

WEGDAY2019



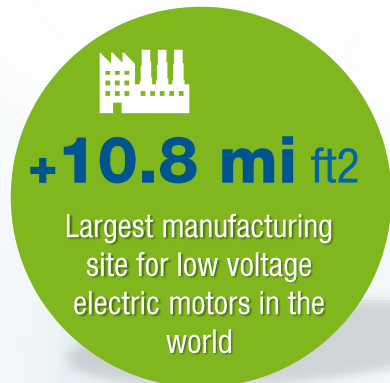
FINANCIAL PERFORMANCE

André Luís Rodrigues

WEG is a global company headquartered in Brazil

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One of the world's largest manufacturers of electric electronic equipment

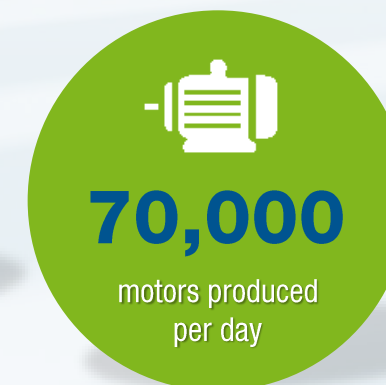
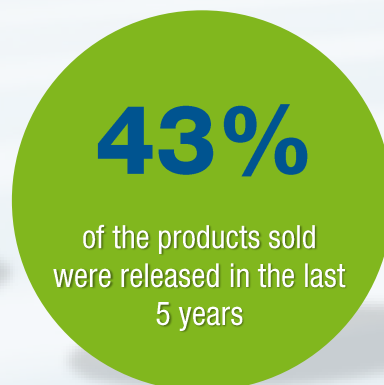


ISEB3

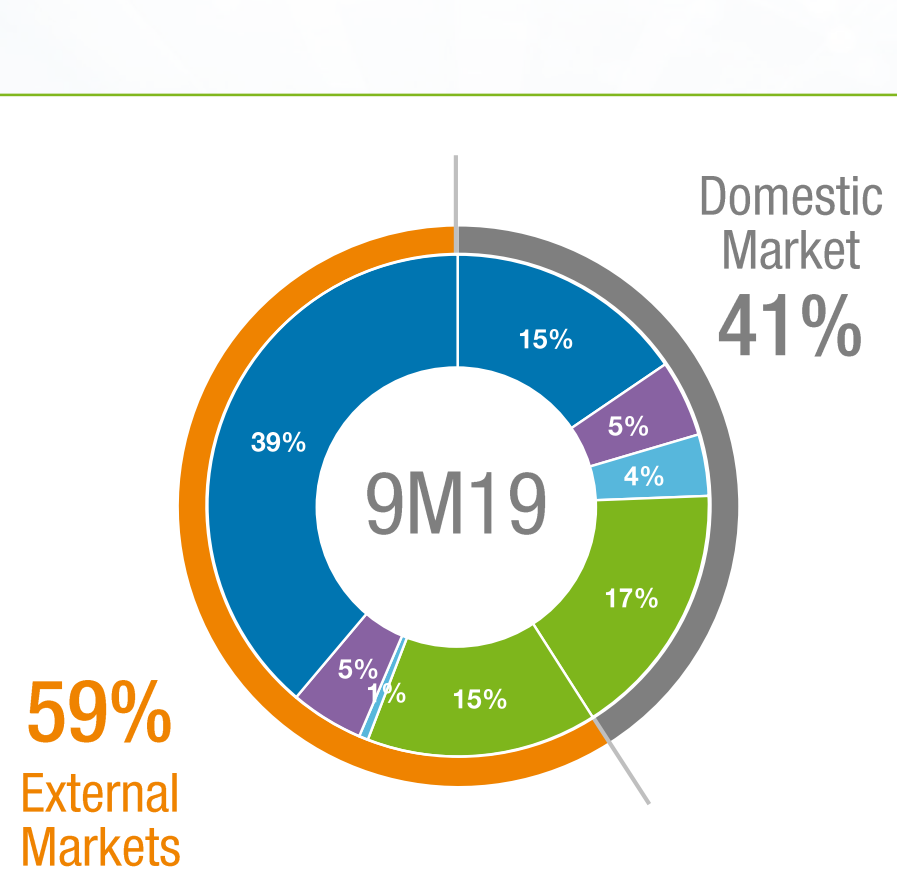


MSCI

2018 Constituent
MSCI ESG
Leaders Indexes



Diversified product line allows for strong growth across different market cycles



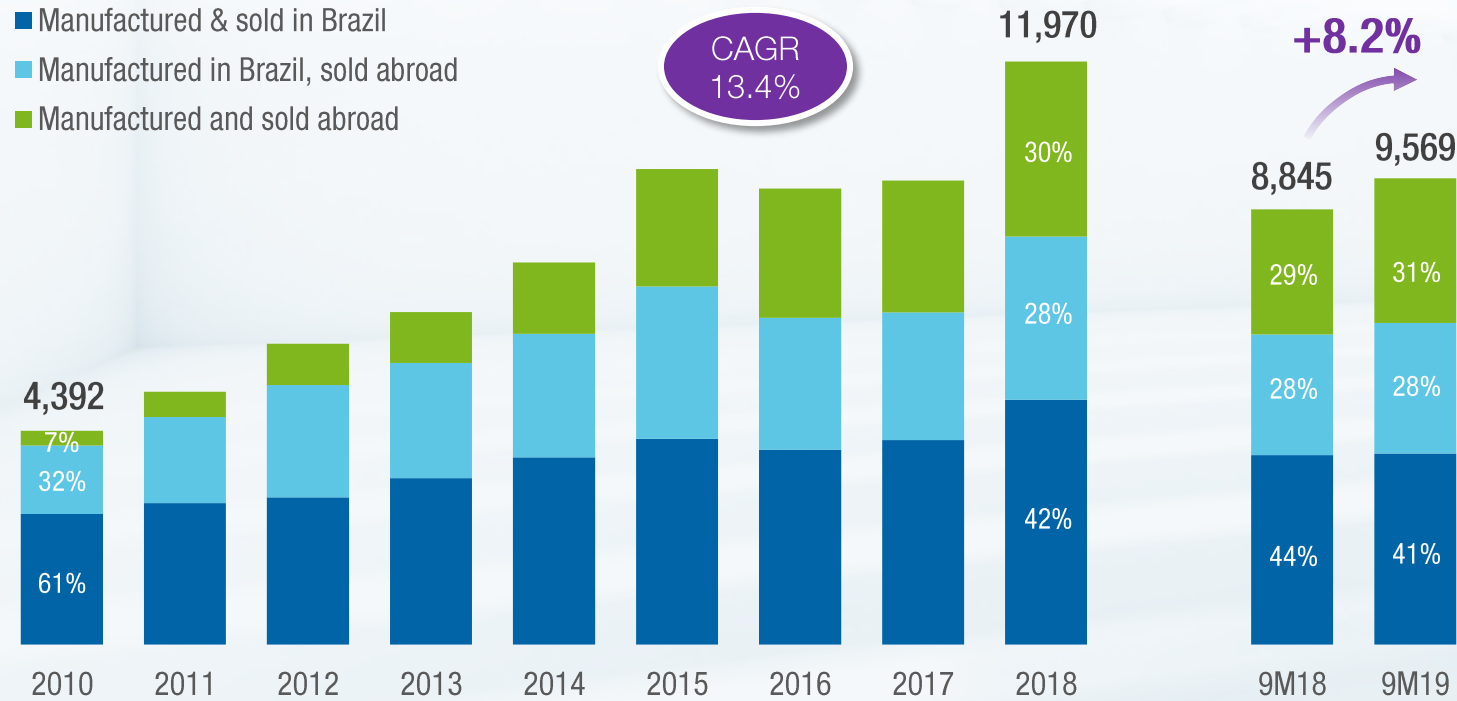
Revenue Performance 9M19 x 9M18		Total Revenue	Domestic Market	External Market
	Industrial Electro-Electronic Equipment	9%	9%	9%
	Energy Generation, Transmission, and Distribution (GTD)	4%	-11%	27%
	Motors for Domestic Use	14%	28%	2%
	Paints and Varnishes	19%	20%	8%

Solid Growth Track Record

Business model allows us to find and explore growth opportunities, even under unfavorable macroeconomic conditions

Net Operating Revenues (R\$ million)

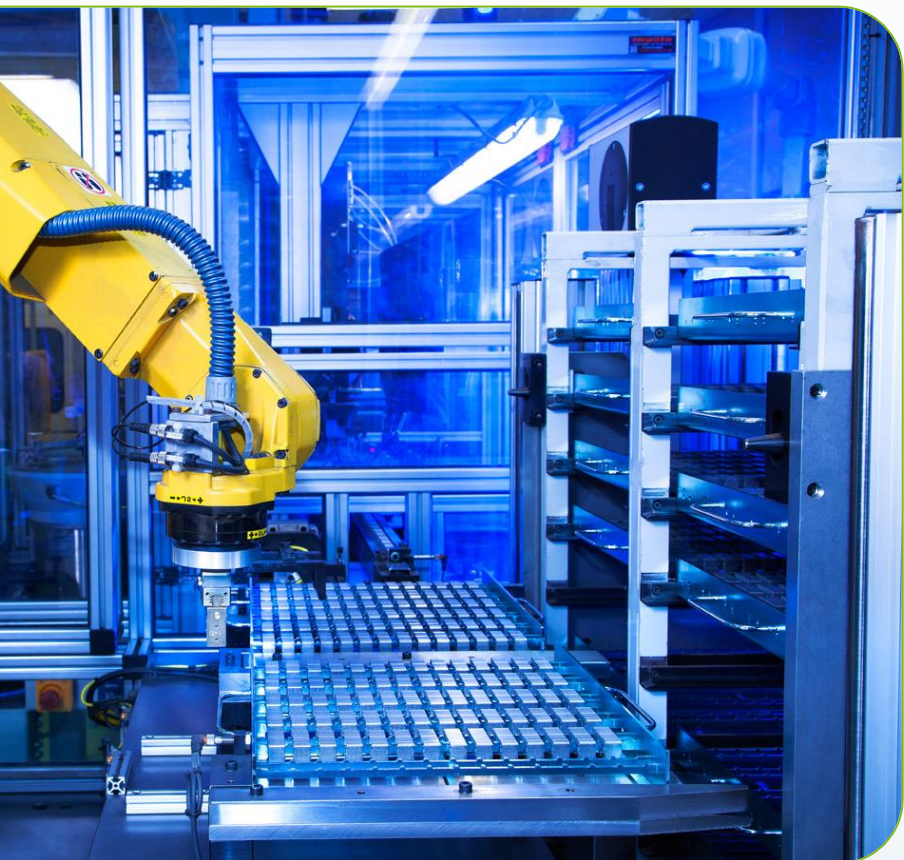
- Manufactured & sold in Brazil
- Manufactured in Brazil, sold abroad
- Manufactured and sold abroad



Strong Operating Returns and Disciplined Capital Allocation

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Resulting in stable above average ROIC over time



Operational Cash Flow

Consistent cash generation on the back of higher discipline in working capital management

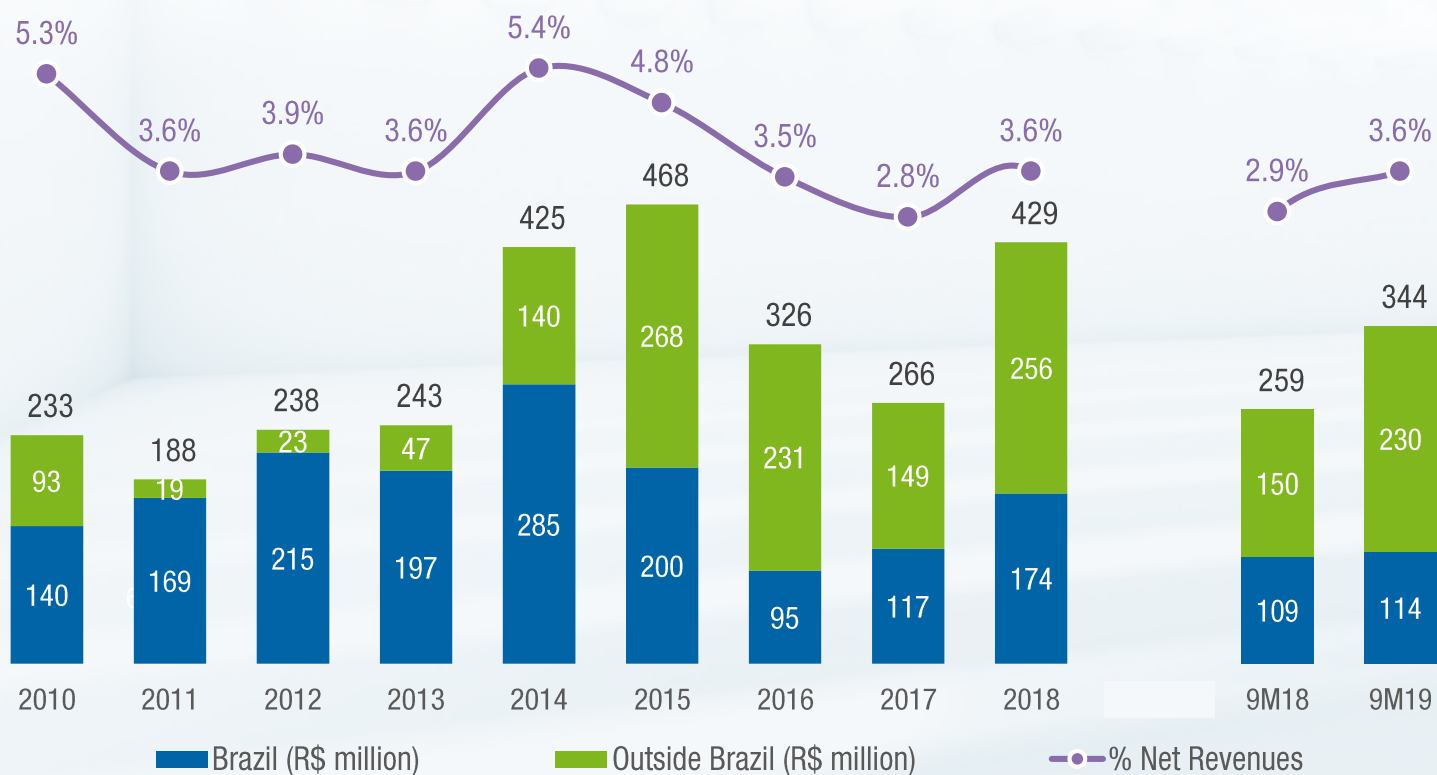
Operational Cash Flow (R\$ million)



Financial Cycle - Working Capital (days)



Focused on increasing production capacity outside Brazil in recent years





New foundry in Mexico




323,000 ft²
Additional area


2,000 ton
per month


+235
Employees


US\$ 100 mi
Capex

WEG's and Mexico's most modern foundry
Most relevant investments of 2019



New automation factory in China



156,000 ft²
Built area



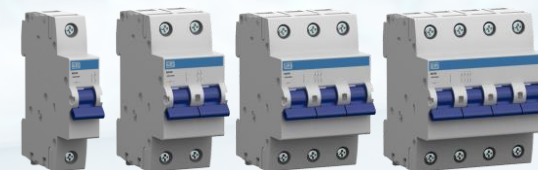
4th
Manufacturing Plant
in China



Variable Frequency Drives



Mini-Circuit Breakers



Residual-Current Devices



First WEG Automation serial product factory in China



Expansion of electric motors factory in China




270,000 ft²
Additional area

US\$ 15 mi
Capex


+120
Employees

Motors



Geared Motors



2nd expansion of Rugao electric motors factory



Low voltage electric motors factory in India



151,000 ft²

Additional area



250k

motors per year



+320

Employees



US\$ 20 mi

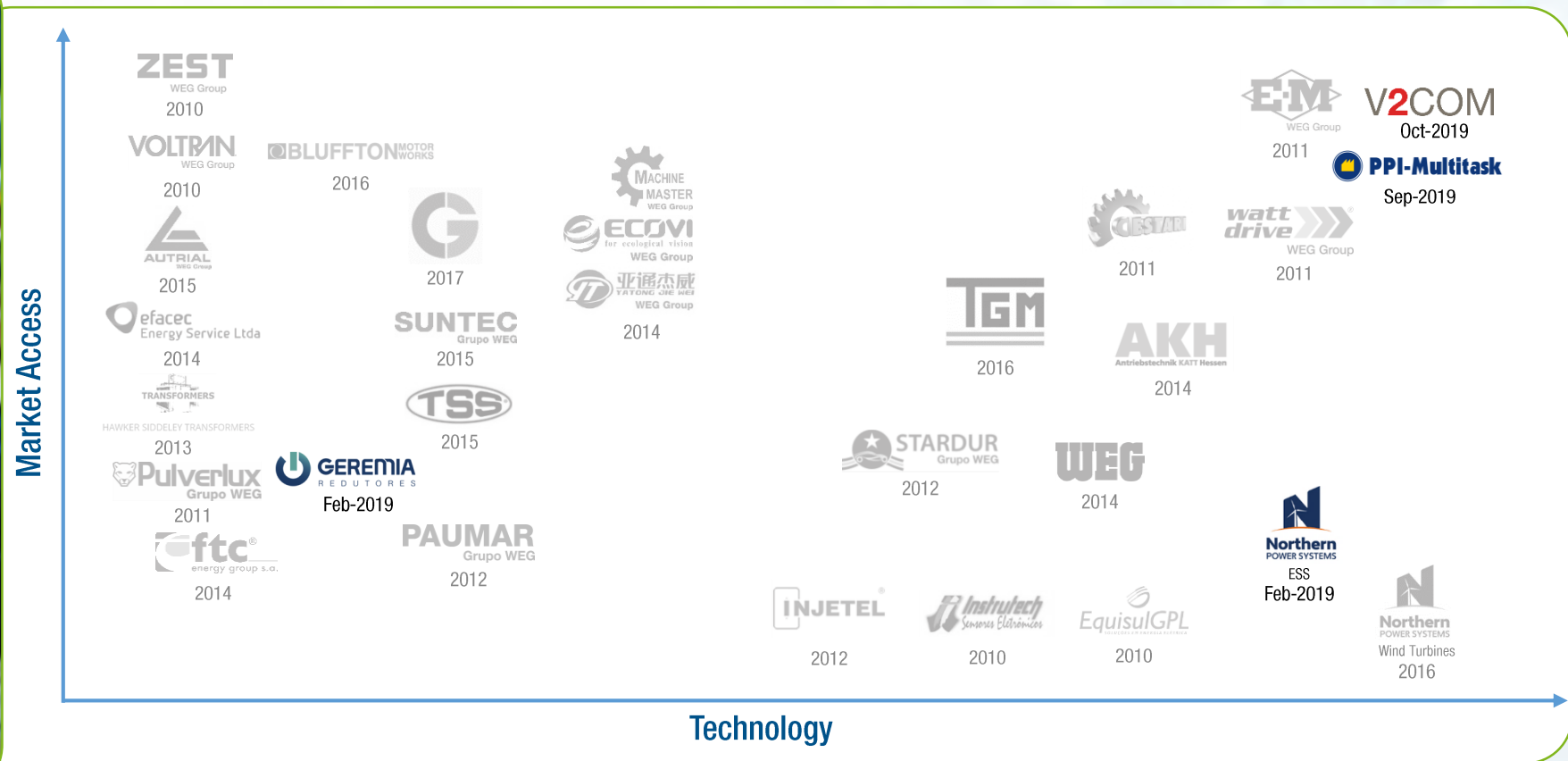
Capex

Begins operation in 2021

Portfolio Strategy

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Clear vision of attractiveness of opportunities and of the strategic fit





Geremia: gearboxes, geared motors, speed and flexible couplings



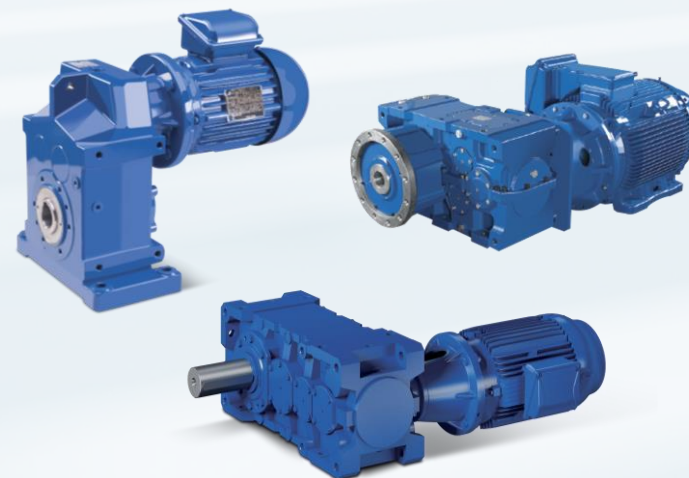
Location: Bento Gonçalves, RS

1973
Foundation

+220
Employees

R\$ 66 mi
2018 Revenue

Gearboxes and Geared Motors



Speed Couplings





NPS: More synergy to our renewable energy solutions



Location: Barre, Vermont

1974

Foundation



+15

Employees

Sole owner of
all assets
including patents,
know-how and
projects

Bidirectional converters



Solutions

- Mobile Battery Energy Storage
- Outdoor Solution – No Container
- Container Solution
- Multi Megawatt Systems
- Hybrid Multi Megawatt Plant



PPI-Multitask

- Founded in 1992
- Complete software solutions – Industry 4.0
 - MES (Manufacturing Execution System)
 - Industrial automation systems integration and IoT
- Market segments: general industries, by offering solutions for accurate and real-time production monitoring

V2COM

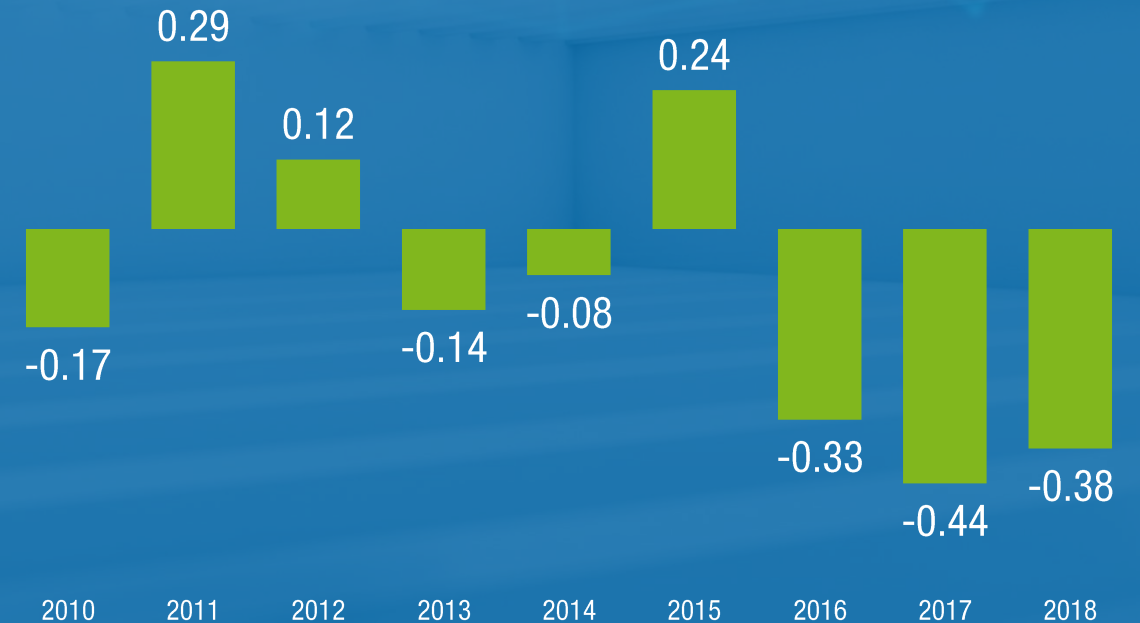
- Founded in 2002
- Solutions in hardware, software, connectivity and IoT platform services
- Complete telemetering solutions for power and smart grid systems
- Market segments: general industries, utilities and services provides of electricity, water, gas, among others

Financial Flexibility

Allows us to pursue growth opportunities as they become available

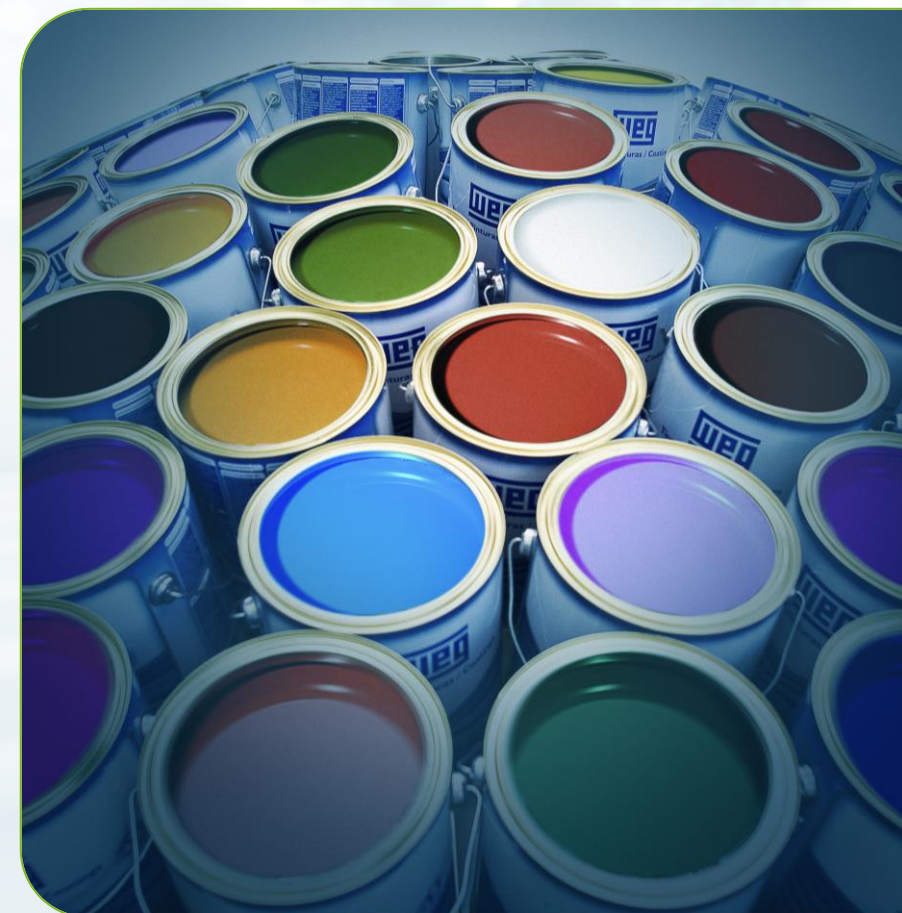
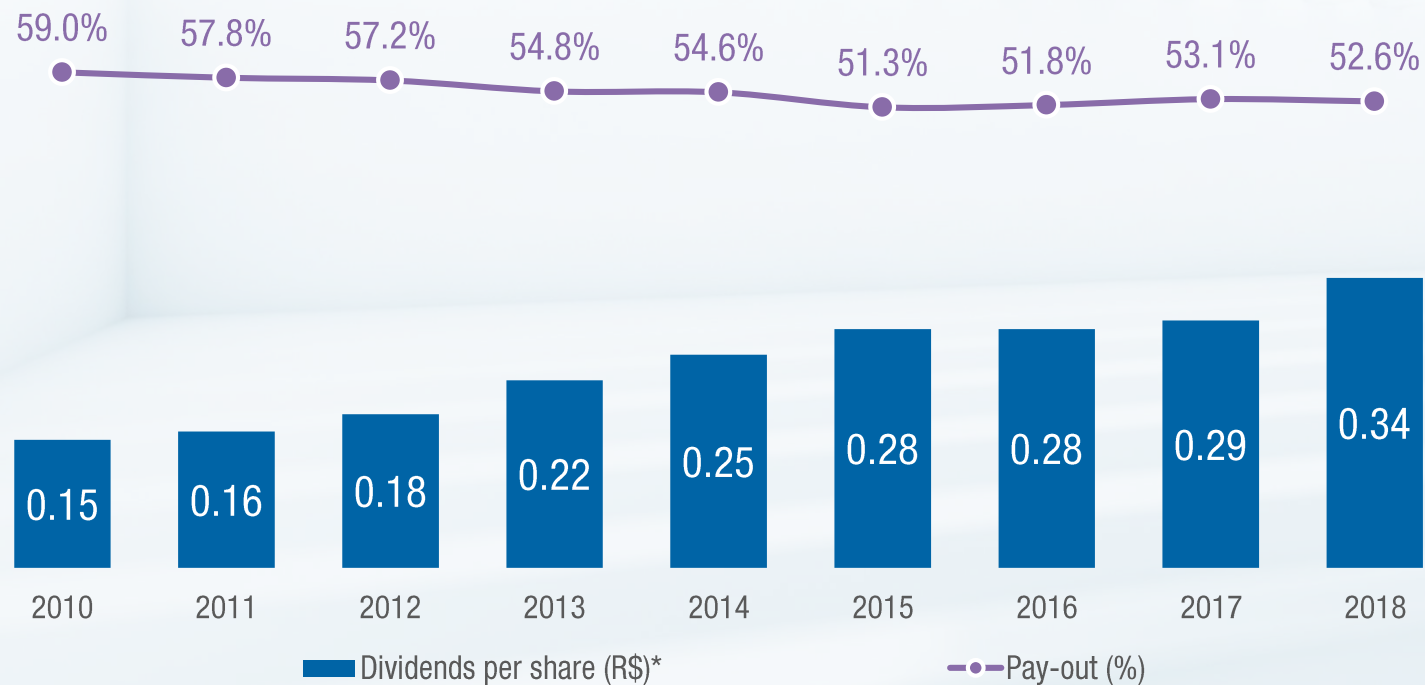


Net Debt (cash) / EBITDA



Robust Dividend Flow

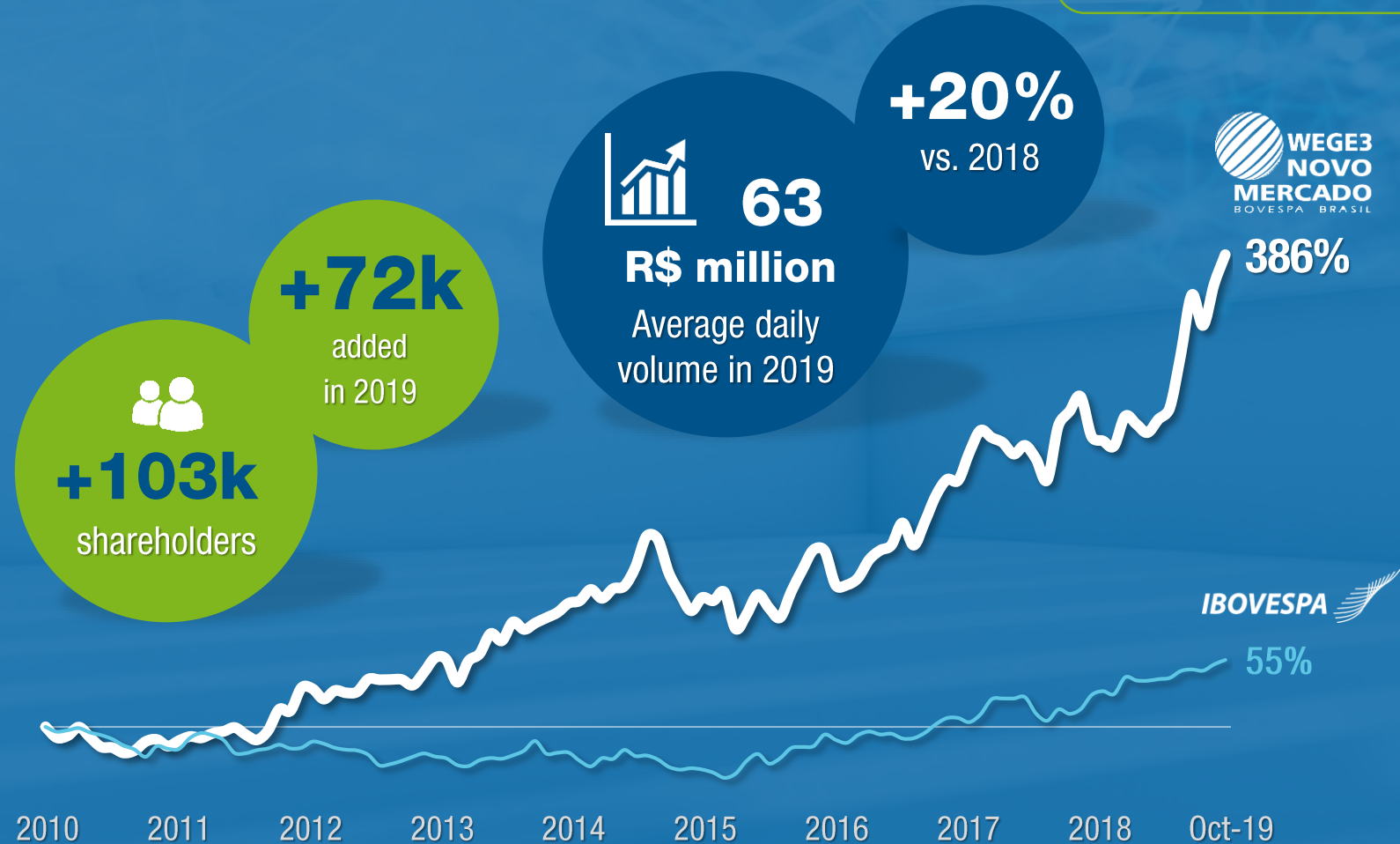
Payout average 55% in the last 9 years



Consistent performance of WEGE3

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Return above industry average



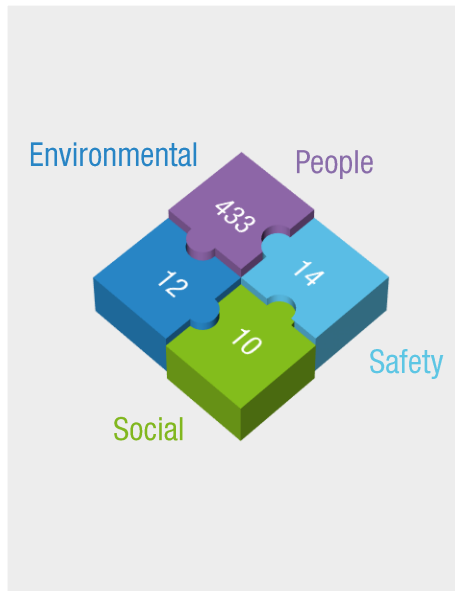
15th most valued company in Brazilian stock market

Environmental, Social and Governance



WEG's SDG's tree

Investments
BRL 469 million (2018)



Sustainability Indices
Brazil and worldwide

- ISEB3 2019
- CLEAN200™
- MSCI 2018 Constituent MSCI ESG Leaders Indexes
- FTSE4Good
- MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM
- Indice Carbono Eficiente ICO2
- guia EXAME Sustentabilidade 2018

Financial Performance

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Return above industry average for our shareholders

Continuous and
sustainable growth

Healthy
EBITDA margin

ROIC above industry
average

