



## **WEG S.A.**

A Publicly Listed Company

CNPJ sob nº 84.429.695/0001-11

### **NOTICE TO THE SHAREHOLDERS CAPITAL INCREASE WITH SHARES**

WEG S.A. hereby informs its shareholders and the market that the Ordinary and Extraordinary Shareholders' Meeting, held on April 24, 2018, approved the Company's capital increase, in the amount of R\$ 1,970,543,940.00, increasing it from R\$ 3,533,972,568.00 to R\$ 5,504,516,508.00, with a 30% stock bonus (three new ordinary shares for each 10 ordinary shares held). As a result of this approval, we informed that:

- the shareholders registered in the Company's book on April 24, 2018 will be benefited. As of April 25, 2018, the shares will be traded ex-bonus;
- the bonus shares will be included in the shareholders' positions on April 27, 2018, and they will be available on April 30, 2018;
- the unit value of the bonus shares is R\$ 4.0688, pursuant to the provisions in Paragraph One of Article 47 of Brazilian Federal Revenue Service Normative Instruction nº 1.022 of April 05, 2010, which will be included in the "Statement of Book-Entry Shares for the 2019 Income Statement, referring to the 2018 Calendar Year";
- for the shareholders who want to transfer fractions of shares resulting from the stock bonus, it is established the period between April 30, 2018 to May 30, 2018, pursuant to the provisions of Paragraph Three of Article 169 of Law nº 6.404/76. After this period, eventual remaining fractions will be separated, grouped into whole numbers and sold at an Auction to be held on June 15, 2018 at B3 S.A. – Brasil, Bolsa, Balcão (São Paulo Securities, Commodities and Future Exchange). The proceeds from the share Auction sale will be made available to shareholders whose fractions were sold, proportionally to their fractional interest, as described below:
  - a) to shareholders whose shares are deposited at the Company and that keep their register and banking data updated, by means of credit in the current accounts in a Financial Institution they indicate. Those who do not have such data updated must present themselves at a Bradesco Branch on their preference bearing their CPF (Individual Taxpayer's ID), RG (Identification Document) and proof of residence (utility bill) for record updating and receiving the respective amounts to which they are entitled; and



b) to shareholders whose shares are deposited at the B3 S.A. – Brasil, Bolsa, Balcão (Securities, Commodities and Future Exchange), by means of Institutions and/or Brokerage Houses which keep their shareholding position in custody.

As of April 25, 2018, the shares composing capital stock will have equal participation in the interest on stockholders' and/or dividends to be declared, as well as, fully, any other advantages as of said date.

Simultaneously to the Brazilian Market operation, and in the same proportion, bonus shares will be distributed in the form of ADRs – American Depositary Receipts in the U.S. Market, and investors will receive 3 (three) new DRs for each 10 (ten) DRs held on the record date of April 27, 2018, observing that the resulting fractions will be separated, grouped into whole numbers and sold at the respective Stock Exchanges, and the amounts will be credited to the holders of said fractions. Once the operation is concluded, Depositary Receipts – DRs will continue to be traded at the ratio of 1 (one) common share to 1 (one) DR.

Jaraguá do Sul, April 24, 2018

**Paulo Polezi**  
Investor Relations Officer