Earnings Release 2017

São Paulo, March 23, 2018 – Kepler Weber S.A. (BM&FBovespa: KEPL3), *the parent Company of the Kepler Weber Group, a market leader in grain storage, announces today its earnings for 2017. The operating and financial information below, except where otherwise indicated, is presented in* Reais*, based on the consolidated figures and in accordance with the Brazilian corporate law, the pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (CPC) and the rules of the Brazilian Securities Commission (CVM). As of December 31, 2017, the Real/US Dollar exchange rate (PTAX-Venda) was R$3.3080/US$1.00.*

2017: Record crop, competitive year for storage and non-recurring factors

Highlights of the period:

- Net Revenues: R$578.4 million, up by 21.7% over 2016 (R$475.3 million), which reflects the resumption of storage investments, supported by a stabilized economy and the record 2016/2017 crop.
- Gross Profit: Gross Profit grew by 48% in comparison with 2016 (R$48.4 million in 2017, against R$32.7 million in 2016). In spite of the significant increase over the previous period, the scarcity of Federal funds made the market more competitive, pressing sales prices in a global scenario of appreciation of steel prices. The shrinking margins were partially offset by gains in order-to-cash process improvements. Kepler Weber's domestic storage market share remained stable in relation to the year 2016.
- Net Loss: Recognition of non-recurring factors resulted in the company ending the year with losses of R$34.3 million, in comparison with a loss of R$22.1 million the previous year.
- EBITDA: Negative by R$12.7 million, with a 2.2% negative margin, an important improvement when compared to the figures for 2016 (negative by R$23.3 million, with a negative margin of 4.9%).
- Net Debt: At the end of 2017, Net Debt remains negative by R$35.6 million in comparison with R$60.4 million for 2016.

Key Indicators (R$ million)	2017	2016	Δ%		2017	2016	Δ%
Operating Performance				**Ratios**			
Net Revenues	578.4	475.3	+21.7%	Loss per Share (R$)*	(1.3020)	(0.8408)	+54.9%
COGS	(529.9)	(442.6)	+19.7%	ROE	-7.9%	-4.7%	-3.2p.p.
Gross Profit	48.4	32.7	+48.0%	Gross Margin	8.4%	6.9%	+1.5p.p.
Operating Loss	(39.4)	(48.6)	-18.9%	Net Margin	-5.9%	-4.6%	-1.3p.p.
Net Loss	(34.3)	(22.1)	+55.2%	EBITDA Margin	-2.2%	-4.9%	+2.7p.p.
EBITDA	(12.7)	(23.3)	-45.4%	Operating Margin	-6.8%	-10.2%	+3.4p.p.
Investments (R$ thousand) *	18.0	13.2	+36.4%				
Net Debt*	(35.6)	(60.4)	-41.1%	* Balance as of December 31, 2017 and December 31, 2016			
Shareholders' Equity *	435.3	468.9	-7.1%				





Message to Shareholders

According to the National Supply Company (*Companhia Nacional de Abastecimento* - CONAB), Brazil has posted successive record crops, with production reaching 237.7 million tons in 2017. This all-time record in Brazil's agricultural production also led to a record deficit in storage, exceeding 80 million tons.

The projections for the 2017/2018 crop, according to CONAB, indicate that grain production will reach approximately 225.6 and 228.0 million tons. Despite the slight reduction in production, the lack of sufficient storage space will once again be an issue.

In 2015 the Warehouse Construction and Expansion Program (*Programa de Construção e Ampliação de Armazenagem* - PCA), launched in 2013 to do away with the storage shortfall by 2019, was extremely reduced. In 2016, further reductions caused funds to be limited to R$1.4 billion, with the consequent rise in interest rates. The volume of credit facilities within the PCA that was announced for the new 2017/2018 Crop Plan in early June remains modest (a R$200 million increase as compared to the previous plan), yet with a 2 p.p. decline in interest rates to 6.5% p.a. An important signal was sent by the Federal Government to the Storage sector, as the interest rate granted for the PCA is the lowest of any program covered by the 2017/2018 Crop Plan.

The crop's vigorous increase combined with the attractive interest rate under the PCA, significant transition inventories and a sound financial condition by producers have created conditions for market recovery.

The share of Federal financing in the overall sales of storage has been decreasing, indicating a growing concern of clients about finding new credit facilities at subsidized interest rates. However, the market responded to the lack of funds by investing in equipment using its own funds. Currently, around 60% of the Company's order book involves investments using own capital.

With grain production at a 4% p.a. increase and storage capacity growing at 2.8% p.a., as seen in recent years and considering this pace over the next 3 to 4 years, the shortfall in static storage will continue on the rise.

In addition to storage in the Brazilian market, the Company is active in exports (15% of Net Revenue), Solid Bulk Handling (7% of Net Revenue), and Spare Parts and Services (8% of Net Revenue). This is an indispensable element for sales sustainability in Storage as well as for Bulk Handling, which have witnessed an ongoing upward curve over the last 3 years.

Management





Operating and Financial Performance

Key Indicators (R$ million)	4Q17	4Q16	Δ%	2017	2016	Δ%
Operational Performance						
Net Revenues	174.3	150.3	+16.0%	578.4	475.3	+21.7%
COGS	(167.4)	(151.0)	+10.9%	(529.9)	(442.6)	+19.7%
Gross Profit	7.0	(0.7)	n/a	48.4	32.7	+48.0%
Operating Loss	(15.4)	(25.4)	-39.4%	(39.4)	(48.6)	-18.9%
Net Loss	(19.4)	(11.2)	+73.2%	(34.3)	(22.1)	+55.2%
EBITDA	(8.6)	(18.8)	-54.4%	(12.7)	(23.3)	-45.4%
Ratios						
Gross Margin	4.0%	-0.5%	4.5p.p.	8.4%	6.9%	+1.5p.p.
Net Margin	-11.1%	-7.5%	-3.7p.p.	-5.9%	-4.6%	-1.3p.p.
EBITDA Margin	-4.9%	-12.5%	7.6p.p.	-2.2%	-4.9%	+2.7p.p.
Operating Margin	-8.8%	-16.9%	8.1p.p.	-6.8%	-10.2%	+3.4p.p.

NET REVENUES

Despite strong growth in agricultural production and a high level of grain inventories waiting for a commodity price hike, the storage market growth is not in line with the real needs of the market.

The decline in the Brazilian storage market that traces back to the last quarter in 2014 reached its lowest point during the first quarter of 2017. Beginning in the second quarter of 2017, the market responded to the lack of funds by investing in equipment using its own funds, presenting signs of recovery, in proposals as well as in new orders, which turned into Net Revenue for the Company. Currently, around 60% of the Company's order book consists of investments using own capital, which means that price negotiations are more competitive, reducing the margins on the transactions closed.

Net Revenues in 2017 (R$578.4 million), in comparison with the previous year (R$475.3million in 2016) increased by 21.7%. When compared with the last quarter of the year, it was up by 16% (R$174.3 million for 4Q17 vs. R$150.3 million for 4Q16).

In the domestic market, Net Revenues from Kepler Weber's agricultural storage solutions reflected a 36.4% expansion (R$400.1 million for 2017 vs. R$293.3 million for 2016) year-to-date. In the fourth quarter, it increased by 27.6% against the preceding year.

On the other hand, exports in 2017 decreased by 17.8% in comparison with 2016, totaling R$88.4 million against R$107.6 million in 2016. In the fourth quarter it was down by 16.8% over 4Q16. This decrease is a consequence of the decision to focus export efforts on Latin America.

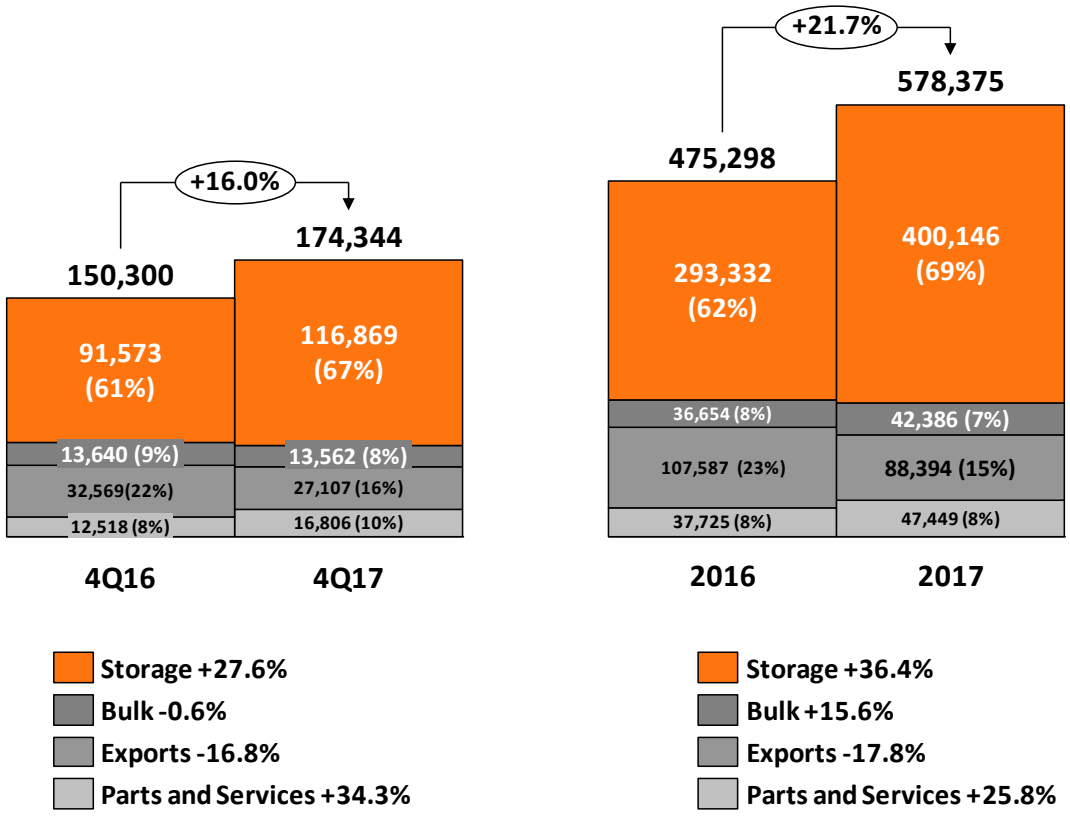




Net Revenues for the Spare Parts and Services line has proved resilient to the crisis both in 4Q17 as well as in year-to-date figures, with growth in the last quarter of the year of 34.4% against the same period of the previous year, and 25.8 growth on a year-to-date basis. This segment has been consistently growing quarter after quarter and became an important contributor in the Company's growth agenda.

As for Solid Bulk Handling, Net Revenues grew by 15.6% (R$42.4 million in 2017 vs R$36.7 million in 2016). In the comparison of 4Q17 vs 4Q16, these figures are in line. This segment in the infrastructure area, with different cycles and seasonal issues, differs from those involving storage and was not subject to the strong slowdown experienced by storage activities in the last two years. The return of confidence in the economy should further accelerate this sector.

Net Revenues R$ (thousand)



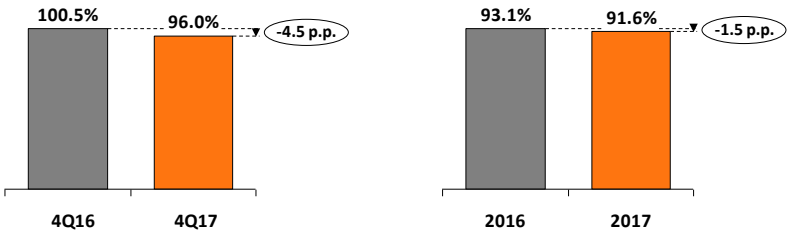




COST OF GOODS SOLD (COGS)

COGS totaled R$167.4 million in 4Q17, corresponding to 96% of the Company's Net Revenues, down by 4.5 p.p. against the same period in the previous year. In the year-to-date comparison, COGS in relation to Net Revenue is in line with the total amount of the previous year, COGS in 2017 was affected by more competitive prices that shrunk margins in orders processed and by the full-year impact on higher steel prices recorded at the end of 2016.

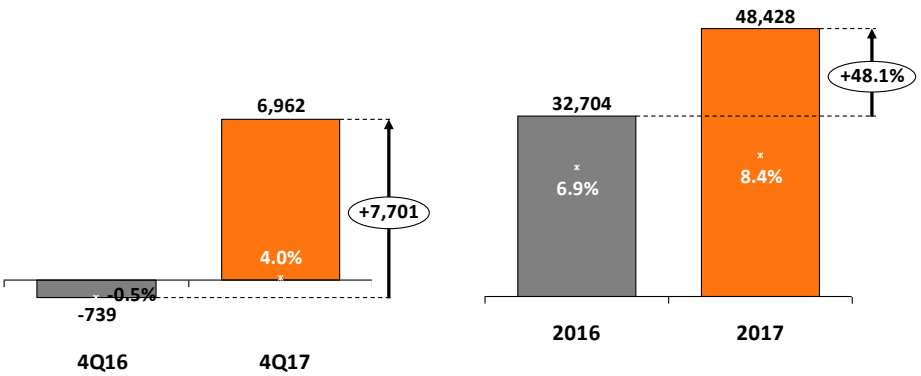
COGS over Net Revenues (%)



GROSS PROFIT

Kepler Weber's Gross Profit for 3417 totaled R$7.0 million (A 4.0% margin in 4Q17 vs. 0.5% in 4Q16). Year-to-date Gross Profit is 48.1% higher (R$48.5 million, 8.4% margin) when compared to the previous year of 2016 (R$32.7 million, 6.9% margin). This improvement in Gross Profit is in part a consequence of the increase in volume, which partially offset the lower prices, and also of the results of the reduction in costs arising from the streamlining of processes throughout the order and assembly chain.

Gross Profit (R$ thousand) and Gross Margin (%)







OPERATING EXPENSES

Selling expenses

Selling expenses for the fourth quarter of 2017 were down by 12.4% against the same period in 2016 and totaled R$9.6 million;, there was a 1.8 p.p decline in relation to Net Revenue, due to increased activity in the Grain Storage market. In 2017, the ratio of selling expenses to Net Revenues remained negative, down by 1.4 p.p..

General and administrative expenses

General and administrative expenses had a 44.5% reduction in the fourth quarter of 2017 in comparison with 4Q16; in relation Net Revenue, they were down by 5.3 p.p.. In 2017, these expenses were reduced by 15.3% in absolute terms and by 3.2 p.p. in relation to Net Revenue. These reductions are the result of the Company's efforts to make the adjustments required to become more efficient in an adverse market.

Operating Expenses (R$ thousand)	4Q17	4Q16	Δ%	2017	2016	Δ%
Selling Expenses	**(9,608)**	**(10,974)**	**-12.4%**	**(35,873)**	**(36,129)**	**-0.7%**
% Net revenues	*5.5%*	*7.3%*	*-1.8 p.p.*	*6.2%*	*7.6%*	*-1.4 p.p.*
General and Administrative Expense	**(8,449)**	**(15,215)**	**-44.5%**	**(42,047)**	**(49,638)**	**-15.3%**
% Net revenues	*4.8%*	*10.1%*	*-5.3 p.p.*	*7.3%*	*10.4%*	*-3.2 p.p.*
Total Expenses	**(18,057)**	**(26,189)**	**-31.1%**	**(77,920)**	**(85,767)**	**-9.1%**

FINANCIAL INCOME (EXPENSES)

Financial revenues

Financial revenues totaled R$3.7 million in 4Q17, 56.6% down against the same period of the previous year (R$8.5 million), in view of the lower volume of cash and cash equivalents for the quarter. Year-to-date, financial revenues are down by 30.5% against 2016 due to the repayment of the Company's debts.

Financial expenses

Financial expenses for the fourth quarter of 2017 totaled R$5.0 million, 15.8% less than the amount for 4Q16, of R$6.0 million. In 2017, accumulated financial expenses are down by 7.9% against 2016, due to the effect of monetary adjustments to liabilities and debt repayment.



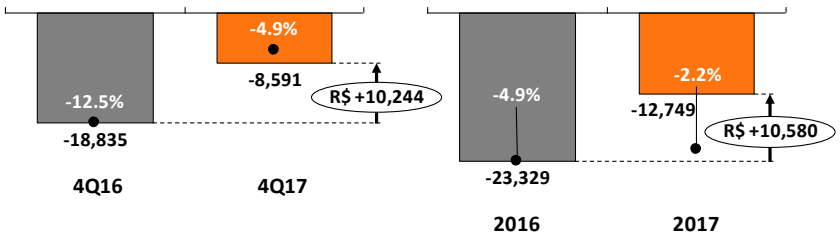


Financial Income (R$ thousand)	4Q17	4Q16	Δ%	2017	2016	Δ%
Financial Revenues	**3,709**	**8,540**	**-56.6%**	**21,611**	**31,073**	**-30.5%**
% Net Revenues	*2.1%*	*5.7%*	*-3.6 p.p.*	*3.7%*	*6.5%*	*-2.8 p.p.*
Financial Revenues	**(4,989)**	**(5,922)**	**-15.8%**	**(19,407)**	**(21,063)**	**-7.9%**
% Net Revenues	*2.9%*	*3.9%*	*-1.1 p.p.*	*3.4%*	*4.4%*	*-1.1 p.p.*
Total Financial Income	**(1,280)**	**2,618**	**n/a**	**2,204**	**10,010**	**-78.0%**

EBITDA

The Company's EBITDA at the end of the fourth quarter of the year was negative by R$8.6 million against negative R$18.8 million in 4Q16, an increase of R$10.2 million, due primarily to the efforts to improve operations, both in productivity gains through the Lean Manufacturing philosophy, and the reduction in the Company's G&A expenses. Year-on-year for 2017, the improvement in the fourth quarter is reflected in an increase in EBITDA, of R$10.6 million, with a negative margin of 2.2% against negative 4.9% in 2016.

Ebitda (R$ thousand) and Ebitda Margin (%)



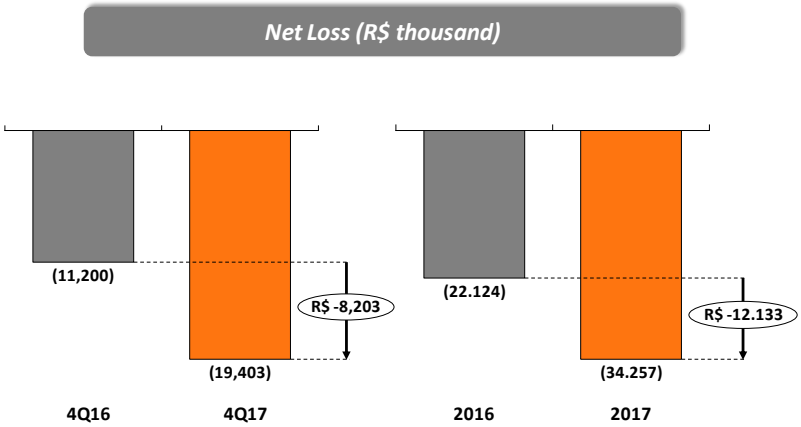
Net Income (R$ thousand)	4Q17	4Q16	Δ%	2017	2016	Δ%
Loss for the Period	**(19,403)**	**(11,200)**	**+73.2%**	**(34,257)**	**(22,124)**	**+54.8%**
(+) Provision for Income and Social Contribution Taxes - Current and Deferred	**2,737**	**(11,543)**	**n/a**	**(2,943)**	**(16,507)**	**-82.2%**
(-) Financial Revenues	**(3,709)**	**(8,540)**	**-56.6%**	**(21,611)**	**(31,073)**	**-30.5%**
(+) Financial Expenses	**4,989**	**5,922**	**-15.8%**	**19,407**	**21,063**	**-7.9%**
(+) Depreciation and amortization	**6,795**	**6,526**	**+4.1%**	**26,655**	**25,312**	**+5.3%**
EBITDA	**(8,591)**	**(18,835)**	**-54.4%**	**(12,749)**	**(23,329)**	**-45.4%**





NET LOSS

Net Loss for 4Q17 as well as for 2017 still reflect a storage market that has not yet returned to ideal levels, pressed by deflation in domestic market sales prices, and the global increase in steel prices (key raw material).Additionally, the fourth quarter of this year was strongly affected by non-recurring events which, when added to the previous 9 months, make a total of R$34 million, with a 16% impact on COGS (products in guarantee, contractors and supplementary internal requests) and 84% in operating expenses (advisory, legal contingencies, severance settlements and provisions and contractual penalties).



NET DEBT

At the end of 2017, cash and cash equivalents, which include Cash and Cash Equivalents and Securities, decreased by35.56% as compared to year-end 2016 (R$115.1 million against R$178.6 million in December 2016). This is mainly due to reduced indebtedness - which declined form R$118.2 million in December 2016 to R$79.5 million in December 2017 - and a R$13.0 million inventory increase over the same period.

As for total consolidated debt, the FINAME PSI line accounts for 13.5% of total consolidated debt (11.0% in 2016); the FINEP line, 36.9% (30.2% in 2016); the EXIM Pre-Shipment line, 37.6% (58.9% in 2016); and FINIMP line acquired in 3Q17, which accounts for 12%.

Net Debt dropped from negative R$60.4 million in December 2016 to R$35.6 million at the end of 2017. This 48.1% decrease is mainly a consequence of debt repayment (R$57.1 million of principal and interest).

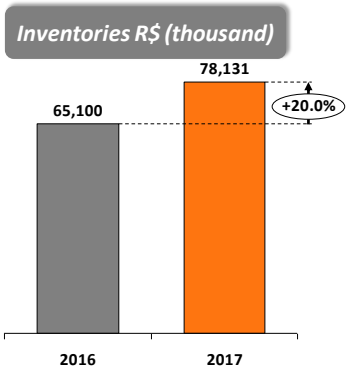




Indebtedness (R$ thousand)	2017	2016	Var (%)
EXIM Pre-Shipment	29,922	40,107	-25.4%
FINAME PSI	2,117	2,273	-6.9%
FINIMP	9,527	-	n/a
FINEP	7,921	7,665	+3.3%
Short Term	**49,487**	**50,045**	**-1.1%**
EXIM Pre-Shipment	-	29,485	n/a
FINAME PSI	8,615	10,705	-19.5%
FINEP	21,409	27,992	-23.5%
Long Term	**30,024**	**68,182**	**-56.0%**
Total Indebtedness	**79,511**	**118,227**	**-32.7%**
Cash and Cash Equivalents (Current and Non-Current)	**(115,082)**	**(178,598)**	**-35.6%**
Net Indebtedness	**(35,571)**	**(60,371)**	**-41.1%**

INVENTORIES

The value of the Company's inventories closed 2017 at R$78.1 million, up by 20.0% against the value of inventories at year-end 2016 (R$65.1 million). Increased inventories are related to strategic purchase of steel, preparing the Company for portfolio orders.



Moderation in investments

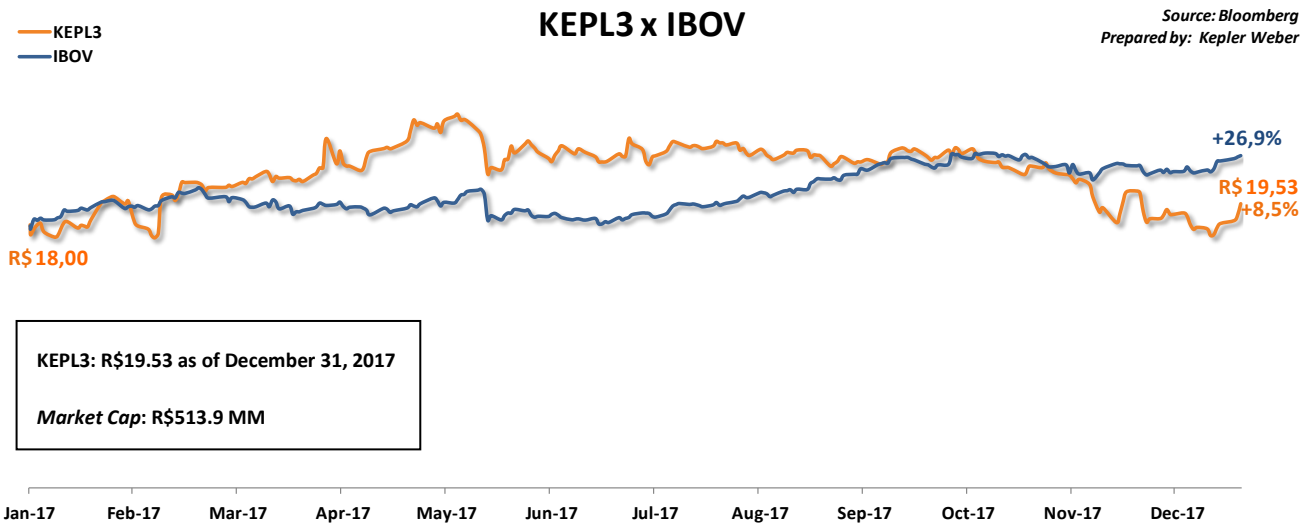
Investments by Kepler Weber during 2017 totaled R$18.0 million (R$13.2 million in 2016), used to acquire software, IT and information security equipment and to finalize implementation of the new ERP system (R$8.7 million), modernization of the industrial park (R$8.0 million), new product development (R$0.30 million) and improvements in buildings and facilities (R$1.0 million).





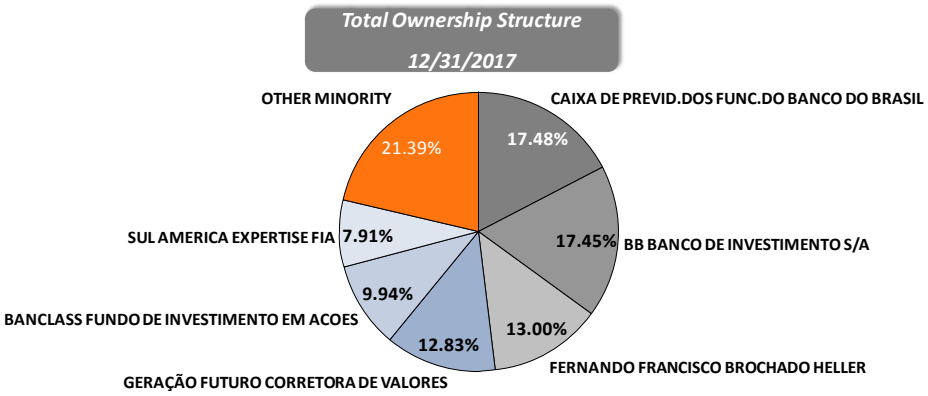
Capital Markets

Kepler Weber shares started the year at R$18.00/share, rising by 8.5% p.a. at the end of 2017. The daily average financial volume was R$0.7 million, and the shares were quoted at R$19.53/share at December 31, 2017. In the same period, Bovespa index appreciated by 26.9%.



Ownership Structure

As of December 31, 2017, the capital stock of Kepler Weber S.A. consisted of 26,311,971 common shares regularly traded on the Bolsa de Valores, Mercadorias e Futuros (BM&FBovespa) under ticker KEPL3.







Termination of the Share Purchase Agreement

On November 14, 2017, the Company informed its shareholders and the market in general, by means of a Material Fact, that on November 13, 2017, in the after-market period of B3, it had received two mails from its shareholders Caixa de Previdência dos Funcionários do Banco do Brasil) and BB-Banco de Investimento S.A. (“PREVI’ and “BB-BI”) and one from AGCO do Brasil Máquinas e Equipamentos Agrícolas Ltda (“AGCO”).

In these mails, the Company is informed of the termination of the Share Purchase Agreement entered into on February 9, 2017 between PREVI, BB-BI and AGCO referring to the possible acquisition by AGCO of the Company’s shares held by PREVI and BB-BI, because the conditions precedent agreed upon had not been met within the agreed deadline.

Furthermore, AGCO informs that as a result of the termination of the agreement, it no longer intends to make a public offering to acquire the Company’s entire common stock, of which it had informed the Company in a mail sent on February 9, 2017.

External Audit

Pursuant to Article 2 of CVM Instruction No. 381/03, Kepler Weber confirms that its independent auditors, Ernst & Young Auditores Independentes S/S, provided services relating only to the independent audit of the financial statements of the Company and its subsidiary, Kepler Weber Industrial S/A.





Outlook for the Sector

Over the past years, the Federal Government has attempted to support growers by granting credit facilities for investment in agriculture and related areas. The Warehouse Construction and Expansion Plan (PCA) was one of the measures implemented to improve grain storage capacity in Brazil, providing credit facilities of R$5 billion per year at extremely competitive interest rates (2013/2014 – 3.5% p.a.). The agricultural storage sector joined the PCA, thus enabling a number of investments that had been held back until then.

In 2016, amidst the political crisis, the PCA was extended for another year, for 2016/2017, but with a new reduction in the funds available for Agricultural Storage (from R$2.4 billion to R$1.4 billion), and a change in the program's interest rates (from 7.5%-9.5% p.a., to 8.5% p.a.). This year, after the disclosure of the new 2017/2018 Crop Plan, the funds available for the storage sector increased by 14.3% compared to the previous plan, reaching R$1.6 billion, while interest rates were reduced by 2 p.p. (from 8.5% p.a. to 6.5% p.a.). The other financing rules, such as terms and grace periods, remained unchanged.

The grain crop increased from 149 million tons in 2010, to 237.7 million tons in 207, or 59.5%, while storage capacity in the period increased only 16.3%, from 135 million tons in 2010, to 162.6 million tons at the end of 2017. Thus, the storage deficit in the country has reached record levels above 80 million tons of grains.

Today, one third of Brazil's grains production is not properly stored. In the medium and long terms, continuing discrepancies between crop growth and storage capacity will result in loss of profit for growers, and hinder the growth curve of Brazil's agricultural production. This scenario shows the importance of the support programs launched by the Federal Government, such as the PCA, which are absolutely necessary to reduce the grain storage deficit in the next 5 to 10 years.

Aware of the importance of adequate grains processing and storage, and in view of the brief period of political stability, the Brazilian market has resumed investments in 2017. Notwithstanding a more optimistic scenario, Kepler Weber is making adjustments in order to face a much more competitive market with moderate growth. The other segments in which the Company operates (Solid Bulk Handling, Export and Replacement of Parts and Services), and the program to review and simplify internal processes, as well as the reduction in costs, are key elements to improve our operating margins.





Priorities for 2018

Kepler Weber has begun 2018 focused on lowering its breakeven point. To that end, it has worked to reduce both fixed and variable costs and to recover margins through the sales force.

Within the scope of fixed costs, the Company once again made adjustments, this time not only adjusting its level of operations, but also reviewing the senior and middle management structure. In the case of variable costs, the Company has been working to actively manage its suppliers, demanding that they make efforts and persevere in reducing costs in order to achieve competitive advantage in cost.

In addition to these initial efforts, Kepler Weber continues to strive for the following points, which in turn should produce the expected results, especially after market recovery, for developing and expanding the Company's business and generating greater value to shareholders.

- Evolution of Kepler Weber's business model:
  - After-sales service;
  - Innovation;
  - Reduction in costs of raw materials and other components;
  - Plant improvement to increase productivity and reduce the break-even point;
  - Expansion of the Lean Manufacturing program across all areas of the Company.

- Expansion of activities in the Bulk Handling market;
  - In accordance with the strategic plan for expansion of Kepler Weber's portfolio of products in new segments.

- Maintenance and preservation of cash and cash equivalents.





KEPLERWEBER®

Earnings Release 2017

Attachments

Balance Sheet

CONSOLIDATED BALANCE SHEET	2017	Vertical Analysis 2017	2016	Vertical Analysis 2016	Horizontal Analysis 2017 x 2016
(In thousand of Reais, except percentages)					
ASSETS					
Current Assets	**304,324**	**42.49%**	**315,828**	**41.35%**	**-3.64%**
Cash and cash equivalents	14,424	2.01%	21,790	2.85%	-33.80%
Securities	79,887	11.15%	100,989	13.22%	-20.90%
Retained financial investments	7,332	1.02%	11,142	1.46%	0.00%
Trade accounts receivable	52,769	7.37%	66,154	8.67%	-20.23%
Inventories	78,131	10.91%	65,100	8.52%	20.02%
Taxes recoverable	62,381	8.71%	43,164	5.65%	44.52%
Pre-paid expenses	690	0.10%	578	0.08%	19.38%
Advances to suppliers	372	0.05%	1,063	0.14%	-65.00%
Derivative Financial Instruments	196	0.03%	187	0.02%	4.81%
Other credits	8,142	1.14%	5,661	0.74%	43.83%
Non-current assets	**411,922**	**57.51%**	**447,977**	**58.65%**	**-8.05%**
Securities	13,439	1.88%	44,677	5.85%	-69.92%
Taxes recoverable	260	0.04%	539	0.07%	-51.76%
Court deposits	3,930	0.55%	4,099	0.54%	-4.12%
Deferred taxes	111,862	15.61%	106,627	13.96%	4.91%
Investments	4	0.00%	4	0.00%	0.00%
Investment property	14,188	1.98%	14,465	1.89%	-1.91%
Property, plant and equipment	220,809	30.83%	228,669	29.94%	-3.44%
Intangible assets	47,430	6.62%	48,897	6.40%	-3.00%
TOTAL ASSETS	**716,246**	**100.00%**	**763,805**	**100.00%**	**-6.23%**
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities	**226,944**	**31.68%**	**208,362**	**27.28%**	**8.92%**
Suppliers	52,385	7.30%	46,573	6.10%	12.48%
Loans and financing	49,487	6.91%	50,045	6.55%	-1.11%
Salaries and vacations payable	11,686	1.63%	15,120	1.98%	-22.71%
Advances from clients	79,597	11.12%	60,466	7.92%	31.64%
Taxes payable	4,182	0.58%	4,839	0.63%	-13.58%
Commissions payable	6,503	0.91%	5,877	0.77%	10.65%
Dividends payable	4	0.00%	4	0.00%	0.00%
Provision for guarantees	6,844	0.96%	14,537	1.90%	-52.92%
Other payables	16,256	2.27%	10,901	1.43%	49.12%
Non-current liabilities	**53,953**	**7.54%**	**86,591**	**11.34%**	**-37.69%**
Financing and loans	30,024	4.20%	68,182	8.93%	-55.96%
Provisions	17,218	2.40%	10,090	1.32%	70.64%
Taxes payable	6,581	0.92%	8,111	1.06%	-18.86%
Other payables	130	0.02%	208	0.03%	-37.50%
Shareholders' equity	**435,349**	**60.78%**	**468,852**	**61.38%**	**-7.15%**
Capital stock	234,322	32.71%	234,322	30.67%	0.00%
Capital reserves	51,231	7.15%	50,477	6.61%	1.49%
Equity valuation adjustments	43,889	6.13%	47,854	6.27%	-8.29%
Revaluation reserves	683	0.10%	1,935	0.25%	-64.70%
Profit reserve	105,224	14.69%	134,264	17.58%	-21.63%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**716,246**	**100.00%**	**763,805**	**100.00%**	**-6.23%**





KEPLERWEBER®

Earnings Release 2017

Statements of Income

CONSOLIDATED STATEMENTS OF INCOME	4Q17	Vertical Analysis 4Q17	4Q16	Vertical Analysis 4Q16	Horizontal Analysis 4Q17 vs 4Q16
(In thousand of Reais, except percentages)					
NET OPERATING REVENUES	**174,344**	**100.00%**	**150,300**	**100.00%**	**16.00%**
COST OF PRODUCTS SOLD	**(167,382)**	**-96.01%**	**(151,039)**	**-100.49%**	**10.82%**
GROSS PROFIT	**6,962**	**3.99%**	**(739)**	**-0.49%**	**-1042.08%**
Selling expenses	**(9,608)**	-5.51%	**(10,974)**	-7.30%	-12.45%
General and administrative expenses	**(8,449)**	-4.85%	**(15,215)**	-10.12%	-44.47%
Other operating revenues	**4,535**	2.60%	**6,846**	4.55%	-33.76%
Other operating expenses	**(8,826)**	-5.06%	**(5,279)**	-3.51%	67.19%
OPERATING INCOME (LOSS)	**(15,386)**	**-8.83%**	**(25,361)**	**-16.87%**	**-39.33%**
Financial expenses	**(4,989)**	-2.86%	**(5,922)**	-3.94%	-15.75%
Financial revenues	**3,709**	2.13%	**8,540**	5.68%	-56.57%
INCOME BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES	**(16,666)**	**-9.56%**	**(22,743)**	**-15.13%**	**-26.72%**
Current income and social contribution taxes	**(653)**	-0.37%	**(672)**	-0.45%	-2.83%
Deferred income and social contribution taxes	**(2,084)**	-1.20%	**12,215**	8.13%	-117.06%
INCOME AND SOCIAL CONTRIBUTION TAXES	**(2,737)**	**-1.57%**	**11,543**	**7.68%**	**-123.71%**
NET INCOME (LOSS) FOR THE PERIOD	**(19,403)**	**-11.13%**	**(11,200)**	**-7.45%**	**73.24%**

CONSOLIDATED STATEMENTS OF INCOME - ACCUMULATED	2017	Vertical Analysis 2017	2016	Vertical Analysis 2016	Horizontal Analysis 2017 vs 2016
(In thousand of Reais, except percentages)					
NET OPERATING REVENUES	**578,375**	**100.00%**	**475,298**	**100.00%**	**21.69%**
COST OF PRODUCTS SOLD	**(529,947)**	**-91.63%**	**(442,594)**	**-93.12%**	**19.74%**
GROSS PROFIT	**48,428**	**8.37%**	**32,704**	**6.88%**	**48.08%**
Selling expenses	(35,873)	-6.20%	(36,129)	-7.60%	-0.71%
General and administrative expenses	(42,047)	-7.27%	(49,638)	-10.44%	-15.29%
Other operating revenues	16,071	2.78%	18,325	3.86%	-12.30%
Other operating expenses	(25,983)	-4.49%	(13,903)	-2.93%	86.89%
OPERATING LOSS	**(39,404)**	**-6.81%**	**(48,641)**	**-10.23%**	**-18.99%**
Financial expenses	(19,407)	-3.36%	(21,063)	-4.43%	-7.86%
Financial revenues	21,611	3.74%	31,073	6.54%	-30.45%
INCOME BEFORE INCOME AND SOCIAL CONTRIBUTION T	**(37,200)**	**-6.43%**	**(38,631)**	**-8.13%**	**-3.70%**
Current income and social contribution taxes	(2,342)	-0.40%	(1,765)	-0.37%	32.69%
Deferred income and social contribution taxes	5,285	0.91%	18,272	3.84%	-71.08%
INCOME AND SOCIAL CONTRIBUTION TAXES	**2,943**	**0.51%**	**16,507**	**3.47%**	**-82.17%**
NET LOSS FOR THE PERIOD	**(34,257)**	**-5.92%**	**(22,124)**	**-4.65%**	**54.84%**





Statement of Cash Flow
Periods ended December 31, 2017 and December 31, 2016

CONSOLIDATED CASH FLOW	2017	2016
(In thousand of Reais)		
INCOME BEFORE TAXES	**(37,200)**	**(38,631)**
Expenses (revenues) not affecting cash	**24,529**	26,912
Depreciation and amortization	26,655	25,312
Provisions	179	10,087
Cost of property, plant and equipment/intangible assets written off	940	509
(Gain) Losses on derivative financial instruments, net	(290)	(475)
Charges on loans	8,381	8,264
Earnings from financial investments	(12,090)	(17,744)
Fair value of stock options	754	959
Decrease (increase) in asset accounts	**(17,946)**	102,164
Trade accounts receivable	14,145	56,533
Inventories	(11,409)	47,698
Taxes recoverable	(18,938)	(4,528)
Other credits	(1,744)	2,461
Increase (decrease) in liability accounts	**12,007**	(37,323)
Domestic and foreign suppliers	5,812	(3,903)
Salaries and vacation pay	(3,434)	539
Taxes payable	(5,426)	(4,108)
Advances from clients	19,131	(21,330)
Other payables	4,016	(538)
Interest paid on loans	(8,092)	(7,948)
Income and social contribution taxes paid	-	(35)
Cash flow from operations	**(18,610)**	53,122
Purchase of property, plant and equipment, and intangible assets	(17,991)	(13,128)
Retained financial investments - Current	3,810	(11,142)
Securities - Current	33,192	(12,306)
Securities - Non-current	31,238	(15,461)
Cash flow from investments activities	**50,249**	(52,037)
Payment of loans	(49,391)	(48,304)
Loans raised	10,386	62,184
Payment of dividends	-	(2,686)
Cash flow from financing activities	**(39,005)**	11,194
Increase in cash and cash equivalents	**(7,366)**	12,279
Statement of increase in cash and cash equivalents		
Cash balance at the beginning of the period	21,790	9,511
Cash balance at the end of the period	14,424	21,790
Change in cash and cash equivalents in the period	(7,366)	12,279





Value Added Statement – VAS

VALUE ADDED STATEMENT - (In thousands of Reais)	2017	2016
Revenues from continuing and discontinued operations		
Sales of goods, products and services	672,544	548,809
Provision for doubtful debts - reversal (creation)	3,470	(927)
Inputs purchased from third parties (includes ICMS, IPI, PIS and Cofins)		
Cost of products, good and services sold	(510,526)	(404,024)
Materials, energy, third-party services and other	(69,893)	(54,768)
Gross value added	**95,595**	**89,090**
Depreciation, amortization and depletion	(26,655)	(25,312)
Net value added produced by the Company	**68,940**	**63,778**
Value added received by transfer	**32,574**	**53,473**
Financial revenues	21,611	31,073
Deferred income and social contribution taxes	5,285	18,272
Realization of deemed cost	5,217	2,165
Other	461	1,963
Total value added for distribution	**101,514**	**117,251**
Distribution of value added	**101,514**	**117,251**
Employees	**95,608**	**93,852**
Direct compensation	73,138	67,145
Benefits	11,606	9,660
FGTS (unemployment fund)	5,648	5,309
Management fees	3,538	3,388
Severance Pay	3,190	3,199
Other	(1,512)	5,151
Taxes	**4,579**	**10,500**
Federal	2,484	8,343
State	1,393	1,598
Municipal	702	559
Remuneration of third-party capital	**30,367**	**32,858**
Interest rates and other financial charges	14,692	17,530
Commissions	13,372	13,261
Other	2,303	2,067
Remuneration on Shareholders' equity	**(29,040)**	**(19,959)**
Investment reserve	(29,040)	(19,959)





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About Kepler Weber

Kepler Weber S.A. (BM&FBovespa: KEPL3) is Brazil's market leader in the manufacture and supply of equipment for grain storage, providing complete solutions for storing and handling grains. Founded in 1925, the Company makes grain storage systems (silos, driers, transporters and cleaning machinery) and systems for storing and handling solid bulk, both for the agricultural and industrial sectors and for port terminals. Kepler Weber also offers after-sales support, backed by a wide network of technical assistance, enabling its customers to speedily acquire original maintenance and replacement parts. Its portfolio of customers, in Brazil and abroad, consists of cooperatives, agricultural producers, processing industries, trading companies, and medium and large undertakings.

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