss on disposal of PPE	6,485	1,961
6.01.01.10	Accrued interest on loans and financing	152,504	136,557
6.01.02	Changes in assets and liabilities	(630,249)	189,246
6.01.02.01	(Increase)/decrease in accounts receivable	(66,662)	114,662
6.01.02.02	Increase/(decrease) in accounts payable	(43,683)	186,636
6.01.02.03	(Increase)/decrease in inventories	(198,933)	243,869
6.01.02.04	Income and social contribution taxes paid	(132,833)	(168,189)
6.01.02.05	Employee profit sharing paid	(188,138)	(187,732)
6.01.03	Other	39,160	(108,066)
6.02	Net cash from investing activities	(389,587)	(702,337)
6.02.01	Property, plant and equipment	(179,760)	(244,842)
6.02.02	Intangible assets	(11,045)	(5,498)
6.02.03	Receival from sale of PP&E	6,948	7,491
6.02.07	Acquisition of subsidiaries	(95,828)	(292,301)
6.02.08	Cash acquired from subsidiaries	1,154	4,014
6.02.09	Financial investments held until maturity	-	(923,039)
6.02.10	Financial investments redemption	31,857	881,948
6.02.11	Income on financial investments	(142,913)	(130,110)
6.03	Net cash from financing activities	(709,321)	(678,918)
6.03.01	Funding of Borrowings obtained	639,965	1,042,632
6.03.02	Payment of loans and financing	(508,091)	(902,609)
6.03.03	Interest paid on loans and financing	(284,939)	(299,306)
6.03.04	Treasury shares	(5,872)	5,101
6.03.05	Dividends/interest on equity capital paid	(550,384)	(524,736)
6.04	Exchange variation of cash and cash equivalents	6,280	(78,335)
6.05	Increase (decrease) in cash and cash equivalents	(117,423)	129,659
6.05.01	Opening cash and cash equivalents balance	3,390,662	3,277,115
6.05.02	Closing cash and cash equivalents balance	3,273,239	3,406,774

Consolidated financial statements / Statement of changes in equity - 01/01/2017 to 09/30/2017

(In thousand of reais)

Account code	Account description	Paid-in capital	Capital reserves, Options granted and Treasury stock	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity	Non-controlling interest	Consolidated equity
5.01	Opening balances	3,533,973	(64,462)	1,890,881	102,750	499,732	5,962,874	107,958	6,070,832
5.03	Adjusted opening balances	3,533,973	(64,462)	1,890,881	102,750	499,732	5,962,874	107,958	6,070,832
5.04	Capital transactions with shareholders	-	(4,671)	-	(382,754)	-	(387,425)	(2,901)	(390,326)
5.04.03	Recognized options granted	-	1,740	-	(491)	-	1,249	-	1,249
5.04.04	Acquired treasury shares	-	(8,676)	-	-	-	(8,676)	-	(8,676)
5.04.05	Sold treasury shares	-	4,219	-	-	-	4,219	-	4,219
5.04.06	Dividends	-	-	-	(85,489)	-	(85,489)	-	(85,489)
5.04.07	Interest on equity	-	-	-	(296,774)	-	(296,774)	-	(296,774)
5.04.08	Capital transactions	-	(1,954)	-	-	-	(1,954)	(2,901)	(4,855)
5.05	Total comprehensive income	-	-	-	867,301	59,875	927,176	7,508	934,684
5.05.01	Net income for the period	-	-	-	841,899	-	841,899	2,638	844,537
5.05.02	Other comprehensive income	-	-	-	25,402	59,875	85,277	4,870	90,147
5.05.02.04	Adjustment of translation for the period	-	-	-	-	75,086	75,086	4,870	79,956
5.05.02.06	Hedge accounting - Cash flow	-	-	-	-	10,191	10,191	-	10,191
5.05.02.07	Realization at deemed cost	-	-	-	25,402	(25,402)	-	-	-
5.06	Internal changes in equity	-	-	-	(101,919)	-	(101,919)	-	(101,919)
5.06.04	Dividends paid	-	-	-	(102,750)	-	(102,750)	-	(102,750)
5.06.05	Dividends prescribed	-	-	-	831	-	831	-	831
5.07	Closing balances	3,533,973	(69,133)	1,890,881	485,378	559,607	6,400,706	112,565	6,513,271

Consolidated financial statements / Statement of changes in equity - 01/01/2016 to 09/30/2016

(In thousand of reais)

Account code	Account description	Paid-in capital	Capital reserves, Options granted and Treasury stock	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity	Non-controlling interest	Consolidated equity
5.01	Opening balances	3,533,973	(70,483)	1,299,868	130,554	1,135,468	6,029,380	126,680	6,156,060
5.03	Adjusted opening balances	3,533,973	(70,483)	1,299,868	130,554	1,135,468	6,029,380	126,680	6,156,060
5.04	Capital transactions with shareholders	-	5,609	-	(348,718)	-	(343,109)	(8,613)	(351,722)
5.04.03	Recognized options granted	-	(846)	-	449	-	(397)	-	(397)
5.04.05	Sold Treasury shares	-	6,461	-	-	-	6,461	-	6,461
5.04.06	Dividends	-	-	-	(58,566)	-	(58,566)	(2,276)	(60,842)
5.04.07	Interest on equity	-	-	-	(290,601)	-	(290,601)	(540)	(291,141)
5.04.08	Capital transactions	-	(6)	-	-	-	(6)	(5,797)	(5,803)
5.05	Total comprehensive income	-	-	-	834,062	(538,212)	295,850	(6,683)	289,167
5.05.01	Net income for the period	-	-	-	794,436	-	794,436	9,037	803,473
5.05.02	Other comprehensive income	-	-	-	39,626	(538,212)	(498,586)	(15,720)	(514,306)
5.05.02.04	Adjustment of translation for the period	-	-	-	-	(463,810)	(463,810)	(15,720)	(479,530)
5.05.02.06	Hedge accounting - Cash flow	-	-	-	-	(34,776)	(34,776)	-	(34,776)
5.05.02.08	Realization at deemed cost	-	-	-	39,626	(39,626)	-	-	-
5.06	Internal changes in equity	-	-	-	(130,151)	-	(130,151)	-	(130,151)
5.06.04	Dividends paid	-	-	-	(130,554)	-	(130,554)	-	(130,554)
5.06.05	Dividends prescribed	-	-	-	403	-	403	-	403
5.07	Closing balances	3,533,973	(64,874)	1,299,868	485,747	597,256	5,851,970	111,384	5,963,354

Consolidated financial statements / Statement of value added**(In thousand of reais)**

Account code	Account description	Current period 01/01/2017 to 09/30/2017	Prior period 01/01/2016 to 09/30/2016
7.01	Revenues	7,728,767	7,852,023
7.01.01	Sales of goods, products and services	7,681,001	7,836,318
7.01.02	Other revenues	44,355	8,352
7.01.04	Set up/Reversal of allowance for doubtful accounts	3,411	7,353
7.02	Inputs purchased from third parties	(4,174,135)	(4,416,869)
7.02.02	Materials, electricity, third party services and other	(4,132,204)	(4,401,497)
7.02.03	Loss/recovery of amounts receivable	(41,931)	(15,372)
7.03	Gross value added	3,554,632	3,435,154
7.04	Withholdings	(211,445)	(254,047)
7.04.01	Depreciation, amortization and depletion	(211,445)	(254,047)
7.05	Net value added produced	3,343,187	3,181,107
7.06	Value added received in transfer	615,335	553,983
7.06.02	Financial income	615,335	553,983
7.07	Total value added to be distributed	3,958,522	3,735,090
7.08	Distribution of value added	3,958,522	3,735,090
7.08.01	Personnel	1,623,912	1,580,455
7.08.01.01	Direct compensation	1,398,248	1,366,128
7.08.01.02	Benefits	162,629	154,437
7.08.01.03	Unemployment Compensation Fund (FGTS)	63,035	59,890
7.08.02	Taxes, charges and contributions	912,867	933,473
7.08.02.01	Federal	831,320	856,478
7.08.02.02	State	71,482	67,657
7.08.02.03	Municipal	10,065	9,338
7.08.03	Remuneration of third-party's capital	577,206	417,689
7.08.03.01	Interest	545,268	383,509
7.08.03.02	Rental	31,938	34,180
7.08.04	Equity capital remuneration	844,537	803,473
7.08.04.01	Interest on equity capital	296,774	290,601
7.08.04.02	Dividends	85,489	58,566
7.08.04.03	Retained profit/loss for the period	459,636	445,269
7.08.04.04	Noncontrolling interest in retained profits	2,638	9,037

Comments on performance

THE INDUSTRIAL RECOVERY CYCLE CONTINUES

- **Net Operating Revenues** were **R\$ 2,435.1 million** in **3Q17**, an 8.8% increase from 3Q16 and a 6.8% increase from 2Q17. Adjusted for the CG Power USA acquisition, currently WEG Transformers USA, revenues showed increases of 6.0% over the 3Q16 and of 4.1% over the 2Q17.
- **EBITDA** reached **R\$ 388.4 million** and **EBITDA margin** reached **16.0%**, a 0.9 percentage point increase from 3Q16 and a 0.2 percentage point decrease from 2Q17;
- **Net Income** totaled **R\$ 312.0 million**, a 21.4% increase from 3Q16 and a 14.6% increase from 2Q17. **Net margin** of **12.8%** represented a 1.3 percentage point increase from 3Q16 and a 0.9 percentage point increase from 2Q17;
- **Investments** in capacity expansion and modernization totaled **R\$ 190.8 million until the end of September 2017**, 42% in industrial plants in Brazil and 58% in industrial facilities abroad.

We continue to observe the improvement of Brazil's industrial sector, with a gradual recovery following a prolonged recession. The recovery is still concentrated in short-cycle products, mainly in industries linked to consumption and agribusiness. For long-cycle products, current demand remained below expectations and limited to equipment replacement. Additionally, in GTD (Generation, Transmission, and Distribution) area, deliveries postponement to 2018 in one wind power generation project negatively impacted revenue this quarter and lengthened the 2018 GTD backlog.

In the external market, recovery signs are consistent. We have seen recurrent growth in order intake for short cycle products, mainly in Europe and Asia, and some long cycle product projects in South America, Europe, and Australasia.

We continue to focus on long-term competitiveness via operational adjustments and cost control. Despite the long cycle products performance and the pressure of raw material costs in the short term, we were able to maintain our profitability at the same level as the first half.

Key Figures

Figures in R\$ thousands

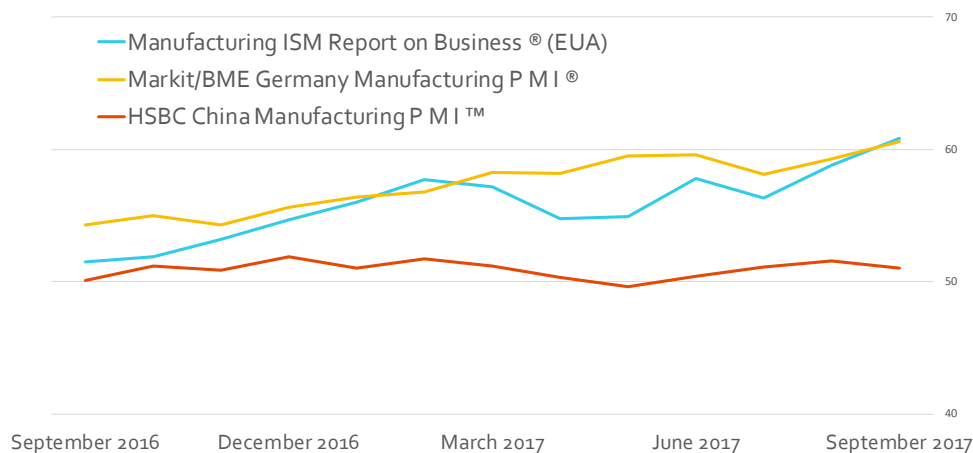
	Q3 2017	Q2 2017	%	Q3 2016	%	09M17	09M16	%
Net Operating Revenue	2,435,085	2,280,769	6.8%	2,238,078	8.8%	6,850,083	6,989,677	-2.0%
Domestic Market	1,008,161	972,614	3.7%	991,101	1.7%	2,971,685	2,933,147	1.3%
External Markets	1,426,924	1,308,155	9.1%	1,246,977	14.4%	3,878,398	4,056,530	-4.4%
External Markets in US\$	451,452	406,346	11.1%	384,016	17.6%	1,221,546	1,142,914	6.9%
Gross Operating Profit	733,227	681,112	7.7%	618,962	18.5%	2,051,691	1,933,383	6.1%
Gross Margin	30.1%	29.9%		27.7%		30.0%	27.7%	
Net Income	312,030	272,166	14.6%	257,043	21.4%	841,899	794,436	6.0%
Net Margin	12.8%	11.9%		11.5%		12.3%	11.4%	
EBITDA	388,446	370,576	4.8%	338,053	14.9%	1,090,017	1,006,335	8.3%
EBITDA Margin	16.0%	16.2%		15.1%		15.9%	14.4%	
EPS	0.19338	0.16869	14.6%	0.15933	21.4%	0.52180	0.49245	6.0%

Economic Activity and Industrial Production

Economic activities in developed economies continued to improve. In the USA, industrial production has advanced, although the supply chain of some sectors has experienced significant increases in raw material costs as a result of recent hurricanes. Job creation, however, remains positive in 2017. In Germany, strong backlog growth has contributed to job creation and expanding growth. On the other hand, the combination of strong demand and supply shortages in some inputs brought pressure on raw material costs. In China, conditions are stable, with modest growth in production and in order intake, as well as higher raw materials costs, which have led to higher inflation.

Comments on performance

	September 2016	December 2016	March 2017	June 2017	September 2017
Manufacturing ISM Report on Business ® (EUA)	51.5	54.7	57.2	57.8	60.8
Markit/BME Germany Manufacturing PMI ®	54.3	55.6	58.3	59.6	60.6
HSBC China Manufacturing PMI ™	50.1	51.9	51.2	50.4	51.0



Industrial Indicators in Brazil According to Large Economic Categories

In Brazil, improvement in operating conditions continues to influence the slow and gradual industrial production evolution by, as reflected in new orders intake and the return of employment growth. In any case, manufacturers continue to maintain low inventories levels due to uncertainties about sustained demand growth, according to IHS Markit data.

Large Economic Categories	Change (%)			
	Aug 17 / Jul 17*	Aug 17 / Aug 16	Accumulated	
			On Year	12 months
Capital Goods	0.5	9.1	4.4	3.1
Intermediary Goods	-1.0	2.0	0.7	-0.6
Consumer Goods	0.3	6.4	2.1	-0.2
Durable Goods	4.1	18.5	11.1	6.7
Semi-durable and non-durable	-0.6	3.5	0.0	-1.7
General Industry	-0.8	4.0	1.5	-0.1

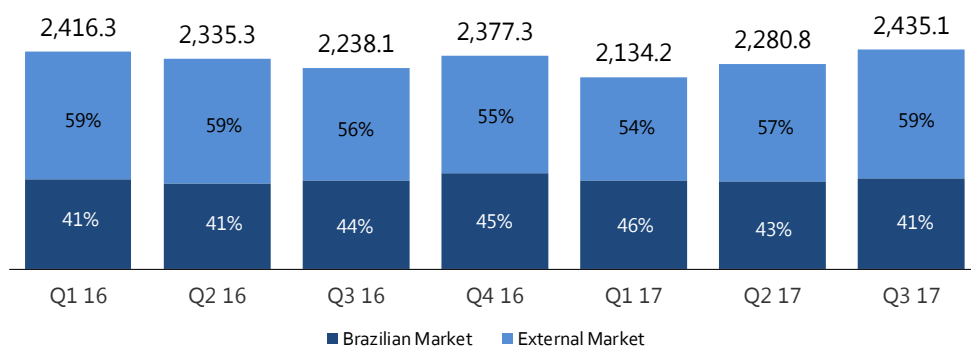
Source: IBGE, Research Office, Industry Coordination

(*) Series with seasonal adjustments

Net Operating Revenues

Domestic market revenue continued to grow compared to the same period last year. The short cycle products drove growth in the Industrial Electro-Electronic Equipment, and the first signs of recovery have been noticed in motors for domestic use. The postponement of deliveries on a GTD project for 2018 prevented an even performance. In the external market, we have noticed clearer recovery signs in both Industrial Equipment, where order intake has been growing consistently year-on-year, and in GTD, where we have started to consolidate the newly acquired transformers business in the USA and had deliveries of generation projects in Latin America and Europe. In this quarter, exchange rate variations were relatively modest, and the revenue growth on external market presented in Dollars was similar to Reais. The average US dollar / Brazilian Real exchange rate went from R\$ 3.25 in 3Q16 to R\$ 3.16 in 3Q17, representing a 2.7% appreciation of the Brazilian currency.

Net Operating Revenues (NOR) reached **R\$ 2,435.1 million** in 3Q17, an 8.8% increase from 3Q16 and a 6.8% increase from 2Q17. Adjusted for WEG Transformers USA acquisition, revenues showed increases of 6.0% over the 3Q16 and increases of 4.1% over the 2Q17.

Comments on performance**Net Operating Revenues by Market**

(Figures in R\$ Million)

Net Operating Revenue in the 3Q17 breakdown by origin as follows:

- Brazilian Market: R\$ 1,008.2 million, representing 41% of Net Operating Revenue, increased by 1.7% when compared to 3Q16 and increased by 3.7% compared to 2Q17;
- External Markets: R\$ 1,426.9 million, equivalent to 59% of Net Operating Revenue. Our selling prices in the different markets are almost always denominated in local currency, according to local competitive conditions. In 3Q17 revenues in external markets were as follows:
 - Measured in Brazilian Reais: a 14.4% increase from 3Q16 and a 9.1% increase from 2Q17. Adjusted for WEG Transformers USA acquisition, revenues showed increases of 9.5% over the 3Q16 and increases of 4.3% over the 2Q17.
 - Measured in the quarterly average US dollar: a 17.6% increase from 3Q16 and an 11.1% increase from 2Q17. Adjusted for WEG Transformers USA acquisition, revenues showed increases of 12.4% over the 3Q16 and increases of 6.3% over the 2Q17.
 - Measured in local currencies, weighted by the revenues in each market: a 17.3% increase from 3Q16.

Evolution of Net Revenue According to Geographic Market

Figures in R\$ thousands

	Q3 2017	Q2 2017	%	Q3 2016	%
Net Operating Revenues	2,435,085	2,280,769	6.8%	2,238,078	8.8%
- Brazilian Market	1,008,161	972,614	3.7%	991,101	1.7%
- External Markets	1,426,924	1,308,155	9.1%	1,246,977	14.4%
- External Markets in US\$	451,452	406,346	11.1%	384,016	17.6%

External Market – Distribution of Net Revenue According to Geographic Market

	Q3 2017	Q2 2017	%	Q3 2016	%
North America	41.5%	42.7%	-1.2 pp	42.3%	-0.8 pp
South and Central America	14.5%	14.1%	0.4 pp	14.3%	0.2 pp
Europe	26.9%	24.5%	2.4 pp	25.5%	1.4 pp
Africa	8.5%	8.5%	0.0 pp	9.8%	-1.3 pp
Australasia	8.6%	10.2%	-1.6 pp	8.1%	0.5 pp

Business Area

Industrial Electro-Electronic Equipment – Global industrial investment continues to show signs of recovery, although it is still focused on installed capacity maintenance. Brownfield or greenfield projects have begun to appear abroad, but still not seen in Brazil yet.

Comments on performance

In Brazil, demand improvement is predominantly in short-cycle products, and small machine manufacturers (OEMs) and industries related to consumption and agribusiness concentrating sales. In addition, some customers, aiming for higher standards of energy efficiency, have focused on substituting older electric motors, while important industries have returned to usual levels of maintenance investment. Another highlight is the market share gains in automation business, where we have taken advantage of the lower industrial demand to develop new products and enter new markets, such as infrastructure. We can provide complete solutions for electrical and automation systems for projects in several segments beyond the industrial.

The demand for customized or larger size products (long-cycle) continues below expectations and is supported by sales for equipment replacement. The resumption of the large projects has not yet materialized, stymying the short-term outlook for the Brazilian market.

Abroad, revenue growth is also driven by short cycle products and countries in Europe and Asia posted significant revenue growth in the quarter. OEM continues to be the main sales channel, but expansion projects and new plant construction, which also demand long-cycle products, begin to appear moderately, mainly in industries linked to consumption or infrastructure.

Energy Generation, Transmission, and Distribution (GTD) – In GTD, quarterly revenues reflect the execution of a backlog built over the previous quarters.

Performance on energy generation has largely depended on wind generation business, where the order backlog is longer. The main reason for the lower GTD revenue in this quarter was the postponement of the delivery to 2018 of an important wind power project originally planned for 2017. However, this postponement should equalize the revenue gap expected to next year, even without any new orders.

For other renewable sources, notably hydro and thermal, the improvement in the order intake continues, mainly linked to thermal generation (biomass) and small hydroelectric generating plants (CGH). This trend is expected to continue in the fourth quarter. However, this should not change dynamics seen so far this year, with few investments in the sector. The Brazilian power sector regulator announced for December 2017 two auctions of new energy, one A-4, and another A-6. Specifically, in the A-4 auction, only renewable energy will be offered, mostly wind and solar, markets in which we have positioned ourselves in recent years. The volumes of the auctions still depend on the demand that the distributors will present in early November, but the number of projects registered for the two auctions was significant. The interest demonstrates the confidence of companies and investors in the power generation market in Brazil. These auctions can bring positive perspectives to the GTD area in the medium and long-term.

Also, we continue to seek opportunities in other markets, focusing our efforts in South America and India.

In Transmission and Distribution (T&D) there is no surplus capacity in the Brazilian system. The auctions held in October 2016 and April 2017 brought positive prospects, with new players taking part in the process, generating reflection in the backlog. This year's result is mainly due to the sale of transformers to distributors and the sale of transformers and substations to the industrial market.

Our competitiveness, supported by the verticalization of production, enables us to take advantage of the best opportunities available in the market and we continue with our expansion plans in the external markets from the units in Mexico, Colombia, South Africa and the United States.

The higher external market revenue is mainly due to the consolidation of new US transformers company, WEG Transformers USA, which impacted revenues for the quarter by R\$ 61.9 million.

Motors for domestic use – Recent indicators confirm the gradual recovery of domestic consumption, driven by the combination of low inflation, lower interest rates, and higher consumer confidence. Added to macro factors, the release of FGTS accounts also contributed to increasing the disposable income of Brazilian families. Domestic market revenue reflected these dynamics and presented the first year-over-year growth in 2017.

In the external market, although market indicators reflect some stability, revenue has dropped relatively significantly, reflecting the strong quarter we had last year due to normal variations in shipment and transport between the manufacturing operations in China and major customers in North America and Europe.

Paints and Varnishes – The performance in the domestic market continues to reflect the industrial and consumer goods markets performances, which are in a gradual recovery process. Despite revenue declines compared to the same quarter last year, this was the third consecutive quarter of revenue growth, reflecting the improvement in some segments, such as agricultural implements and road implements, as well as the normalization of preventive maintenance in important segments such as oil and gas, mining and shipping. The growth in revenues in the external markets reflects our search for new customers, mainly in Latin America, with products already consolidated in Brazil.

Comments on performance

Distribution of Net Revenue per Business Area

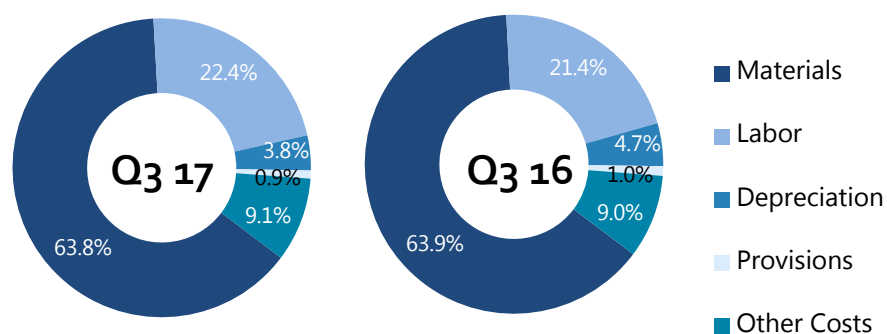
	Q3 2017	Q2 2017		Q3 2016	
Electro-electronic Industrial Equipments	57.0%	57.3%	-0.3 pp	49.8%	7.2 pp
Domestic Market	17.8%	17.8%	0 pp	15.7%	2.1 pp
External Market	39.2%	39.5%	-0.3 pp	34.1%	5.1 pp
Energy Generation , Transmission and Distribut	26.1%	25.3%	0.8 pp	29.6%	-3.5 pp
Domestic Market	14.0%	15.8%	-1.8 pp	18.5%	-4.5 pp
External Market	12.1%	9.5%	2.6 pp	11.1%	1 pp
Electric Motors for Domestic Use	11.8%	12.5%	-0.7 pp	15.2%	-3.4 pp
Domestic Market	5.4%	5.1%	0.3 pp	5.4%	0 pp
External Market	6.4%	7.4%	-1 pp	9.8%	-3.4 pp
Paints and Varnishes	4.7%	4.6%	0.1 pp	5.1%	-0.4 pp
Domestic Market	4.0%	3.9%	0.1 pp	4.5%	-0.5 pp
External Market	0.7%	0.7%	0 pp	0.6%	0.1 pp

Cost of Goods Sold

The Cost of Goods Sold (COGS) totaled R\$ 1,701.9 million in the 3Q17, a 5.1% increase from 3Q16 and a 6.4% increase from 2Q17. Gross margin reached 30.1%, 2.4 percentage points higher than in 3Q16, and 0.2 percentage point higher than the previous quarter.

Margin growth is the result of our efforts to reduce costs and adjust capacity, as well as product and process redesigns, which have resulted in significant productivity gains. Even in a scenario of low revenue growth, these efforts promote the dilution of fixed and manufacturing costs, preserve our skilled workforce and, importantly, and our ability to react to a recovery in demand.

COGS Composition



Steel and copper prices, our most important cost components, continued to trend higher in comparison to 2016. Average copper spot prices at the London Metal Exchange (LME) showed an increase of 12.1% to 2Q17 and an increase of 32.9% to 3Q16. The average steel prices showed an increase of 7.2% to 2Q17 and an increase of 20.3% to 3Q16. These price changes are presented in US dollars and were partially offset by the appreciation of the Brazilian Real in the quarter. Although we use hedging mechanisms for short-term oscillations, recurring increases in the main items of our costs may pressure margins in coming quarters.

Selling, General, and Administrative Expenses

Consolidated selling, general and administrative (SG&A) expenses totaled R\$ 364.2 million in 3Q17, representing an increase of 9.7% over 3Q16 and an increase of 8.4% over 2Q17. Operating expenses represented 15.0% of the net operating revenues, 0.2 percentage point higher than in 3Q16 and 0.3 percentage point higher than in 2Q17.

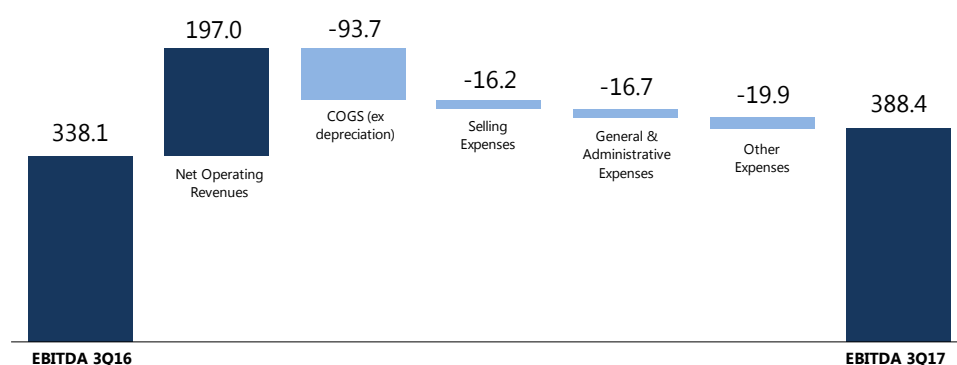
Comments on performance

EBITDA and EBITDA Margin

In the 3Q17, EBITDA totaled R\$ 388.4 million, 14.9% above 3Q16 and 4.8% above 2Q17. EBITDA margin reached 16.0%, 0.9 percentage point higher than in 3Q16 and 0.2 percentage point lower than in 2Q17.

	Q3 2017	Q2 2017	%	Q3 2016	%
Net Operating Revenues	2,435.1	2,280.8	6.8%	2,238.1	8.8%
Net Income before Minorities	312.9	275.1	13.7%	258.0	21.3%
Net Margin	12.8%	12.1%		11.5%	
(+) Income taxes & Contributions	30.2	35.1	-13.9%	62.1	-51.4%
(+/-) Financial income (expenses)	-26.7	-9.9	168.8%	-65.9	-59.4%
(+) Depreciation & Amortization	72.1	70.4	2.5%	83.8	-14.0%
EBITDA	388.4	370.6	4.8%	338.1	14.9%
EBITDA Margin	16.0%	16.2%		15.1%	

Figures in R\$ Million



(Figures in R\$ Million)

Net Financial Results

Net financial results were positive R\$ 26.7 million in 3Q17, compared to positive R\$ 65.9 million in 3Q16 and positive R\$ 9.9 million in 2Q17. The decrease in the financial results when compared to 3Q16 was mainly due to the lower interest rates (CDI) recorded during 3Q17, which had a direct impact on the interest earned on floating rate denominated financial investments. We have access to attractive financing conditions, and our positive net financial result is a direct reflection of our capital structure.

Income Tax

During 3Q17, the provision for “Income Tax and Social Contribution on Net Profit” reached R\$ 48.2 million, compared to R\$ 83.5 million and R\$ 56.7 million in 3Q16 and 2Q17, respectively. Additionally, we recorded R\$ 18.0 million as “Differed Income Tax/Social Contribution” credit in 3Q17, compared to a credit of R\$ 21.4 million in 3Q16 and a credit of R\$ 21.7 million in 2Q17).

Net Income

Third quarter 2017 Net Income reached R\$ 312.0 million, representing growth of 21.4% over 3Q16 and growth of 14.6% over 2Q17. Net margin reached 12.8%, 1.3 percentage point higher than in 3Q16 and 0.9 percentage point higher than the previous quarter.

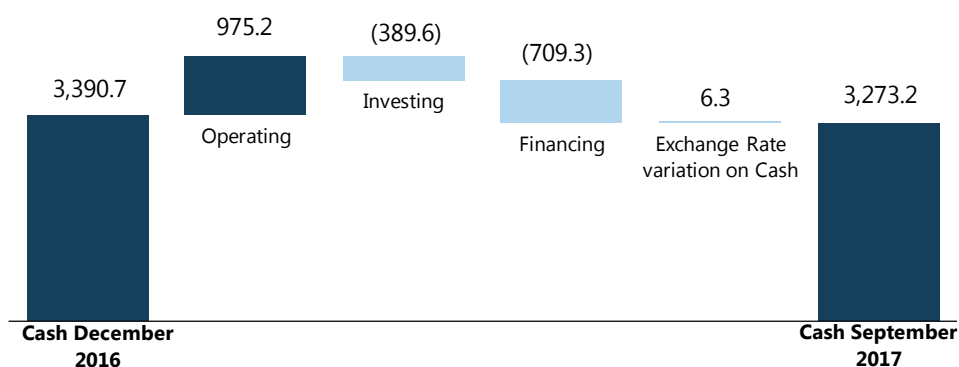
Comments on performance

Cash Flow

Cash generation from operating activities reached R\$ 975.2 million in the nine-month period ended September 2017, a decrease of 38.6% compared to the same period in 2016, resulting from the working capital variation. It is worth mentioning that despite the consumption of working capital in the period, we did not observe any deterioration in operational indicators.

The efforts to maximize returns on invested capital and optimize production capacity by adjusting the speed of disbursements of the CapEx program resulted in a reduction of the pace of cash consumption in investment activities, which reached R\$ 389.6 million in the year.

Regarding financing activities, we issued additional R\$ 640.0 million in new debt, which, when combined with R\$ 508.0 million in amortizations, resulted in a net increase of debt of R\$ 131.9 million. We paid R\$ 284.9 million as interest on loans and R\$ 550.4 million to equity capital providers in the form of dividends and interest on stockholders' equity. The net result was that our financing activities consumed R\$ 709.3 million in the year.



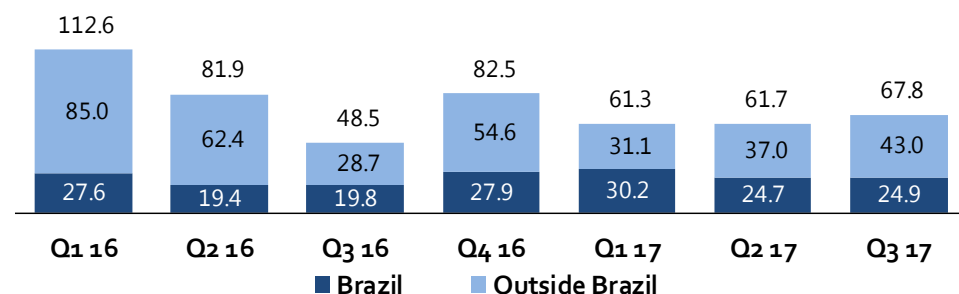
(Figures in R\$ Million)

The previous graph shows the cash and cash equivalent positions classified as current assets, in accordance with Brazilian accounting standards (IFRS). Also, R\$ 1,635.8 million in investments without immediate liquidity (R\$ 1,557.9 million in December 2016).

Investments

Investments in production capacity expansion and modernization, machines and equipment, and software, totaled R\$ 190.8 million in the nine months of 2017, with 58% allocated to industrial plants and other subsidiaries abroad, and 42% for the industrial plants in Brazil.

The new electric motors industrial plants projects in Mexico and China continued to represent the majority of our investments abroad. It is important to emphasize that we continue to pursue our long-term project, even though we have made adjustments in the speed of disbursements in the production capacity expansion in our efforts to maximize return on invested capital. As these investments in capacity increase have a modular characteristic, it is possible, by monitoring of each market, to adjust capacity expansion to the effective demand.



(Figures in R\$ Million)

Expenditures in Research, development, and innovation totaled R\$ 195.3 million in the first nine months of 2017. This amount represents 2.9% of net operating revenue in the year.

Comments on performance**Debt and Cash Position**

On September 30, 2017, cash, cash equivalents and financial investments totaled R\$ 4,909.1 million, invested in first-tier banks and denominated in Brazilian currency. Gross financial debt totaled R\$ 4,472.6 million, with 39% in short-term and 61% in long-term. Net cash equaled R\$ 436.4 million.

	September 2017		December 2016		September 2016	
Cash & Financial instruments	4,909,065		4,948,613		4,915,263	
- Current	4,766,855		4,779,392		4,745,649	
- Long Term	142,210		169,221		169,614	
Debt	4,472,629	100%	4,489,698	100%	4,854,150	100%
- Current	1,760,135	39%	1,028,952	23%	902,503	19%
- In Brazilian Reais	1,051,077		642,413		611,532	
- In other currencies	709,058		386,539		290,971	
- Long Term	2,712,494	61%	3,460,746	77%	3,951,647	81%
- In Brazilian Reais	1,357,194		1,925,350		2,285,319	
- In other currencies	1,355,300		1,535,396		1,666,328	
Net Cash (Debt)	436,436		458,915		61,113	

(Figures in R\$ thousands)

The current characteristics of the debt at the end of September were:

- The total debt duration was 16.7 months, with a duration of 24.0 months for the long-term portion. In December 2016, these durations were 22.6 months and 27.1 months, respectively.
- The weighted average cost in Brazilian Reais denominated debt was approximately 8.8% per year (8.8% per year in December 2016). The post-fixed contracts were indexed mainly to the TJLP.

Dividends

From August 16, 2017, onwards, we started to pay dividends declared during the first half of 2017, as below:

- On March 21, as interest on stockholders' equity (JCP), to the gross amount of R\$ 105.3 million
- On June 27, as interest on stockholders' equity (JCP), to the gross amount of R\$ 97.7 million
- On July 18, as dividends referring to profit recorded in the first half of 2017, to the total amount of R\$ 85.5 million;

Also, On September 26, the Board of Directors approved interest on stockholders' equity (JCP), to the gross amount of R\$ 93.7 million. We will pay this JCP from March 14, 2018, onwards.

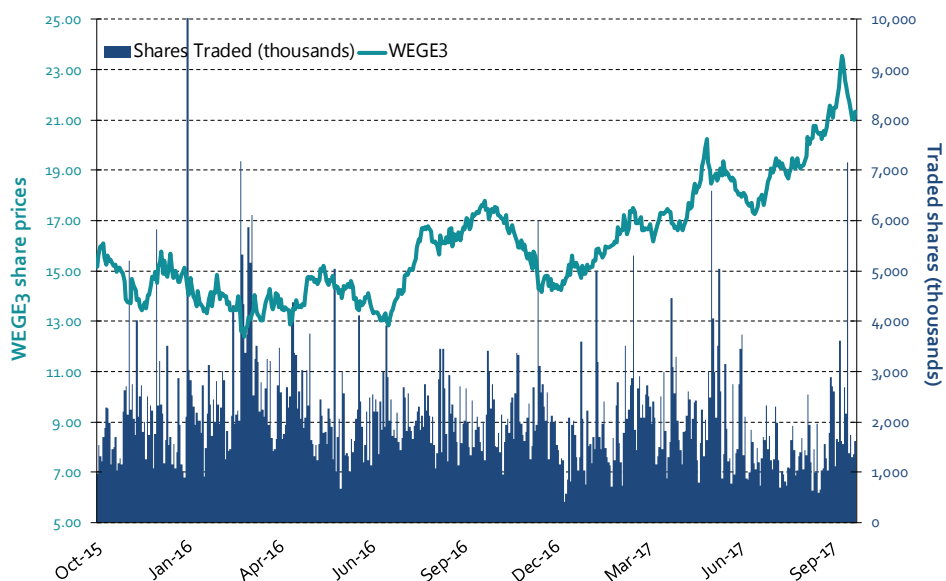
Event	Board Meeting Date	Gross amount per share
Interest on Stockholders' Equity	21/03/2017	0.065294118
Interest on Stockholders' Equity	27/06/2017	0.060588235
Dividends	18/07/2017	0.053003045
Interest on Stockholders' Equity	26/09/2017	0.058117647
Total		0.237003045

Our policy is to declare interest on stockholders' equity on a quarterly basis and to declare dividends based on profit earned on a semi-annual basis and, as such declare six different dividends each year, paid every semester.

WEGE3 Share Performance

WEG's common shares, trading in B3 as WEGE3, ended the last trading session of September 2017 quoted at R\$ 21.40, with a nominal gain of 38.1% in the year. Considering the dividends and interest on stockholders' equity declared in the period, total return in 2017 was 40.0%.

Comments on performance



The average daily traded volume in 3Q17 was R\$ 32.4 million (R\$ 32.8 million in 3Q16). Throughout the quarter, 391,345 stock trades were carried out (521,061 stock trades in 3Q16), involving 101.2 million shares (134.7 million in 3Q16) and moving R\$ 2,074.9 million (R\$ 2,129.8 million in 3Q16).

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)



1 Company information

WEG S.A. ("Company") is a publicly-held limited liability corporation headquartered at Avenida Prefeito Waldemar Grubba, 3300, in Jaraguá do Sul - SC, Brazil, holding company comprising the WEG Group ("Group"), whose main activity is the production and trade of capital goods such as electric motors, generators and transformers; gear units and geared motors; frequency converters; motor starters and maneuver devices (circuit breakers); control and protection of electric circuits and industrial automation; electric traction solutions (land and sea); solutions for the generation of renewable and distributed energy, exploring all opportunities in small hydro, thermal biomass, wind and solar energy powerplants; no-breaks and alternators for groups of generators; electric substations; industrial electrical and electronic equipment systems; and industrial paint & varnish. The operations are performed through manufacturing facilities located in Brazil, Argentina, Colombia, Mexico, United States, Portugal, Spain, Austria, Germany, South Africa, India, and China.

The Company has shares traded on BM&F Bovespa under the code "WEGE3" and has been listed since June 2007 in the special segment of corporate governance called Novo Mercado.

The Company has American Depositary Receipts (ADRs) - Level 1 that are traded on the over-the-counter (OTC) market in the United States under the symbol "WEGZY".

2 Basis of preparation and statement of compliance

The company's interim financial statements, contained in the interim financial statements report as of September 30, 2017, comprise the individual and consolidated interim financial statements elaborated according to CPC 21 – Interim Financial Statements and IAS 34 – Interim Financial Reporting, issued by the IASB – International Accounting Standard Board and presented in accordance with the Brazilian Securities and Exchange Commission ("CVM") laws related to Interim Financial Statements.

The financial statements have been prepared on the historical cost basis, except for the assessment at fair value of certain assets and liabilities and adjusted, when required by the standard.

The individual and consolidated Interim Financial Statements for the period ending September 30, 2017 were authorized to be issued at the executive board's meeting held on October 16, 2017.

The accounting policies, basis of consolidation and methods of calculation adopted in the preparation of the interim financial information, as well the estimates and judgments used in applying the accounting policies are the same practiced in preparing the financial statements for the year ended December 31, 2016.

3 Accounting estimates

The interim financial statements include the use of estimates that took into consideration the Management's assessments and judgments, past and current event experiences, assumptions related to future events and other objective and subjective factors. The significant items subject to those estimates are:

- a) credit risk analysis for the determination of the allowance for doubtful accounts;
- b) review of the economic useful life of property, plant and equipment, and its recovery in operations;
- c) fair value measurement of financial instruments;
- d) commitments to employee benefit plan;
- e) transactions with stock call option plan;
- f) deferred income and social contribution taxes; and
- g) provisions for contingencies.

The settlement of transactions involving those estimates may lead to amounts different from those recorded in the interim financial statements due to the inaccuracies inherent in the estimate process. The aforementioned estimates and assumptions are periodically reviewed.

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)



4 Cash and cash equivalents

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
a) Cash and banks	35	18	200,829	223,267
b) Interest-earning bank deposits	793,600	748,367	3,072,410	3,167,395
In local currency:	793,600	748,367	3,027,895	3,091,597
Bank Deposit Certificate (CDB), Repurchase Operation	793,600	748,367	3,027,895	3,091,597
In foreign currency:	-	-	44,515	75,798
Certificates of Deposits Abroad	-	-	40,268	61,204
Other investments abroad	-	-	4,247	14,594
TOTAL	793,635	748,385	3,273,239	3,390,662

Investments in Brazil:

Are remunerated at rates ranging between of 99.0% and 103.5% of CDI (100.0% and 105.0% of CDI at December 31, 2016).

Investments abroad:

	Interest rate	Amounts in the original currency	CONSOLIDATED	
			09/30/17	12/31/16
In US Dollars	0.10% to 2.00% p.a.	2,356	7,680	29,450
In Argentine Pesos	23.97% p.a.	986	213	8,046
In Mexican Pesos	5.68% p.a.	23,254	4,056	3,057
In Indian Rupies	5.35% to 6.25% p.a.	583,100	28,319	20,651
In other currencies	0.05% to 6.25% p.a.	Diversos	4,247	14,594
TOTAL			44,515	75,798

5 Financial investments

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
Bank Deposit Certificate(CDB) and Repurchase Operations	425,068	395,822	1,484,343	1,373,287
TOTAL	425,068	395,822	1,484,343	1,373,287

Financial investments are remunerated at rates ranging between 15.9% to 16.5% p.a. (14.8% to 16.4% p.a. at December 31, 2016).

6 Trade receivables

	CONSOLIDATED	
	09/30/17	12/31/16
a) Breakdown of balances:		
Domestic market	1,049,356	1,177,642
External markets	1,230,517	1,124,283
SUBTOTAL	2,279,873	2,301,925
Allowance for doubtful accounts	(46,592)	(50,003)
TOTAL	2,233,281	2,251,922
b) Effective losses on doubtful accounts for the period	10,234	13,333
c) Maturity of trade notes:		
Due	2,025,775	2,023,087
Overdue:	254,098	278,838
Until 30 days	118,584	113,225
From 31 to 90 days	51,978	62,460
From 91 to 180 days	26,725	31,205
Above 180 days	56,811	71,948
TOTAL	2,279,873	2,301,925

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)



The movement of the allowance for doubtful accounts is shown as follows:

Balance at 01/01/2016	(55,899)
Losses written off during the year	13,333
Recording of provision for the year	(20,206)
Reversal of provision for the year	12,769
Balance at 12/31/2016	(50,003)
Losses written off during the period	10,234
Recording of provision for the period	(21,687)
Reversal of provision for the period	14,864
Balance at 09/30/2017	(46,592)

7 Inventories

	CONSOLIDATED	
	09/30/17	12/31/16
Finished goods	321,605	268,469
Work in progress	258,972	222,270
Raw materials and other	281,139	275,085
Imports in progress	60,900	35,533
Provision for slow-moving inventory losses	(20,802)	(13,991)
Total inventories - domestic market	901,814	787,366
Finished goods	564,718	504,031
Work in progress	200,795	149,657
Raw materials and other	240,492	200,267
Provision for slow-moving inventory losses	(71,082)	(66,266)
Total inventories - external markets	934,923	787,689
GRAND TOTAL	1,836,737	1,575,055

The movement of the provision for slow-moving inventory losses is shown as follows:

Balance at 01/01/2016	(87,828)
Recording of provision for the year	(13,541)
Reversal of provision for the year	21,112
Balance at 12/31/2016	(80,257)
Recording of provision for the period	(30,514)
Reversal of provision for the period	18,887
Balance at 09/30/2017	(91,884)

Inventories are insured and their coverage is determined considering the values and level of risk involved. The recording and reversal of provisions for slow-moving inventory losses are recorded in the costs of goods sold.

8 Recoverable taxes

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
State VAT (ICMS) on PP&E acquisitions	-	-	17,633	21,256
IVA from foreign subsidiaries	-	-	85,070	80,785
ICMS	-	-	43,875	22,083
IPI	-	-	68,149	23,112
IRPJ/CSLL recoverable	20,171	19,952	84,707	87,184
PIS/COFINS	-	-	54,158	38,099
REINTEGRA	-	-	16,702	1,770
Other	-	-	5,626	5,633
TOTAL	20,171	19,952	375,920	279,922
Current assets	20,171	19,952	367,578	269,626
Non-current assets	-	-	8,342	10,296

Credits will be realized by the Company and its subsidiaries through regular tax collection, also including tax credits subject to refund and/or offsetting.

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
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9 Related parties

The Company performed business transactions of purchase and sale of products, raw materials and contracting of services as well as financial transactions of loans, raising of funds among Group companies, which are eliminated in the consolidation, and Management fees.

Amount of existing balances:

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
EQUITY ACCOUNTS				
Non-current assets	10	24	-	-
Management of financial resources				
WEG Equipamentos Elétricos S.A.	10	24	-	-
Current liabilities	810	427	12,697	7,703
Contracts with Management	-	-	5,983	5,076
Profit sharing of the Management	810	427	6,714	2,627

	COMPANY		CONSOLIDATED	
	09/30/17	09/30/16	09/30/17	09/30/16
INCOME ACCOUNTS				
Management compensation:				
a) Fixed (fees)	1,737	1,703	17,618	16,973
Board of Directors	825	828	1,650	1,655
The Executive Board	912	875	15,968	15,318
b) Variable (profit sharing)	1,606	501	13,240	3,014
Board of Directors	763	238	1,525	477
The Executive Board	843	263	11,715	2,537

Supplementary Information:

a) Business transactions

The purchase and sale transactions regarding inputs and goods are performed under the same conditions performed with unrelated third parties;

b) Management of financial resources

The financial and commercial operations performed between the Group companies are recorded and supported by the Group's convention. The credit/debit contracts executed with the Management are remunerated by interest between 95% and 100% of the CDI variation;

c) Services rendered and other covenants

WEG Equipamentos Elétricos S.A, executed an agreement for "Guarantees and Other Covenants" with Hidráulica Industrial S.A, Ind, e Com. (HISA), for WEG to be the guarantor in loans and provide guarantee to customers (Performance Bond, guarantee insurance, etc.);

d) Sureties and guarantees

WEG SA has sureties and guarantees to subsidiaries abroad, in the amount of US\$ 36.0 million (US\$ 70.8 million at December 31, 2016);

e) Rent Revenue

WEG Equipamentos Elétricos S.A. has lease contracts for machines and equipment with WEG Linhares Equipamentos Elétricos S.A. (lessee), and in 2017 the amount paid was R\$ 8,033 (R\$ 8,033 as of September 30, 2016), and a property lease contract with WEG Drives & Controls - Automação Ltda (lessee), and in 2017 the amount paid was R\$ 630 (R\$ 507 as of September 30, 2016).

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)



f) Management's compensation

The Board of Directors members were paid the amount of R\$ 1,650 (R\$ 1,655 as of September 30, 2016) and the Executive Board was paid the amount of R\$ 15,968 (R\$ 15,318 as of September 30, 2016), for their services, aggregating the total of R\$ 17,618 (R\$ 16,973 at September 30, 2016).

It is expected the participation of 0% to 2.5% of consolidated net income to be paid to management provided the minimum operating performance goals are met. The performance goals refer to Return on Capital Investment (75% weight) and net operating revenue growth (25% weight). The corresponding provision is recorded for the period in the amount of R\$ 13,240 (R\$ 3,014 as of September 30, 2016), under the caption other operating income. Management receives corporate benefits common to their function.

10 Deferred taxes

Income and social contribution deferred tax credits and debts were determined in accordance with the CVM Resolution 599/09 that approved the technical pronouncement CPC 32 - Taxes on income.

a) Breakdown of amounts:

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
Corporate income tax (IRPJ) losses	374	-	89,693	74,181
Negative basis of CSLL calculation	151	-	15,060	12,018
Temporary differences:				
Provisions:				
Labor and civil contingencies	-	-	87,599	75,848
Taxes questioned in court	1,838	1,612	47,619	37,184
Losses on trade receivables	-	-	9,793	8,169
Losses on slow-moving inventories	-	-	13,053	11,840
Labor severance pay and contract termination fines	-	-	17,596	18,293
Freight and sales commissions	-	-	9,256	8,328
Third-party services	-	-	62,305	60,166
Employee profit sharing	-	-	26,717	37,961
Unrealized gains from derivatives	-	-	(25,263)	(30,168)
Derivatives - Hedge Accounting	-	-	8,633	13,882
Acceleration depreciation incentive	-	-	(8,051)	(7,450)
Amortization difference between tax and accounting goodwill	-	-	(30,650)	(29,054)
Depreciation difference between tax and accounting goodwill (useful life)	(15)	(15)	(158,723)	(149,343)
Other	1,059	654	43,516	41,139
PP&E Deemed costs	(1,408)	(1,440)	(198,040)	(211,906)
TOTAL	1,999	811	10,113	(28,912)
Non-current assets	1,999	811	147,137	130,291
Non-current liabilities	-	-	(137,024)	(159,203)

b) Estimated realization term

Management considers that the deferred assets resulting from temporary differences will be realized in proportion to the realization of contingencies, losses and forecast obligations.

In relation to deferred tax credits calculated on income and social contribution tax losses and negative basis of social contribution, management estimates that they will be realized within the next 5 years, taking into consideration the projection of future profits.

11 Investments

11.1 Investments in subsidiaries

	Country	Equity	Period Result	Investment in Capital (%)				Equity Method		Investment Book Value		
				09/30/17		12/31/16		09/30/17	09/30/16	09/30/17	12/31/16	
				Direct	Indirect	Direct	Indirect					
WEG Equipamentos Elétricos S.A(*)	Brazil	4,382,236	690,845	100.00	-	100.00	-	693,671	629,319	4,382,236	4,082,588	
RF Reflorestadora Ltda.		161,179	2,182	100.00	-	100.00	-	2,188	2,452	161,179	161,877	
WEG Tintas Ltda.		18,662	20,707	99.91	0.09	99.91	0.09	20,689	27,328	18,644	148,261	
WEG Amazônia S.A.		55,595	9,086	0.02	99.98	0.02	99.98	1	-	9	8	
WEG Administradora de Bens Ltda.		16,899	4,563	79.97	20.03	79.97	20.03	3,650	4,667	13,515	52,520	
WEG Logística Ltda.		144,241	11,543	-	100.00	-	100.00	-	-	-	-	-
WEG Linhares Equip. Elétricos S.A.		315,881	64,119	-	100.00	-	100.00	-	-	1	1	

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)



WEG Drives & Controls Aut. Ltda.		466,194	62,557	100.00	-	89.20	10.80	59,210	50,928	466,194	407,436
WEG Partner Aerogeradores S.A.		8	(1)	0.10	99.90	0.10	99.90	-	-	-	-
WEG-Cestari Redut. Motorredu. S.A.		37,401	1,288	-	50.00	-	50.00	-	-	-	-
Hidráulica Indl. S.A. Ind. e Com.		48,158	(22,767)	-	89.61	-	62.39	-	-	-	-
Agro Trafo Adm. de Bens S.A.		8,502	509	91.75	8.25	91.75	8.25	467	(731)	7,801	7,323
Paumar S/A Indústria e Comércio		348,357	1,709	38.87	61.13	-	100.00	376	-	135,407	-
WEG-Jelec Oil and Gas Sol. Aut. Ltda.		10	-	-	100.00	-	100.00	-	-	-	-
Transformadores do Nordeste Ltda.		16,775	(386)	0.01	99.99	0.01	99.99	-	-	-	-
Zest WEG Group Africa (PTY) Ltd.		199,692	(3,202)	-	100.00	-	100.00	-	-	-	-
Zest Energy (Pty) Ltd.		8,812	1,169	-	76.09	-	76.09	-	-	-	-
Zest WEG Manufacturing (Pty) Ltd.		(14,077)	(11,733)	-	100.00	-	100.00	-	-	-	-
Zest WEG Electric (Pty) Ltd.		64,997	12,629	-	74.80	-	74.90	-	-	-	-
Electric/Instrumentations Eng. Cont.(Pty)	South Africa	12,155	(286)	-	86.67	-	86.67	-	-	-	-
Zest WEG Group Namibia Limited		1,718	87	-	100.00	-	100.00	-	-	-	-
ZEST WEG Investment Company (Pty) Ltd.		65,065	362	-	64.70	-	-	-	-	-	-
WEG (Germany) GmbH		33,593	(2,077)	-	100.00	-	100.00	-	-	-	-
Watt Drive GmbH		4,074	(64)	-	100.00	-	100.00	-	-	-	-
Wurtembergische Elektromotoren GmbH	Germany	11,794	582	-	100.00	-	100.00	-	-	-	-
Antriebstechnik KATT Hessen GmbH		1,816	(1,880)	-	100.00	-	100.00	-	-	-	-
WEG Equipamientos Electricos S.A.	Argentina	80,143	15,037	10.45	89.55	10.45	89.55	1,761	2,293	8,429	7,843
Pulverlux S.A.		7,427	1,481	-	100.00	-	100.00	-	-	-	-
WEG Austrália Pty Ltd.	Australia	7,469	(675)	-	100.00	-	100.00	-	-	-	-
Watt Drive Antriebstechnik GmbH		20,261	1,098	-	100.00	-	100.00	-	-	-	-
WEG International Trade GmbH	Áustria	322,029	278,470	-	100.00	-	100.00	-	-	-	-
WEG Holding GmbH		2,021,686	297,122	-	100.00	-	100.00	-	-	-	-
WEG Benelux S.A.	Belgium	41,624	4,237	-	100.00	-	100.00	-	-	-	-
WEG Chile S.A.	Chile	33,161	(3)	8.00	92.00	8.00	92.00	2	(118)	2,648	2,592
WEG (Nantong) Electric Motor Co., Ltd.		165,288	4,515	-	100.00	-	100.00	-	-	-	-
Changzhou Machine Master Co., Ltd.		39,547	442	-	100.00	-	100.00	-	-	-	-
Changzhou Master Machinery Co., Ltd.		(915)	744	-	100.00	-	100.00	-	-	-	-
Changzhou Sinya Electromotor Co., Ltd.		25,471	(5,982)	-	100.00	-	100.00	-	-	-	-
Changzhou Yatong Jiewei Elect., Ltd.	China	21,235	(9,634)	-	100.00	-	100.00	-	-	-	-
Wuxi Ecovi Technology Co., Ltd.		7,620	2,443	-	100.00	-	100.00	-	-	-	-
Jiangsu Shiya Elect. Technolog. Co.,Ltd.		11,347	(602)	-	100.00	-	100.00	-	-	-	-
The First Drive Technology Co., Ltd.		13,106	(1)	-	100.00	-	100.00	-	-	-	-
WEG (Jiangsu) Electric Equip. Co., Ltd.		145,269	4,027	-	100.00	-	100.00	-	-	-	-
WEG Singapore Pte. Ltd.	Singapore	814	(2,544)	-	100.00	-	100.00	-	-	-	-
WEG Colômbia S.A.S.		63,631	22	-	100.00	-	100.00	-	-	-	-
FTC Energy Group S.A.	Colombia	3,662	(843)	-	100.00	-	51.00	-	-	-	-
WEG Transformadores Colômbia S.A.S.		12,012	176	-	100.00	-	100.00	-	-	-	-
WEG Middle East Fze.	Arab Emirates	(8,867)	(2,061)	-	100.00	-	100.00	-	-	-	-
WEG Ibéria Industrial S.L.		56,015	2,574	-	100.00	-	100.00	-	-	-	-
Autral S.L.	Spain	(7,390)	(1,669)	-	51.00	-	51.00	-	-	-	-
WEG Electric Corp.		437,593	5,440	-	100.00	-	100.00	-	-	-	-
Electric Machinery Company Inc.		28,448	1,973	-	100.00	-	100.00	-	-	-	-
FTC Energy Group Inc.		551	265	-	100.00	-	51.00	-	-	-	-
Bluffton Motor Works, LLC.	United States	254,876	3,226	-	100.00	-	100.00	-	-	-	-
WEG Transformers USA LLC		114,023	(3,247)	-	100.00	-	-	-	-	-	-
WEG Investment North America Inc		115,512	-	-	100.00	-	-	-	-	-	-
WEG France SAS	France	25,243	(88)	-	100.00	-	100.00	-	-	-	-
Zest Electric Ghana Ltd.	Ghana	190	597	-	100.00	-	100.00	-	-	-	-
E & I Electrical Ghana Ltd.		(1,165)	(619)	-	90.00	-	90.00	-	-	-	-
WEG Industries Índia Private Ltd.	Índia	177,783	6,336	-	100.00	-	100.00	-	-	-	-
WEG Electric (Índia) Private Ltd.		-	-	-	-	-	100.00	-	(8)	-	-
WEG (UK) Ltd.	England	10,142	(7,216)	-	100.00	-	100.00	-	-	-	-
WEG Itália S.R.L.	Italy	26,364	1,022	-	100.00	-	100.00	-	-	-	-
WEG Electric Motors Japan Co. Ltd.	Japan	580	(1,604)	-	95.00	-	95.00	-	-	-	-
WEG South East Asia SDN BHD	Malaysia	908	(212)	-	100.00	-	100.00	-	-	-	-
WEG México S.A. de C.V.		215,538	5,663	-	100.00	-	100.00	-	-	1	1
WEG Transform. México S.A. de C.V.	Mexico	59,551	1,228	-	60.00	-	60.00	-	-	-	-
Voltran S.A. de C.V.		78,757	1,613	-	60.00	-	60.00	-	-	-	-
ENI Eletcrica Mozambique(Pty) Limited	Mozambique	11	-	-	66.67	-	66.67	-	-	-	-

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Zest WEG Group Mozambique, Lda		691	759	-	97.48	-	-	-	-	-	-
WEG Peru S.A.	Peru	4,328	1,014	0.05	99.95	0.05	99.95	1	-	2	2
WEG Euro Ind. Electrica S.A.	Portugal	83,642	7,314	-	100.00	-	100.00	-	400	-	-
WEG Electric CIS	Russia	6,736	1,695	-	100.00	-	100.00	-	-	-	-
WEG Scandinavia AB	Switzerland	10,384	(2,163)	-	100.00	-	100.00	-	-	-	-
ENI Eleccrical Tanzania (Pty) Limited	Tanzania	569	208	-	100.00	-	100.00	-	-	-	-
WEG Indústrias Venezuela C.A.	Venezuela	1,507	(13,294)	-	100.00	-	100.00	-	-	-	-
E & I Zambia Ltd.	Zambia	(53)	247	-	50.00	-	50.00	-	-	-	-
TOTAL								782,016	716,530	5,196,066	4,870,452

The consolidated interim financial statements of the company include the company financial statements of WEG S.A. and all of its subsidiaries. The subsidiaries are fully consolidated as from the date on which the control is obtained. The company does not hold companies which are not part of the consolidated interim financial statements.

11.2 Acquisitions in 2016 - Does not integrate the financial statements as of September 30, 2017

TGM Indústria e Comércio de Turbinas e Transmissões Ltda.

In December 15, 2016, the company disclosed the signature of agreement on the purchase of the control of TGM Indústria e Comércio de Turbinas e Transmissões Ltda. ("TGM"), responsible for manufacturing turbines and gearboxes. The acquisition isn't part of the September 30, 2017 Interim Financial Statements due to the waiting of the approval by CADE - Conselho Administrativo de Defesa Econômica (Administrative Council for Economic Defense).

11.3 Acquisitions in 2017

(i) FTC Energy Group S.A.

In March 2017, the subsidiary WEG Colômbia S.A.S. acquired the remaining 49% participation of FTC Energy Group S.A.. The goodwill of R\$ 1,997 was measured as being the exceeding of the counterpart transferred in relation to the net assets acquired, and recognized in the equity as a Capital Transaction.

(ii) CG Power USA Inc.

In August 2017, the subsidiary WEG Electric Corp. acquired the company CG Power USA Inc., a manufacturer of transformers in the United States. The goodwill of R\$ 23,343 was initially measured as being exceeding amount in the compensation transferred in relation to the net assets acquired. Included in the consolidated balance sheet as of August, 2017.

11.4 Societary events in 2017

(i) Zest WEG Investment Company (Pty) Ltd.

In August 2017, the company Zest WEG Investment Company (Pty) Ltd. Was set up in South Africa. The company Zest WEG Group Africa (PTY) Ltd. controls 64.7% of the shares. The objective of this restructuring is to adjust the supply criteria for the companies with headquarter in the country, according to the South African government's regulation.

(ii) WEG Investment North America Inc.

In August 2017, the company WEG Investment North America Inc. was set up in the United States. The company WEG Electric Corp. controls 100% of the shares through the integralization of 98.9% of the investment from WEG Transformer's USA LLC. (CG Power USA Inc.).

(iii) Electric Machinery Holding Company

In August 2017, the subsidiary WEG Equipamentos Elétricos S.A. performed the return of 100% of the investment in Electric Machinery Holding Company through incorporation, with the objective of reducing the societary structure.

(iv) Paumar S/A Indústria e Comércio

In September 2017 there was a parcial split related to the fabrication of paints, vernishes, lacquers, among others of WEG Tintas Ltda. and, as a result, the incorporation of the splitted part in Paumar S/A Indústria e Comércio. The objective of this restructuring is to better the management of the industrialization and commercialization processes, as well as to concentrate the activities related to paint and vernishes products and services in one company.

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12 Property, plant and equipment

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
Land	1,440	1,440	376,955	367,566
Constructions and Facilities	5,639	5,639	1,295,730	1,184,070
Equipment	-	-	3,753,550	3,574,527
Furniture and fixtures	-	-	133,342	121,552
Hardware	-	-	112,562	103,962
Construction in progress	-	-	177,249	137,860
Reforestation	-	-	56,114	55,050
Other	-	-	122,004	125,418
Total property, plant and equipment	7,079	7,079	6,027,506	5,670,005
Accumulated depreciation/depletion		(2,665)	(2,898,454)	(2,637,289)
Annual depreciation rate (%)		(2,600)		(2,637,289)
Constructions and facilities		(2,665)	(364,816)	(313,935)
Equipment		-	(2,302,210)	(2,125,086)
Furniture and fixtures		-	(89,718)	(75,093)
Hardware		-	(90,206)	(81,214)
Reforestation		-	(22,583)	(19,457)
Other		-	(28,921)	(22,504)
TOTAL NET PP&E		4,414	3,129,052	3,032,716

a) Summary of changes in property, plant and equipment - consolidated:

PP&E Classification	12/31/16	Transfer between classes	Acquisitions	Write-offs	Depreciation and depletion	Foreign Exchange effect	09/30/17
Land	367,566	66	4,230	(929)	-	6,022	376,955
Constructions and facilities	870,135	36,393	39,816	(881)	(24,182)	9,633	930,914
Equipment	1,449,441	52,009	92,839	(10,221)	(149,085)	16,357	1,451,340
Furniture and fixtures	46,459	1,290	2,836	(558)	(7,060)	657	43,624
Hardware	22,748	(60)	5,807	(168)	(6,188)	217	22,356
Construction in progress	137,860	(89,195)	121,702	-	-	6,882	177,249
Reforestation	35,593	-	1,065	-	(3,127)	-	33,531
Advances to suppliers	87,376	(377)	(18,505)	-	-	8,776	77,270
Other	15,538	(346)	3,970	(676)	(2,802)	129	15,813
TOTAL	3,032,716	(220)	253,760	(13,433)	(192,444)	48,673	3,129,052

b) Amounts offered in guarantee - PP&E items were provided as collateral for loans, financing, labor claims and tax suits in the consolidated amount of R\$ 27,921 (R\$ 25,940 as of December 31, 2016).

c) PP&E useful life review - The company reviewed the useful life of Brazil's companies PP&Es, considering its use conditions, conservation status and maintenance and operation conditions, in accordance with current rules.

The review was adopted from January 2017 onwards and resulted in an useful life increase of PP&E. The effect of this review decreased the depreciation expenses until September 2017 in the approximate amount of R\$ 45 millions, having a R\$ 60 millions reduction being estimated in 2017.

The useful life review doesn't impact tax depreciation due to being in accordance with the rates established by tax law.

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13 Intangible - consolidated

	Amortization / No. of years	Cost	Accumulated amortization	09/30/17	12/31/16
Software license	5	125,060	(90,694)	34,366	37,821
Right to use property	50 - 99	66,332	(18,892)	47,440	47,582
Brands and patents	5	34,402	(8,740)	25,662	23,557
Other	5	235,032	(189,988)	45,044	52,240
Subtotal		460,826	(308,314)	152,512	161,200
Goodwill - Acquisition of subsidiaries	-	830,598	(21,353)	809,245	790,326
TOTAL		1,291,424	(329,667)	961,757	951,526

a) Summary of changes in intangible assets:

	12/31/16	Additions	Write-offs	Transfer	Amortization	Foreign Exchange effect	09/30/17
Software license	37,821	5,967	-	220	(9,272)	(370)	34,366
Right to use property	47,582	917	(1,209)	-	(488)	638	47,440
Brands and Patents	23,557	4,947	-	-	-	(2,842)	25,662
Other	52,240	369	-	-	(9,241)	1,676	45,044
Subtotal	161,200	12,200	(1,209)	220	(19,001)	(898)	152,512
Goodwill - Acquisition of subsidiaries	790,326	23,343	-	-	-	(4,424)	809,245
TOTAL	951,526	35,543	(1,209)	220	(19,001)	(5,322)	961,757

b) Goodwill generated by acquisition of subsidiaries

	09/30/17	12/31/16
Electric Machinery Company Inc.	159,732	159,732
Bluffton Motor Works, LLC.	129,334	133,067
Zest WEG Group Africa (PTY) Ltd.	71,992	71,992
Trafo Equipamentos Elétricos S.A. (Incorporated)	62,827	62,827
WEG-Cestari Redutores e Motorreductores S.A.	48,139	48,139
WEG Transformadores Colômbia S.A.S.	45,973	46,491
Changzhou Sinya Electromotor Co., Ltd.	46,107	46,107
Watt Drive Antriebstechnik GmbH	42,985	42,985
Other	202,156	178,986
TOTAL	809,245	790,326

c) Amortization schedule of intangible assets (except goodwill):

	09/30/17	12/31/16
2017	7,194	41,509
2018	25,686	23,496
2019	20,280	17,855
2020	13,368	11,429
2021	6,133	5,511
2022 onwards	79,851	61,400
TOTAL	152,512	161,200

14 Suppliers

	CONSOLIDATED	
	09/30/17	12/31/16
Balance composition:		
Domestic Market	239,717	240,115
External Markets	429,111	322,736
TOTAL	668,828	562,851

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15 Loans and financing

Direct loans from BNDES and FINEP are guaranteed by the parent company WEG S.A.'s sureties. FINAME operations are guaranteed by sureties and collateral.

All covenant clauses related to indicators of capitalization, current liquidity and the relation between net debt/Ebitda included in the contracts entered into with BNDES are being met.

Modality	Annual charges at 09/30/17	CONSOLIDATED	
		09/30/17	12/31/16
LOCAL CURRENCY			
CURRENT		1,051,077	642,413
In Reais, prefixed rate			
Working capital	3.5% to 11.0% p.a.	454,251	576,770
Property, plant and equipment	2.5% to 8.7% p.a.	5,769	6,686
In Reais, floating rate			
Working capital	TJLP (+) 1.4% to 2.5% p.a.	570,468	44,863
Working capital	UFIR (+) 1.0% to 4.0% p.a.	17,896	11,084
Other			
Other	Sundry	2,693	3,010
		1,357,194	1,887,571
NON CURRENT			
In Reais, prefixed rate			
Working capital	3.5% to 11.0% p.a.	946,843	1,053,765
Property, plant and equipment	2.5% to 8.7% p.a.	12,279	16,405
In Reais, floating rate			
Working capital	TJLP (+) 1.4% to 2.5% p.a.	391,052	798,017
Working capital	UFIR (+) 1.0% to 4.0% p.a.	2,845	13,671
Other			
Other	Sundry	4,175	5,713
		689,145	349,020
FOREIGN CURRENCY			
CURRENT			
In US Dollar			
Working Capital (ACCs)	US\$ Variation (+) 3.0% p.a.	4,882	-
Exportation Pre Payment (PPE)	US\$ Variation (+) Libor (+) 1.0% to 1.5% p.a.	384,927	127,276
In US Dollar			
Working capital	Libor (+) 0.7% to 1.5% p.a.	171,496	68,349
In Euros			
Working capital	Euribor (+) 0.9% to 3.9% p.a.	13,486	2,831
In Mexican Pesos			
Working capital	TIIE + 1.1% to 1.5% p.a.	3,725	82,797
In Rande (South America)			
Working Capital	8.4% p.a.	62,734	29,028
In Colombian Pesos			
Working capital	8.1% to 12.1% p.a.	37,325	5,186
Other currencies			
Working capital	Local market rates	10,570	33,553
		1,294,827	1,521,321
NON CURRENT			
In US Dollar			
Exportation Pre Payment (PPE)	US\$ Variation (+) Libor (+) 1.0% to 1.5% p.a.	1,007,035	1,311,003
In Euros			
Working capital	Euribor (+) 1.9% to 3.9% p.a.	35,415	34,525
In Mexican Pesos			
Working capital	TIIE (+) 1.1% to 1.5% p.a.	239,372	119,351
In Rande (South Africa)			
Working capital	8.4% to 10.5% p.a.	8,216	53,852
Other currencies			
Working capital	Local market rates	4,789	2,590
		4,392,243	4,400,325
TOTAL LOANS AND FINANCING			
Total Current		1,740,222	991,433
Total Non Current		2,652,021	3,408,892

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Maturity of long-term financing and loans:

	09/30/17	12/31/16
2018	344,236	2,023,801
2019	1,613,917	990,660
2020	231,555	182,528
2021	115,855	51,875
2022	36,115	4,634
2023 onwards	310,343	155,394
TOTAL	2,652,021	3,408,892

16 Provisions for contingencies

The Company and its subsidiaries are parties to administrative and judicial proceedings of labor, civil and tax nature arising from the normal activities of their business. The corresponding provisions were recorded for proceedings the likelihood of loss of which were rated as “probable” based on the estimate of value at risk determined by the Company’s legal counselors. The Company’s Management estimates that the provision for contingencies recorded is sufficient to cover any possible losses arising from the proceedings in progress.

a) Balance of provisions for contingencies:

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
(i) Tax:	5,358	4,741	211,894	177,617
- IRPJ and CSLL (a.1)	-	-	76,186	71,293
- INSS (a.2)	4,614	4,265	67,596	61,311
- PIS and COFINS (a.3)	-	-	57,402	35,660
- IRRF	744	476	744	476
- Others	-	-	9,966	8,877
(ii) Labor	-	-	214,561	181,610
(iii) Civil	-	-	73,575	71,789
(iv) Others	-	-	2,933	3,386
TOTAL	5,358	4,741	502,963	434,402

b) Changes in the provisions for contingencies for the period - consolidated:

	12/31/16	Additions	Interest	Write-offs	Reversals	09/30/17
a) Tax	177,617	24,670	12,545	-	(2,938)	211,894
b) Labor	181,610	35,447	5,576	(7,644)	(428)	214,561
c) Civil	71,789	10,426	1,198	(9,613)	(225)	73,575
d) Others	3,386	1,562	-	-	(2,015)	2,933
TOTAL	434,402	72,105	19,319	(17,257)	(5,606)	502,963

c) The provisions recorded basically refer to:

(i) Tax contingencies

- (a.1) Refers to the process of the IPC difference of January, 1989 (Plano Verão), on monetary correction of 16.24% and the process concerning the exclusion in the expenditures calculation basis with the PD&I projects (Lei do Bem);
- (a.2) Refers to social security contribution taxes payable. The litigation refers to social security charges levied on the private pension plan, profit sharing, education allowance, among others;
- (a.3) Refers to non-ratification by the Brazilian Federal Revenue Department about the request for offsetting the credit balance of PIS and COFINS with federal tax debts.

(ii) Labor contingencies

The Company and its subsidiaries are defendants in labor claims primarily involving health and risk exposure, among others.

(iii) Civil contingencies

These correspond mainly to civil lawsuits, including personal injury, aesthetic damage, occupational diseases and indemnities arising out of occupational accidents.

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**d) Judicial deposits:**

	COMPANY		CONSOLIDATED	
	09/30/17	12/31/16	09/30/17	12/31/16
Tax	4,657	4,338	37,605	35,281
Labor and Civil	-	-	10,107	10,209
Others	-	-	517	440
TOTAL RESTRICTED JUDICIAL DEPOSITS	4,657	4,338	48,229	45,930
- Non-restricted judicial deposits	-	-	2,761	2,546
TOTAL JUDICIAL DEPOSITS	4,657	4,338	50,990	48,476

The non-restricted judicial deposits related to contingencies are waiting authorization for withdrawal from court.

e) Possible Contingencies:

The Company and its subsidiaries are parties to other suits, whose chances of loss are assessed as "possible", for which no provision for contingencies was recorded.

The estimated amount of such litigation relates to the tax proceedings totalling R\$ 105,219 (R\$ 97,187 as of December 31, 2016). The main proceedings assessed as "possible" loss are:

- taxation on profits earned abroad in the total estimated amount of R\$ 32.5 million;
- no approval of IPI credits in the amount of R\$ 10.6 million;
- levy of ICMS-ST on purchase transactions of raw materials amounting to R\$ 15.8 million.
- levy of Social Security contribution on dental assistency, school assistency, technical courses and education salary in the amount of R\$ 22.9 million.

17 Private pension plan

The Company and its subsidiaries are sponsors of WEG Seguridade Social, which seeks to supplement the retirement benefits offered by the official social security system.

The Plan managed by WEG Seguridade Social includes monthly income benefits (retirement), annual bonus, supplemental sickness benefits, supplemental disability retirement, pension due to death, supplementation of the annual bonus and death benefit.

The number of participants is 19,269 (19,510 as of September 30, 2016). The Company and its subsidiaries made contributions in the amount of R\$ 22,953 (R\$ 21,377 as of September 30, 2016).

Based on actuarial calculations carried out by independent actuaries, aiming to define the liabilities net value between the defined benefit obligation and the fair value of plan assets in accordance with the procedures established by the CVM Resolution 695/12 - CPC 33 (R1) Employee Benefits, the Company maintains a provision recorded in the amount of R\$ 4,092 (R\$ 4,092 as of December 31, 2016).

18 Equity**a) Capital**

The Company's capital amounts to R\$ 3,533,973 (R\$ 3,533,973 as of December 31, 2016) and consists of 1,614,353,076 registered book-entry ordinary shares with no par value, all with voting rights, including the 1,340,443 treasury shares pursuant to item "c".

b) Shareholder compensation – Interest on equity capital

The Company stated on September 26, 2017 in the gross amount of R\$ 93,744 (net R\$ 79,682), corresponding to R\$ 0.04940 per share, already net of the income of 15% pursuant to § 2 of Article 9 of Law No. 9,249/95, except for corporate shareholders who are exempt from this tax.

Interest on Equity capital, on the terms of article 37 of the Company's bylaws and article 9 of Law No. 9,249/95 will be allocated to the mandatory dividends and will be paid from March 14, 2018 onwards.

c) Treasury shares

In February 21, 2017, the Board of Directors approved the acquisition of 500,000 shares at the average cost of R\$ 17.35 per share.

The shares acquired by the Company are held in treasury to be used by the beneficiaries of the Share Purchase Option Plan and the Long Term Incentive Plan of the Company or subsequent disposal or cancellation.

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The amount of 211,228 shares were exercised by the beneficiaries of the Share Purchase Option Plan until September 30, 2017. The Company holds in treasury 1,340,443 shares at the average cost of R\$ 13.28 per share in the total amount of R\$ 17,796 (R\$ 11,924 as of December 31, 2016).

19 Long Term Incentive Plan (LTIP)

The EGM held on June 28, 2016 approved the establishment of a share-based remuneration plan called Long-term incentive plan (LTIP PLAN) in favor of its Management and managers.

(i) Plan

The Plan is managed by the Board of Directors, seeking to grant WEG S.A.'s (Company), named "WEGE3" by BM&FBOVESPA, shares to its statutory officers so as to attract, motivate and retain them, as well as align their interests to those of the Company and its shareholders.

For the LIP Plan to be applied each year, and the following granting of the shares, it is a minimum condition (trigger) that the Company has obtained, in the prior fiscal year, at least 10% of return on invested capital (ROIC).

The shares to be granted for this LIP Plan are limited to the maximum of 2% (two percent) of the total shares representing the Company's capital.

The availability of shares granted to the participants is registered on clauses 7 and 8 of the LIP Plan, which establishes the criteria for the amount of shares to be granted and the grace period to be complied with.

The Plan may be extinguished, suspended or altered at any moment, through a proposal approved by the Company's Board of Directors.

(ii) Program

The Board of Directors may approve, each year, Long-Term Incentive Programs ("Programs"), which will define the participants, number of Options, exercise price, term and other rules specific to each Program.

2016 Program

The 2016 program participants are the company's statutory directors and its subsidiaries with head offices in Brazil, excluding the statutory directors of subsidiaries with third party participation.

The weighted average fair value was determined based on the *Black-Scholes-Merton* method:

Program	Granted Shares		Average Fair Value - Black-Scholes-Merton Method				
	Quantity	Share value (R\$)	Installment lifespan - in days	Expected volatility in share value (%)	Current share value at grant date (R\$)	Share value (R\$)	Expense value to be appropriated during the plan (R\$ thousand)
2016	280,408	15.54	520 - 1,022	25.6	17.10	21.78	6,107

The expenses recognition is made throughout the grace period of the installments established by the LIP (Long-Term Incentive Plan).

In 2017, the amount of R\$ 1,703 was recorded in the account other income in the financial statements for the year in counterpart to the capital reserve in Equity.

2017 Program

The Company's Board of Directors approved the 2017 Program with identical conditions to the 2016 Program.

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20 Stock Purchase Options Plan

The EGM held on June 28, 2016, cancelled of the Company's Stock Purchase Option Plan which had been approved at the EGM held on February 22, 2011, and subsequent amendments, complying with the contracts already entered into and not yet completed.

Summary of the plan's shares movement:

Program	<i>Number of Shares</i>			
	12/31/16	Expired/ Canceled	Exercised	09/30/17
April/11	9,188	-	(9,188)	-
September/11	5,340	-	(5,340)	-
March/12	14,040	-	(4,160)	9,880
September/12	23,824	-	(20,028)	3,796
April/13	81,921	-	(54,079)	27,842
September /13	39,596	-	(11,804)	27,792
March/14	155,874	-	(42,334)	113,540
August/14	61,828	-	(10,522)	51,306
March/15	119,020	-	(12,236)	106,784
August /15	181,055	-	(34,237)	146,818
March /16	194,575	-	(7,300)	187,275
TOTAL	886,261	-	(211,228)	675,033

The recognition of expenses on stock options is carried out throughout the period of acquisition of the right "vesting period".

In September 30, 2017, expenses in the amount of R\$ 895 (R\$ 1,110 as of September 30, 2016) were registered in the account Other Results in the Income Statement in counterpart to Capital Reserve in Equity.

The options exercised as of September 30, 2017 were recorded in the amount of R\$ 1,348 (R\$ 1,507 as of September 30, 2016) being recorded in Equity, in the account Capital Reserves, the amount of R\$ 857 (R\$ 1,956 as of September 30, 2016), and the amount of R\$ 491 (R\$ 449 as reversal of the amount provisioned) as a complement to the amount provisioned registered in the accumulated profits account.

21 Net revenue

BREAKDOWN OF NET REVENUE	CONSOLIDATED	
	09/30/17	09/30/16
Gross revenue	7,831,743	8,190,343
Domestic market	3,725,565	3,938,607
External markets	4,106,178	4,251,736
Deductions	(981,660)	(1,200,666)
Taxes	(830,918)	(846,641)
Returns/Rebates	(150,742)	(354,025)
Net revenue	6,850,083	6,989,677
Domestic market	2,971,685	2,933,147
External markets	3,878,398	4,056,530

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22 Construction contracts

Construction contracts' revenues and costs are recognized in accordance with the execution of each project using the method of incurred costs percentage.

	CONSOLIDATED	
	09/30/17	09/30/16
Gross operating revenues recognized	488,364	714,365
Incurring costs	(403,216)	(606,059)
	09/30/17	31/12/16
Advances received	1,497,139	846,037

23 Operating expenses by nature and function

	CONSOLIDATED	
	09/30/17	09/30/16
EXPENSE BY NATURE	(5,971,511)	(6,237,389)
Depreciation, amortization and depletion	(211,445)	(254,047)
Personnel expenses	(1,652,348)	(1,649,853)
Raw materials, use materials and consumables	(3,026,139)	(3,261,928)
Freight and insurance costs	(180,282)	(177,077)
Other expenses	(901,297)	(894,484)
EXPENSE BY FUNCTION	(5,971,511)	(6,237,389)
Cost of goods sold and services rendered	(4,798,392)	(5,056,294)
Selling expenses	(656,991)	(697,617)
General and administrative expenses	(343,959)	(332,456)
Management's fees	(17,618)	(16,973)
Other operating revenue/expenses	(154,551)	(134,049)

Other operating revenue/expenses

The recorded amounts refer to profit sharing, reversal/ provision for tax lawsuits and other, as follows:

	CONSOLIDATED	
	09/30/17	09/30/16
OTHER OPERATING REVENUES	17,842	10,661
- Other	17,842	10,661
OTHER OPERATING EXPENSES	(172,393)	(144,710)
- Profit sharing - Employees	(127,666)	(100,701)
- Profit sharing - foreign subsidiaries	(16,068)	(23,315)
- Profit sharing - Management	(13,240)	(3,014)
- Recording/Reversal of provision for tax lawsuits	(11,433)	(4,719)
- Tax incentives - Rouanet Law	(525)	(503)
- Other	(3,461)	(12,458)
TOTAL NET	(154,551)	(134,049)

24 Net financial income

	COMPANY		CONSOLIDATED	
	09/30/17	09/30/16	09/30/17	09/30/16
FINANCIAL INCOME	66,802	83,324	615,335	553,983
Short-term investment yield	92,011	107,542	393,836	403,703
Exchange variation	-	-	191,809	254,312
Exchange variation - trade payables	-	-	45,581	71,922
Exchange variation - trade receivables	-	-	44,598	66,564
Exchange variation - Loans	-	-	55,946	94,284
Exchange variation - Other	-	-	45,684	21,542
Present value adjustment - trade receivables	-	-	-	47,028
PIS/COFINS on interest on equity capital	(21,660)	(19,739)	(21,699)	(19,858)
PIS/COFINS on financial income	(4,309)	(5,026)	(20,387)	(19,837)
Derivatives	-	-	(4,844)	(168,476)
PROEX - Equaliz. of Interest rate	-	-	8,015	12,249
Other income	760	547	68,605	44,862

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FINANCIAL EXPENSES	(191)	(190)	(550,650)	(385,772)
Interest on loans and financing	-	-	(216,406)	(192,249)
Exchange variation	-	-	(184,942)	331
Exchange variation - trade payables	-	-	(21,680)	(32,016)
Exchange variation - trade receivables	-	-	(67,403)	(125,066)
Exchange variation - Loans	-	-	(41,474)	188,878
Exchange variation - Other	-	-	(54,385)	(31,465)
Present value adjustment - trade payables	-	-	-	(24,898)
Derivatives	-	-	(89,638)	(124,929)
Other expenses	(191)	(190)	(59,664)	(44,027)
NET FINANCIAL INCOME	66,611	83,134	64,685	168,211

25 Provision for income and social contribution taxes

The parent company and subsidiaries in Brazil determine income and social contribution taxes according to taxable income, except for WEG Administradora de Bens Ltda, and Agro Trafo Miner., Agric., Pec. e Administradora de Bens S.A., which adopt the determination using the presumed income. The provision for income tax was recorded at a 15% rate, plus of additional of 10% and social contribution at a 9% rate. The taxes abroad are recorded according to the legislation of each country.

Conciliation of income and social contribution taxes:	COMPANY		CONSOLIDATED	
	09/30/17	09/30/16	09/30/17	09/30/16
Income before taxes on profit	840,933	795,025	943,257	920,499
Nominal rates	34%	34%	34%	34%
IRPJ and CSLL calculated at the nominal rate	(285,917)	(270,309)	(320,707)	(312,970)
Adjustment to determine the effective income and social contribution taxes:				
Result from investments in subsidiaries	265,886	243,620	(930)	(675)
Rate difference on foreign results	-	-	71,558	93,306
Tax incentives	-	-	51,063	41,685
Reintegra	-	-	9,145	448
Interest on equity capital	21,288	26,251	100,903	98,899
IRPJ/CSLL Provision ("Lei do Bem")	-	-	(4,895)	(37,684)
Other adjustments	(291)	(151)	(4,857)	(35)
IRPJ and CSLL on income	966	(589)	(98,720)	(117,026)
Current tax	(222)	(500)	(137,900)	(175,599)
Deferred tax	1,188	(89)	39,180	58,573
Effective rate - %	-0.11%	0.07%	10.47%	12.71%

26 Insurance coverage

The corporate unit in Brazil is responsible for WEG Group's management regarding the insurance portfolio in Brazil and abroad, establishing risk policies for the Group in order to protect its assets. The Company and its subsidiaries have a Worldwide Insurance Program - WIP, in which the following world policies established stand out, such as: Transport risk (Export, Import and Domestic), Civil Product Liability, Directors and Officers (liability) insurance (D&O), Surety Bond, General Civil Liability, Properties and Environment Pollution, Contractual Insurance and Engineering Installation and Assembly Risk.

The insurance policies are issued only in first-tier multinational insurance companies that can meet the WEG Group in the countries where it has operations. The financial structure and sustainability of the aforementioned insurance companies are continuously monitored by WEG's Brazilian corporate unit.

Some of the policies and their insured capital are highlighted below:

- Operating risks (Equity): US\$ 36 million;
- Loss of Profits: US\$ 11.7 million (for Paint companies and newly acquired companies for the first 12 months with an indemnity period of 6 months);
- General Civil liability: US\$ 10 million;
- Products Civil Liability: US\$ 40 million;
- Domestic Transport: R\$ 12 million per shipment/accumulation/trip and cabotage up to R\$ 40 million;

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- International Transport - Export and Import: US\$ 5 million per shipment/accumulation/trip;
- Environment pollution: US\$ 20 million;
- Contractual Insurance: As stipulated in the contract;
- Installation and Assembly Engineering Risk: R\$ 150 million in Brazil, US\$ 30 million in Latin America (except Cuba) and US\$ 5 million in the USA;
- Directors & Officers (liability) insurance (D&O): US\$30 million.

27 Financial instruments

The Company and its subsidiaries carried out an evaluation of their financial instruments, including derivatives, recorded in the financial statements presented the following values:

	BOOK VALUE		FAIR VALUE	
	09/30/17	12/31/16	09/30/17	12/31/16
Cash and cash equivalents	3,273,239	3,390,662	3,273,239	3,390,662
Cash and banks	200,829	223,267	200,829	223,267
Short-term investments	3,072,410	3,167,395	3,072,410	3,167,395
- In local currency	3,027,895	3,091,597	3,027,895	3,091,597
- In foreign currency	44,515	75,798	44,515	75,798
Short-term investments	1,484,343	1,373,287	1,484,343	1,373,287
Derivative	151,483	184,664	151,483	184,664
- <i>Non Deliverable Forwards</i> - NDF	9,158	15,425	9,158	15,425
- SWAP	142,210	169,221	142,210	169,221
- <i>Hedge accounting</i>	115	18	115	18
Total - assets	4,909,065	4,948,613	4,909,065	4,948,613
Loans and financing	4,392,243	4,400,325	4,392,243	4,400,325
- In local currency	2,408,271	2,529,984	2,408,271	2,529,984
- In foreign currency	1,983,972	1,870,341	1,983,972	1,870,341
Derivative	80,386	89,373	80,386	89,373
- <i>Non Deliverable Forwards</i> - NDF	5,718	12,061	5,718	12,061
- SWAP	60,473	47,105	60,473	47,105
- <i>Hedge accounting</i>	14,195	30,207	14,195	30,207
Total liabilities	4,472,629	4,489,698	4,472,629	4,489,698

28.1 Risk factors

The risk factors of financial instruments are basically related to:

a) Credit risks

Arises from the possibility of the company's subsidiaries not receiving amounts arising from sales or credit transactions with financial institutions generated by financial investments. To mitigate the risk arising from sales operations, the Company's subsidiaries adopt a policy of analyzing the financial position of their customers, establishing a credit limit and permanently follow their outstanding balance. With regard to financial investments, the Company and its subsidiaries invest with institutions with low credit risk.

b) Foreign currency risks

The Company and its subsidiaries have import and export operations in various currencies, they manage and monitor their exposure to foreign currency, seeking to balance their financial assets and liabilities within the limits established by Management.

The limit of exposure to foreign exchange sold (*net*) may be equivalent to up to two months of exports in foreign currencies as established by the Company's Board of Directors.

The Company and its subsidiaries had export operations totaling US\$ 509.7 millions (US\$ 457.4 millions as of September 2016), which acts as a natural *hedge* for indebtedness and other costs related to other currencies, especially US Dollars.

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c) Risks related to debt charges

These risks arise from the possibility that the subsidiaries may suffer losses due to fluctuations in interest rates or other debt indexes, which increase financial expenses related to loans and financings obtained in the market, or decrease financial income related to the subsidiaries' short-term investments. The Company and its subsidiaries continually monitor market interest rates aiming at assessing the possible need for hedging against the volatility of these rates.

28.2 Derivative financial instruments

The Company and its subsidiaries have the following operations with derivative financial instruments:

a) Non Deliverable Forwards - NDF, in the notional amount of:

- (i) US\$ 63.5 million, held by subsidiary WEG Equipamentos Elétricos S.A., with the purpose of protecting its exportations from the currency exchange fluctuation risks;
- (ii) US\$ 0.8 million, held by subsidiary WEG Equipamentos Elétricos S.A., with the purpose of protecting its raw materials purchase and expenses operations in foreign currency against the currency exchange fluctuation risks;
- (iii) US\$ 14.2 million, held by subsidiary Zest WEG Group Africa (PTY) Ltd, aiming at protecting the importation operations against currency exchange fluctuation risks;
- (iv) EUR 34.2 million, held by subsidiary WEG Equipamentos Elétricos S.A., with the purpose of protecting the exportations against currency exchange fluctuation risks;
- (v) EUR 0.9 million, held by subsidiary WEG Equipamentos Elétricos S.A., with the purpose of protecting its raw materials purchase and expenses operations in foreign currency against the currency exchange fluctuation risks;
- (vi) US\$ 44.0 million, held by subsidiary WEG Holding GmbH, with the purpose of protecting its intercompany financing operations against the risks of Euro decreases;

b) SWAP operations, in the notional amount of:

- (i) EUR 10 million, held by subsidiary Watt Drive Antriebstechnik GmbH, with the purpose of protecting its financing from the Euribor fluctuation risks;
- (ii) US\$ 396.7 million held by the subsidiary WEG Equipamentos Elétricos S.A., with the purpose of protecting the financing operations against the US\$ Dollar increase risks;
- (iii) R\$ 80 million, held by subsidiary WEG Equipamentos Elétricos S.A., with the purpose of protecting against the interest rate decreases risk.

The Company's Management and that of its subsidiaries maintain a permanent monitoring of the derivative financial instruments contracted, through their internal control.

The sensitivity analysis statement chart (item 28.3) must be read jointly with the other financial assets and liabilities expressed in foreign currency as of September 30, 2017, as the estimated impact of the foreign currency rate over NDFs and SWAPs presented will be offset, if effective, in whole or in part, with the devaluation of all assets and liabilities.

Management has determined that, for the probable scenario (market value), the exchange rates used to mark to market the financial instruments, valid on September 30, 2017, should be considered. These rates represent the best estimate of the future performance of these prices and represent the amount by which the positions could be settled at maturity.

The Company and its subsidiaries made the accounting based on their market price on September 30, 2017 at fair value and on the accrual basis. These operations had net negative impact as of September 30, 2017 in the amount of R\$ 94,482 (R\$ 293,405 negative as of September 30, 2016) which were recognized as financial income. The Company and its subsidiaries have no margin guarantees for derivative financial instruments outstanding as of September 30, 2017.

c) Derivative financial instruments designated to hedge accounting (hedge accounting)

The Company made the formal designation of its operations subject to protection accounting (hedge accounting) for derivative financial instruments of protection of inputs purchase and expenses denominated in foreign currency, documenting:

- Date of designation and identification of the hedging relation;
- Description of the purpose of hedging and risk management strategy;

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- Hedge compliance statement and risk management;
- Description and identification of the derivative instrument and the hedged item;
- Description of the risks covered and excluded risks;
- Description of the evaluation method of the actual hedge effectiveness;
- Evaluation of frequency of prospective effectiveness and retrospective;
- Description of hedge accounting policy.

The Company and its subsidiaries have operations of hedge accounting as of September 30, 2017, in the notional amount of US\$ 12.2 million and EUR 5.8 million, held by subsidiary WEG Equipamentos Elétricos S.A.

The Company and its subsidiaries made the accounting based on their fair value as of September 30, 2017, and on the accrual basis. The net accumulated value, net of taxes, recorded in equity is R\$ 16,757 negative (R\$ 26,948 negative at December 31, 2016).

The Company and its subsidiaries have no margin guarantees for derivative financial instruments outstanding as of September 30, 2017.

28.3 Sensitivity Analysis

The following tables shows in Reais the "cash and expense" effects of the results of the financial instruments in each scenario.

a) Short-term investments and Financing:

Operation	Risk	Currency	Notional Value (in thousands)	Market Value in 09/30/2017		Possible scenario 25%		Remote scenario 50%	
				Average price	In R\$ Thousands	Average price	In R\$ Thousands	Average price	In R\$ Thousands
Short-term investments	Decrease of CDI (*)	R\$	3,452,963	Rate 8.14% p.a.	281,071	Rate 6.11% p.a.	210,976	Rate 4.07% p.a.	140,536
	TOTAL				281,071		210,976		140,536
Financing	Increase of TJLP (**)	R\$	961,520	Rate 7.00% p.a.	(67,306)	Rate 8.75% p.a.	(84,133)	Rate 10.50% p.a.	(100,960)
	Increase of Dollar	US\$	438,200	3.1674	(151,469)	3.9593	(498,464)	4.7511	(845,459)
	TOTAL				(218,775)		(582,597)		(946,419)

(*)Analysis of sensitivity variation of investments: risk of the Company in the event of reduction in interest rates, considering as static the position of applications backed by the CDI rate as of September 30, 2017.

(**)Financing variation sensitivity analysis: the Company's risk in the event of rising interest rates, considering the static funding position backed TJLP of September 30, 2017.

b) Non Deliverable Forwards Operations - NDF:

Operation	Risk	Currency	Notional Value (in thousands)	Market Value in 09/30/2017		Possible scenario 25%		Remote scenario 50%		
				Average price	In R\$ Thousands	Average price	In R\$ Thousands	Average price	In R\$ Thousands	
Non Deliverable Forwards - NDF	Increase of Dollar	US\$/R\$	63,500	3.2210	7,662	4.0263	(43,472)	4.8316	(94,606)	
	Decrease of Dollar	US\$/R\$	846	3.2274	(1,240)	2.4205	(1,922)	1.6137	(2,605)	
	Increase of Dollar	US\$/ZAR	1,244	14.4629	(158)	18.0787	(1,213)	21.6944	(2,268)	
	Decrease of Dollar	US\$/ZAR	14,250	13.6472	(319)	10.2354	(11,719)	6.8236	(23,120)	
	Decrease of Dollar	US\$/EUR	44,000	1.1834	(1,111)	0.8876	(47,499)	0.5917	(140,275)	
	Total Dollar		123,840		4,834		(105,825)		(262,874)	
	Increase of Euro	EUR/ZAR	43	16.1694	(2)	20.2118	(43)	24.2542	(84)	
	Decrease of Euro	EUR/ZAR	82	16.0346	24	12.0260	(53)	8.0173	(130)	
	Increase of Euro	EUR/R\$	34,200	3.8154	(114)	4.7692	(32,736)	5.7231	(65,358)	
	Decrease of Euro	EUR/R\$	868	3.8178	(1,302)	2.8633	(2,130)	1.9089	(2,958)	
	Total Euro		35,193		(1,394)		(34,962)		(68,530)	
	TOTAL					3,440		(140,787)		(331,404)

c) SWAP operations:

Operation	Risk	Currency	Notional Value (in thousands)	Market Value in 09/30/2017		Possible scenario 25%		Remote scenario 50%	
				Average price	In R\$ Thousands	Average price	In R\$ Thousands	Average price	In R\$ Thousands
SWAP	Decrease of Euribor	EUR	10,000	Interest 0.05% p.a.	(8,630)	Interest 0.04% p.a.	(8,654)	Interest 0.03% p.a.	(8,679)
	Decrease of Dollar	US\$	396,667	3.1680	85,178	2.3760	(215,932)	1.5840	(518,219)
	Increase of CDI	R\$	80,000	Rate 7.08%	5,189	Rate 8.85%	3,368	Rate 10.62%	1,991
	TOTAL				81,737		(221,218)		(524,907)

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**d) Hedge accounting operations:**

Operation	Risk	Currency	Notional Value (in thousands)	Market Value in 09/30/2017		Possible scenario 25%		Remote scenario 50%	
				Average price	In R\$ Thousands	Average price	In R\$ Thousands	Average price	In R\$ Thousands
Hedge Accounting	Decrease of Dollar	US\$/R\$	12,159	3.2082	(10,049)	2.4061	(21,723)	1.6041	(32,157)
	Decrease of Euro	EUR/R\$	5,755	3.8043	(4,031)	2.8532	(9,504)	1.9021	(14,978)
	TOTAL				(14,080)		(31,227)		(47,135)

29 Subsidies and Government grants

The Company and its subsidiaries obtained subsidies in the amount of R\$ 39,625 (R\$ 38,824 as of September 30, 2016) deriving from tax incentives, recognized in the income for the period:

	CONSOLIDATED	
	09/30/17	09/30/16
TOTAL SUBSIDIES AND GOVERNMENT GRANTS	39,625	38,824
a) WEG Amazônia S.A.	1,897	276
- ICMS incentive credit of 90.25%	297	276
- Corporate Income Tax (IRPJ) 75.0% reduction	1,600	-
b) WEG Linhares Equipamentos Elétricos S.A.	30,142	30,194
- ICMS incentive credit of 85.0%	22,169	24,135
- Corporate Income Tax (IRPJ) 75.0% reduction	7,754	5,860
- Corporate Income Tax (IRPJ) 30% reduction due to reinvestment	200	180
- Municipal investment	19	19
c) WEG Logística Ltda.	7,586	8,354
- ICMS incentive credit of 75.0%	7,586	8,354

There are no contingencies related to the aforementioned subsidies, and all of the conditions for obtaining government subsidies have been met.

30 Information by segment

	Brazil				Foreign		Eliminations and Adjustments		Consolidated	
	Industry		Energy		09/30/17	09/30/16	09/30/17	09/30/16	09/30/17	09/30/16
	09/30/17	09/30/16	09/30/17	09/30/16						
Revenue from sale of products / services	3,465,170	3,287,489	1,444,815	1,607,751	4,063,573	4,233,984	(2,123,475)	(2,139,547)	6,850,083	6,989,677
Earnings before income taxes	1,223,244	1,034,436	512,185	606,413	355,208	472,449	(1,147,380)	(1,192,799)	943,257	920,499
Depreciation / Amortization / Depletion	102,105	137,101	37,367	47,994	71,973	68,952	-	-	211,445	254,047
	09/30/17	12/31/16	09/30/17	12/31/16	09/30/17	12/31/16	09/30/17	12/31/16	09/30/17	12/31/16
Identifiable assets	3,247,514	2,967,103	1,554,366	1,735,504	4,314,526	3,871,977	(259,450)	(192,857)	8,856,956	8,381,727
Identifiable liabilities	1,062,851	867,463	470,533	614,173	1,427,414	1,317,424	(704,643)	(635,228)	2,256,155	2,163,832

Industry: single phase and triple phase motors with low and medium tension, *drives* and *controls*, equipment and services for industrial automation, paints and varnishes.

Energy: electricity generators for thermal and hydraulic power plants (biomass), hydraulic turbines (PCHs), transformers, substations, wind power generators, control dashboards, integration services of renewable and distributed energy systems and solutions.

Foreign: composed of operations carried out by subsidiaries located in various countries.

The adjustment and elimination column includes the eliminations applicable to the Company in the context of the interim consolidated financial statements.

All operating assets and liabilities are presented herein as identifiable assets and liabilities.

31 Earnings per share**a) Basic**

The calculation of basic earnings per share is performed by means of dividing the net income for the year attributable to the holders of the Company's ordinary shares, by the weighted average number of ordinary outstanding shares for the year.

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)



	09/30/17	09/30/16
Earnings attributable to the Company's shareholders.	841,899	794,436
Weighted average number of outstanding ordinary shares held by shareholders (shares/thousand)	1,613,440	1,613,244
Basic earnings per share - R\$	0.52180	0.49245

b) Diluted

Net earnings per share is calculated by dividing the net earnings attributable to Company's holders of ordinary shares by the weighted average number of outstanding ordinary shares for the year plus the weighted average number of ordinary shares that would be issued upon the conversion of all potential diluted ordinary shares into ordinary shares.

	09/30/17	09/30/16
Earnings attributable to the Company's shareholders.	841,899	794,436
Weighted average number of outstanding ordinary shares potentially diluting held by shareholders (shares/thousand)	1,613,968	1,614,188
Diluted earnings per share - R\$	0.52163	0.49216

32 Statement of comprehensive income

The Company and its subsidiaries present as other comprehensive income the amounts of accumulated translation adjustment and hedge accounting. These amounts are not taxable.

The presentation of the comprehensive income results is required by CPC 26 - Financial Statement Presentation (R1) and includes other comprehensive income which correspond to revenue and expense items which are not recognized in the financial statements as required or authorized by the pronouncements, interpretations and guidance issued by CPC.

WEG S.A.
NOTES TO INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017
(Amounts in thousands of Reais, except otherwise stated)

**Board of Directors**

Décio da Silva - Chairman
Nildemar Secches - Vice Chairman
Dan Ioschpe
Martin Werninghaus
Miguel Normando Abdalla Saad
Sérgio Luiz Silva Schwartz
Umberto Gobbato

Executive Board

Harry Schmelzer Junior - CEO (Chief Executive Officer)
André Luis Rodrigues - CFO (Chief Financial Officer)
Carlos Diether Prinz - Officer - Transmission and Distribution
Daniel Marteleto Godinho - Director of Corporate Strategy
Eduardo de Nóbrega - Officer - Energy
Hilton José da Veiga Faria - CHRO (Chief Human Resources Officer)
Luis Alberto Tiefensee - Officer - Motors
Luis Gustavo Lopes Iensen - International Department Director
Manfred Peter Johann - Officer - Automation
Paulo Geraldo Polezi - Chief Finance and Investors Relations Officer
Reinaldo Richter - Officer - Paints
Wandair José Garcia - Chief Information Technology Officer
Wilson José Watzko - Chief Controlling Officer

Accountant

Homero Fabiano Michelli
CRC/SC 025355/O-2
TAX ID No. 850.936.709-44

Supervisory Board**Incumbents**

Alidor Lueders
Paulo Cesar Simplicio da Silva
Vanderlei Dominguez da Rosa

Deputies

Ilário Bruch
Aramis Sa de Andrade
Paulo Roberto Franceschi

Quarterly Information Review Report

To the Shareholders and Board of Directors
WEG S.A.
Jaraguá do Sul - SC

Introduction

We have reviewed the interim financial statements, individual and consolidated, of Weg S.A. (“Company”) contained within the Quarterly Information for the quarter ended September 30, 2017, which comprises the balance sheet as of September 30, 2017 and the related statements of income, comprehensive income, for the three and nine months period then ended and the changes in shareholders’ equity and cash flows for the nine months period then ended, including the notes to the financial statements.

Management is responsible for the preparation of the interim financial statements in accordance with the technical pronouncement CPC 21(R1) – Interim Financial Statements and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Information. Our responsibility is to express a conclusion on the interim financial statements based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). An interim review consists mainly of making enquiries and having discussions with persons responsible for financial and accounting matters, and applying analytical and other review procedures. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not provide assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

Conclusion about the interim financial statements

Based on our review, we are not aware of any fact that leads us to believe that the individual and consolidated interim financial statements included in the quarterly information referred to above have not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34 issued by the IASB applicable to the Quarterly Information and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other issues

Statements of value added

The individual and consolidated interim financial statements, in relation to the statements of value added for the nine months period ended in September 30, 2017, prepared under the responsibility of the Company’s Management and presented as supplementary information regarding IAS 34, were submitted to review procedures performed jointly with the review of the interim quarterly information of the Company. In order to form our conclusion, we assessed if the statements are reconciled with the interim accounting information and records, as applicable, and if their form and content are in accordance with the criteria defined in CPC 09 - Statements of Value Added. Based on our review, we are not aware of any fact that would lead us to believe that the statements of value added aforementioned have not been fairly stated, in all material aspects, in relation to the interim financial statements, individual and consolidated, taken as a whole.

Joinville October 16, 2017

KPMG Auditores Independentes
CRC SC-000071/F-8

Marcelo Lima Tonini
Accountant CRC PR-045569/O-4 T-SC

Statements and Disclosures / Director's Disclosure on the Financial Statements

Through the present instrument, the CEO and other Directors of WEG S.A., a publicly-held limited liability corporation headquartered at Avenida Prefeito Waldemar Grubba, 3300, registered under CNPJ 84.429.695/0001-11, in relation to Article 29, II, §1 of CVM instruction 480, of December 7, 2009, declare that they reviewed, discussed and agreed with the quarterly information of WEG S.A. and Consolidated as of September 30, 2017.

Jaraguá do Sul (SC), October 16, 2017.

Harry Schmelzer Junior - CEO (Chief Executive Officer)

André Luis Rodrigues - CFO (Chief Financial Officer)

Carlos Diether Prinz - Officer - Transmission and Distribution

Daniel Marteleto Godinho - Director of Corporate Strategy

Eduardo de Nóbrega - Officer - Energy

Hilton José da Veiga Faria - CHRO (Chief Human Resources Officer)

Luis Alberto Tiefensee - Officer - Motors

Luis Gustavo Lopes Iensen - International Department Director

Manfred Peter Johann - Officer - Automation

Paulo Geraldo Polezi - Chief Finance and Investors Relations Officer

Reinaldo Richter - Officer - Paints

Wandair José Garcia - Chief Information Technology Officer

Wilson José Watzko - Chief Controlling Officer

Statements and Disclosures / Director's Disclosure on the Independent Auditor's Report

Through the present instrument, the CEO and other Directors of WEG S.A., a publicly-held limited liability corporation headquartered at Avenida Prefeito Waldemar Grubba, 3300, registered under CNPJ 84.429.695/0001-11, in relation to Article 29, II, §1 of CVM instruction 480, of December 7, 2009, declare that they reviewed, discussed and agreed with opinion expressed in the auditor's report of KPMG Auditores Independentes, dated October 16, 2017, in relation to the quarterly information of WEG S.A. and Consolidated as of September 30, 2017.

Jaraguá do Sul (SC), October 16, 2017.

Harry Schmelzer Junior - CEO (Chief Executive Officer)

André Luis Rodrigues - CFO (Chief Financial Officer)

Carlos Diether Prinz - Officer - Transmission and Distribution

Daniel Marteleto Godinho - Director of Corporate Strategy

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