

TUPY – Worldwide reference in casting



3Q17 Highlights

Consistent growth and margin recovery

Earnings conference call

Date: November 14th, 2017

Portuguese/English

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- **Sales Volume:** 141.7 Thousand tonnes, up 19.4% from 3Q16, due to sales growth in domestic and foreign markets.
- **Revenues:** R\$962,7 million, a 26.2% increase against 3Q16 due to volume growth and the improved mix of products reducing the effects of a 2.8% appreciation of the BRL against the USD when compared to the same period of the previous year.
- **Adjusted EBITDA:** R\$163.4 million, up 64.0% from the same period of the previous year and equivalent to 17.0% of revenues in 3Q17, corresponding to 3.9 percentage points increase against 3Q16.
- **Cash flow from operations:** Generation of R\$96.3 million in 3Q17, against consumption of R\$9.2 million in 3Q16.
- **Net income:** R\$76.4 million in 3Q17, a significant increase compared to 3Q16 – net income of R\$9.0 million.
- **Payment of dividends and interest on equity (IoE):** R\$50.0 million to be paid in November. This amount plus the amounts paid in June and August totals R\$150.0 million, corresponding to a dividend yield* of 6.5%.

• Considering the closing stock price at the end of each quarter

Note: Except when stated otherwise, the comparisons shown in percentage variations are based on the same period of 2016.

MAIN INDICATORS

Consolidated (R\$ thousand)

SUMMARY	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Revenues	962,664	763,047	26.2%	2,738,851	2,473,571	10.7%
Cost of goods sold	(778,212)	(655,917)	18.6%	(2,287,307)	(2,108,930)	8.5%
Gross profit	184,452	107,130	72.2%	451,544	364,641	23.8%
<i>% on revenues</i>	19.2%	14.0%		16.5%	14.7%	
Operating expenses	(73,196)	(61,798)	18.4%	(224,666)	(198,880)	13.0%
Other operating expenses	(13,975)	(23,492)	-40.5%	(84,313)	(85,521)	-1.4%
Income before financial results	97,281	21,840	345.4%	142,565	80,240	77.7%
<i>% on revenues</i>	10.1%	2.9%		5.2%	3.2%	
Net financial result	(13,415)	(10,970)	22.3%	(39,964)	(45,677)	-12.5%
Income before taxes	83,866	10,870	671.5%	102,601	34,563	196.9%
<i>% on revenues</i>	8.7%	1.4%		3.7%	1.4%	
Income tax and social contribution	(7,506)	(1,869)	301.6%	36,866	(37,034)	-
Net income	76,360	9,001	748.4%	139,467	(2,471)	-
<i>% on revenues</i>	7.9%	1.2%		5.1%	-0.1%	
EBITDA (acc. Inst. CVM 527/12)	159,627	93,599	70.5%	335,760	301,731	11.3%
<i>% on revenues</i>	16.6%	12.3%		12.3%	12.2%	
Adjusted EBITDA	163,384	99,632	64.0%	388,850	330,176	17.8%
<i>% on revenues</i>	17.0%	13.1%		14.2%	13.3%	
Average Exchange rate (BRL/USD)	3.16	3.25	-2.8%	3.18	3.55	-10.4%
Average Exchange rate (BRL/EUR)	3.72	3.62	2.8%	3.54	3.95	-10.4%

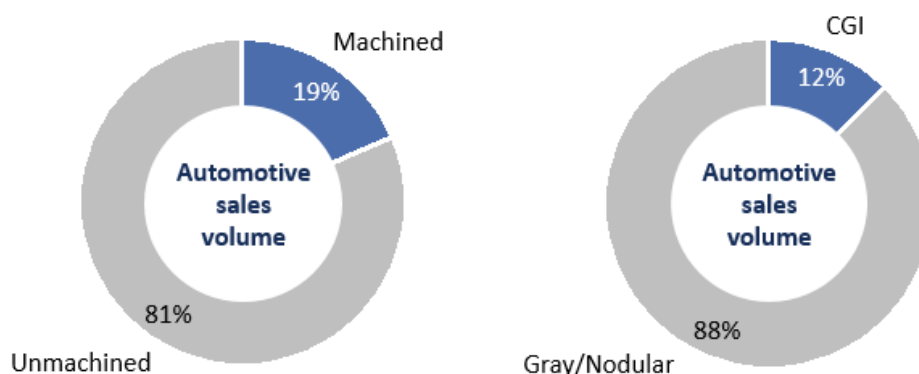
SALES VOLUME

Consolidated (tons)						
	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Domestic market	30,651	26,274	16.7%	84,150	76,248	10.4%
Automotive	25,599	21,966	16.5%	69,221	62,998	9.9%
Hydraulics	5,052	4,308	17.3%	14,929	13,250	12.7%
Foreign market	111,010	92,370	20.2%	332,533	291,571	14.0%
Automotive	105,846	88,569	19.5%	320,222	281,350	13.8%
Hydraulics	5,164	3,801	35.9%	12,311	10,221	20.4%
Total sales volume	141,661	118,644	19.4%	416,684	367,819	13.3%

Sales volume increased by 19.4% against 3Q16, chiefly due to the following factors:

- 16.5% increase in sales to the automotive segment in the domestic market, primarily due to indirect exports of applications for commercial vehicles, along with sales in off road segments.
- 19.5% increase in the volume of sales to the automotive segment in the foreign market, reflecting the increase in applications for commercial and off road vehicles compared to the same period of the previous year.
- Significant growth in the hydraulics segment, particularly in the Brazilian and US markets.

The automotive segment portfolio comprised 19% of partially or fully machined products (vs. 21% in 3Q16). The breakdown of automotive products by type of material shows that Compacted Graphite Iron – CGI accounted for a sales volume of 12% (vs. 15% in 3Q16). The drop in the quarterly comparison was due to higher growth in the volume of products made of gray or nodular iron.



REVENUES

Revenues increased by 26.2% compared to 3Q16.

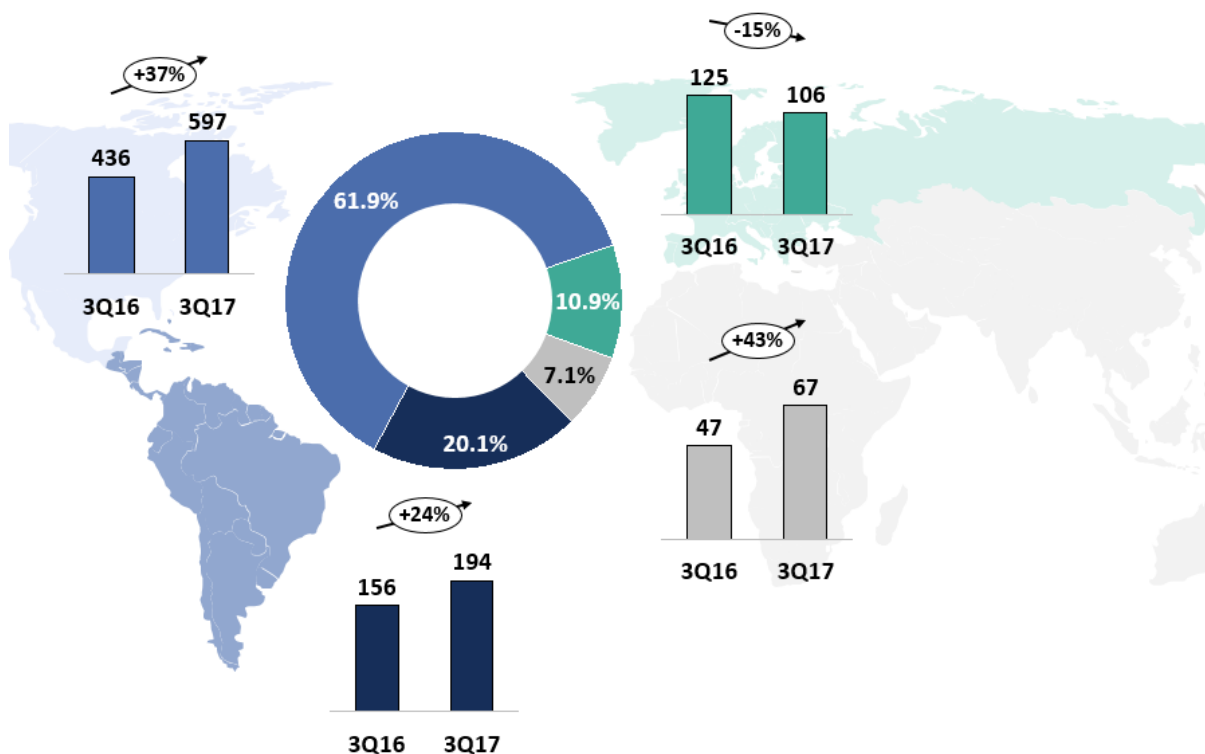
In the domestic market, the 27.7% growth was due to the increase in revenues from all automotive segment, highlighting commercial vehicles, which increased by 55.5% in the period.

In the foreign market, net revenues increased by 25.8%, particularly due to the applications for commercial and off road vehicles. The 2.8% appreciation of the Real against the U.S. Dollar in the period (average exchange rate of approximately R\$3.16 in 3Q17 against R\$3.25 in 3Q16) was offset by a more favorable mix of products.

Consolidated (R\$ thousand)						
	3Q17	3Q16	Var.[%]	9M17	9M16	Var.[%]
Revenues by market	962,664	763,047	26.2%	2,738,851	2,473,571	10.7%
Domestic market	184,933	144,849	27.7%	489,547	423,895	15.5%
<i>% share</i>	<i>19.2%</i>	<i>19.0%</i>		<i>17.9%</i>	<i>17.1%</i>	
Foreign market	777,731	618,198	25.8%	2,249,304	2,049,676	9.7%
<i>% share</i>	<i>80.8%</i>	<i>81.0%</i>		<i>82.1%</i>	<i>82.9%</i>	
Revenues by segment	962,664	763,047	26.2%	2,738,851	2,473,571	10.7%
Automotive	902,712	713,282	26.6%	2,584,817	2,324,354	11.2%
<i>% share</i>	<i>93.8%</i>	<i>93.5%</i>		<i>94.4%</i>	<i>94.0%</i>	
Hydraulics	59,952	49,765	20.5%	154,034	149,217	3.2%
<i>% share</i>	<i>6.2%</i>	<i>6.5%</i>		<i>5.6%</i>	<i>6.0%</i>	

Revenues by market and performance in the period

In the reporting period, 61.9% of revenues came from North America. In turn, South and Central America accounted for 20.1%, and Europe for 10.9% of total revenues. The remaining 7.1% came from Asia, Africa and Oceania.

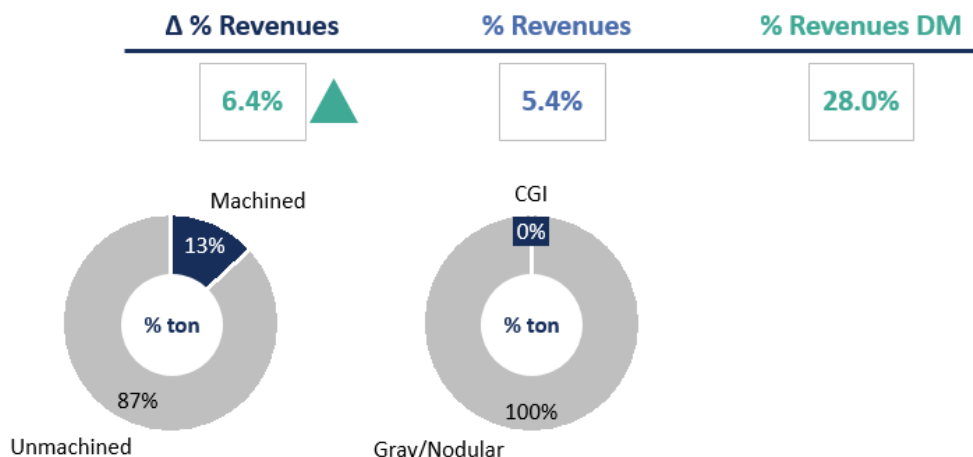


	Consolidated (R\$ Mil)					
	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Revenues	962,664	763,047	26.2%	2,738,851	2,473,571	10.7%
Domestic market	184,933	144,849	27.7%	489,547	423,895	15.5%
Automotive	152,887	115,717	32.1%	399,686	332,558	20.2%
Passenger cars	51,731	48,621	6.4%	141,649	118,621	19.4%
Commercial vehicles	81,188	52,214	55.5%	200,221	170,541	17.4%
Off road	19,968	14,882	34.2%	57,816	43,396	33.2%
Hydraulics	32,046	29,133	10.0%	89,861	91,338	-1.6%
Foreign market	777,731	618,198	25.8%	2,249,304	2,049,676	9.7%
Automotive	749,825	597,564	25.5%	2,185,131	1,991,795	9.7%
Passenger cars	98,490	122,548	-19.6%	289,455	406,188	-28.7%
Light commercial vehicles	280,507	213,006	31.7%	853,196	717,666	18.9%
Medium and heavy commercial vehicles	130,332	105,529	23.5%	409,047	352,093	16.2%
Off road	240,496	156,481	53.7%	633,433	515,848	22.8%
Hydraulics	27,906	20,633	35.2%	64,173	57,880	10.9%

Note: The division between commercial and off road vehicles takes into account our best assumptions on the same product for these applications.

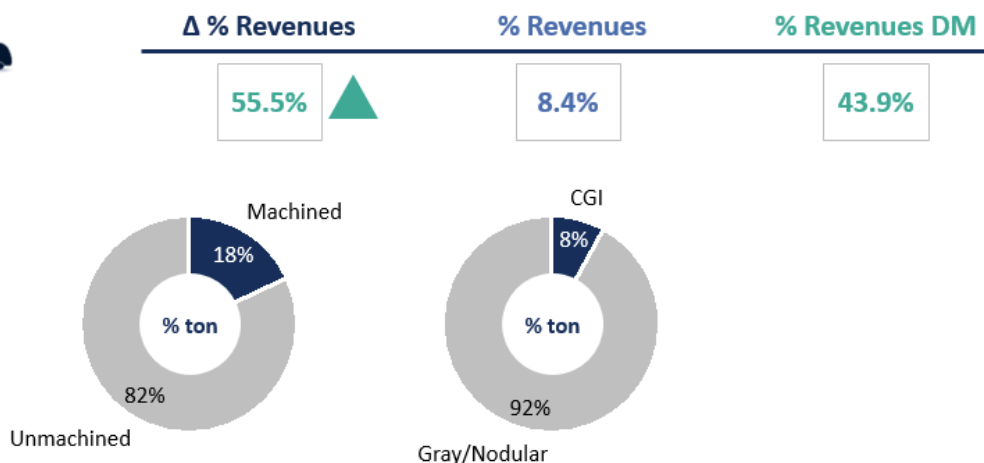
DOMESTIC MARKET (DM)

Passenger Cars



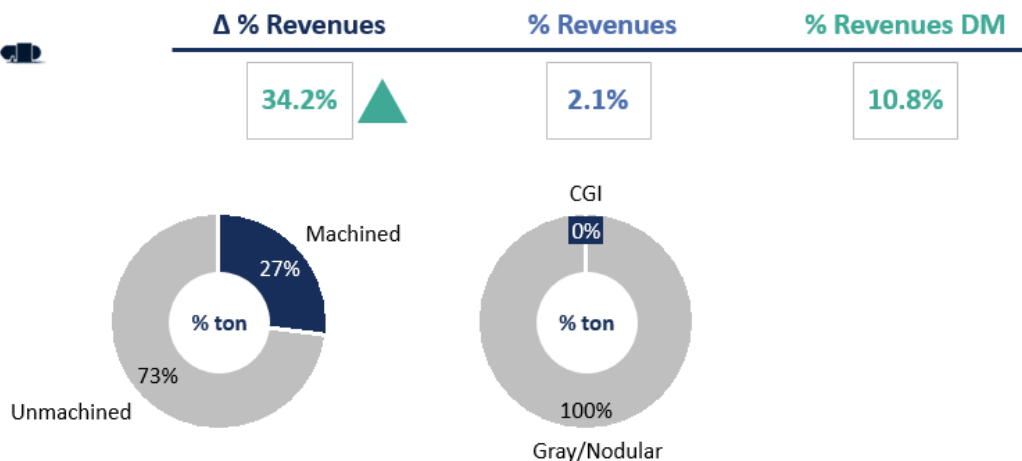
Revenues from sales of components for passenger cars increased by 6.4% in 3Q17 compared to the same period of the previous year, particularly due to the increase in sales of products that will be exported from Brazil by our customers (indirect exports).

Commercial Vehicles



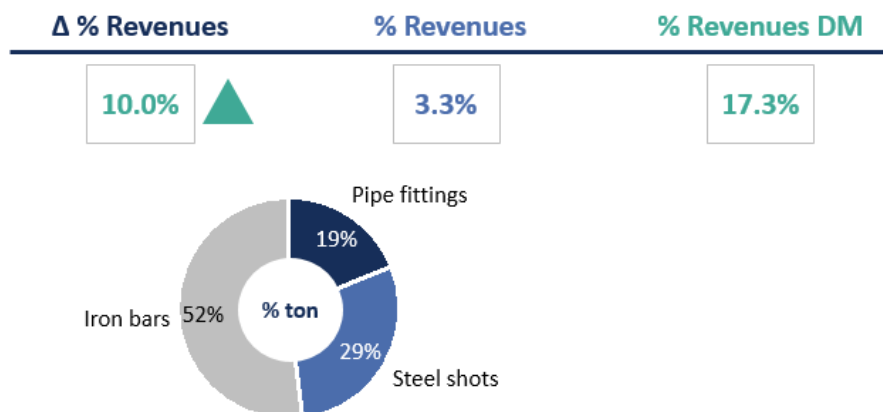
Revenues from applications for commercial vehicles rose by 55.5% compared to the same period of the previous year. Just as it happened with passenger cars, this growth was chiefly due to indirect exports opportunities.

Off Road



Tupy's revenues from off road rose by 34.2% in 3Q17, driven by the strong volume demanded by our customers and ramp up of parts.

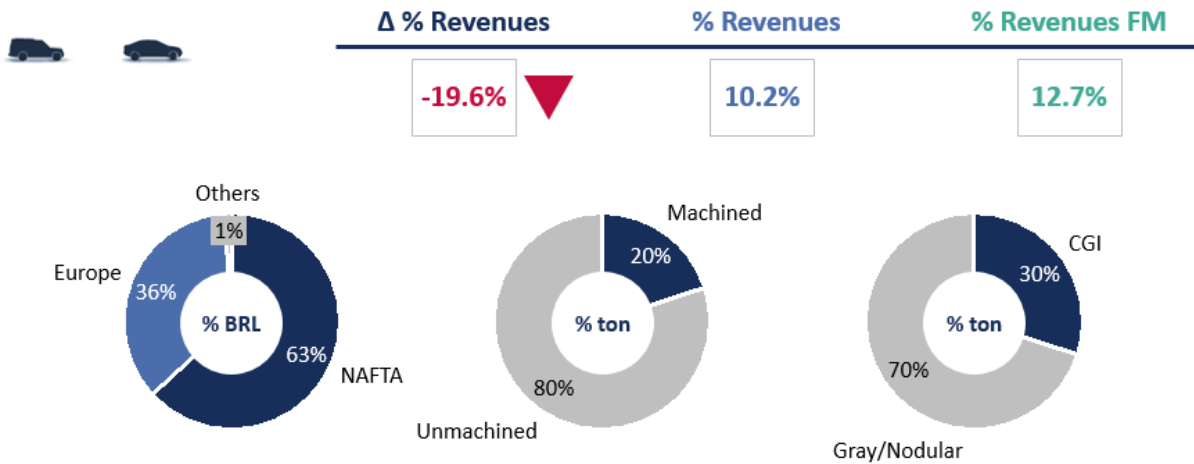
Hydraulics



In 3Q17 revenues from hydraulics segment increased by 10.0% against the same period in 2016. This growth is chiefly due to the increase in demand and increasing market share in iron bars market.

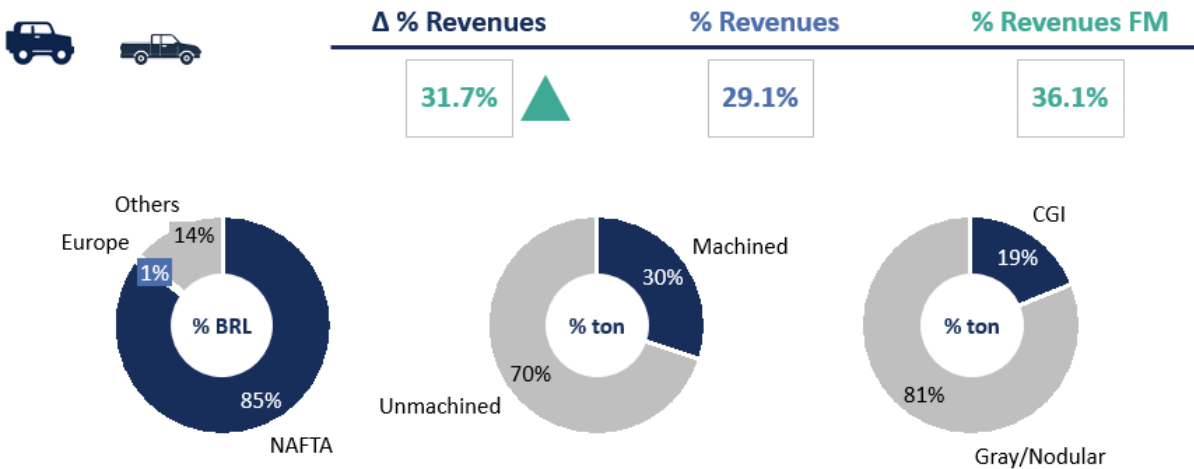
FOREIGN MARKET (FM)

Passenger Cars



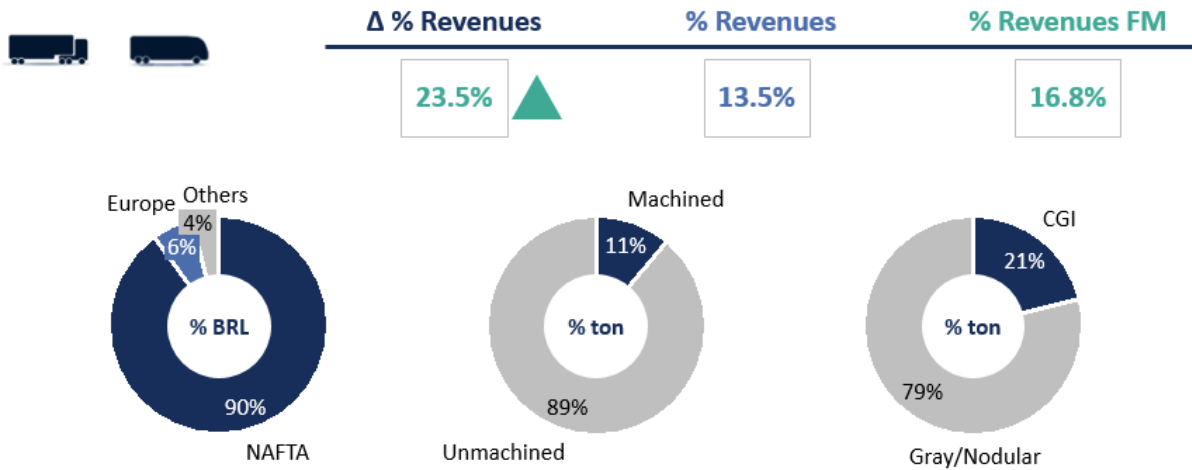
Revenues from passenger cars decreased by 19.6% compared to 3Q16, due to the appreciation of the Real compared to the same period of the previous year, as well as to the phase-out of products.

Light Commercial Vehicles



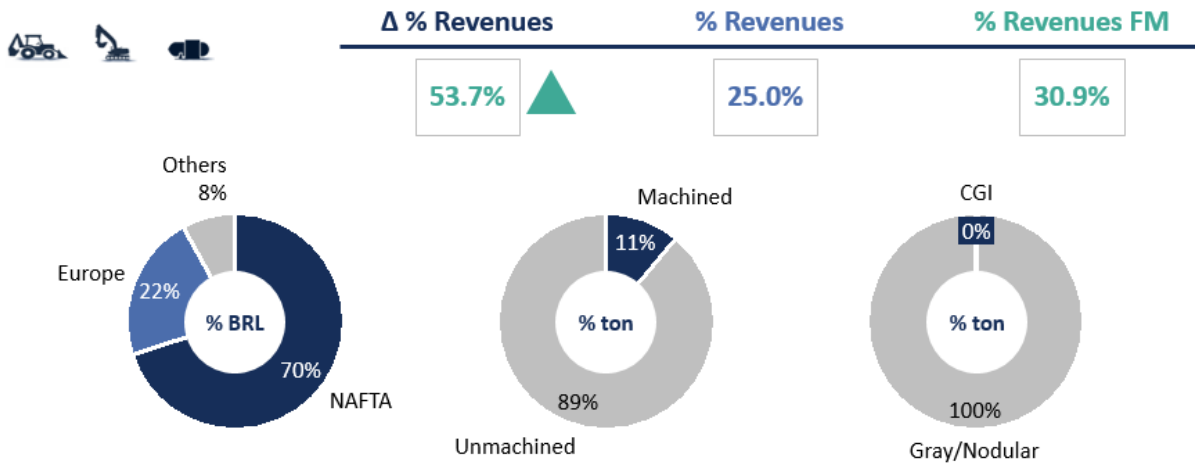
Sales for this application were positively impacted in the period by the increase in demand from US market and phase in of projects, which reduced the adverse effect of the appreciation of the Real in the period. We have also counted on a more favorable comparison base, due to production stoppage of a client in 3Q16.

Medium and Heavy Commercial Vehicles



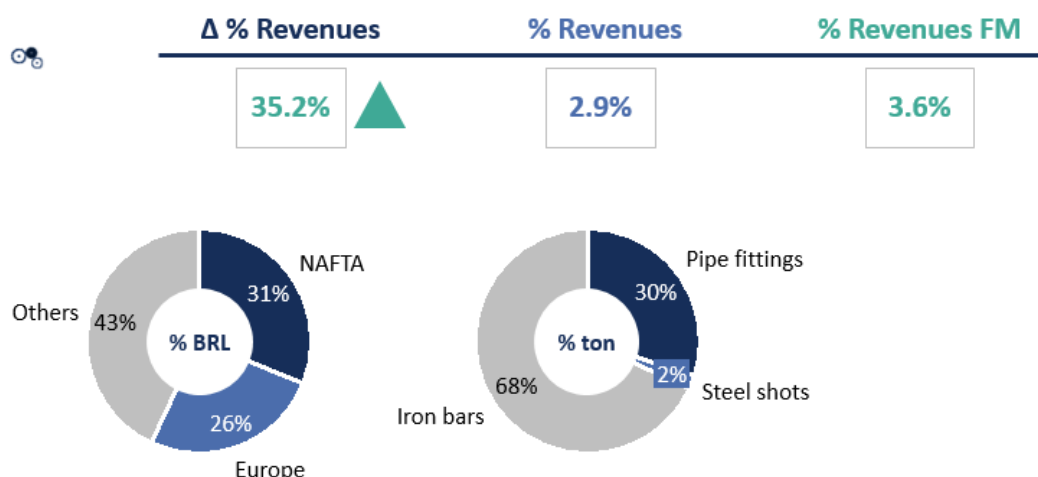
The 23.5% increase in revenues is mainly due to the performance of the North-American market. Just as in the case of light commercial vehicles, we noticed a favorable comparison base due to production stoppage of a client in 3Q16.

Off Road



Sales for off road applications in 3Q17 increased by 53.7% compared to the same period in 2016, due to the recovery in demand against weak markets in previous years.

Hydraulics



In 3Q17, net revenues from sales of pipe fittings, steel shots and iron bars increased by 35.2%. This growth was chiefly due to the performance of the North-American market.

COST OF GOODS SOLD AND OPERATING EXPENSES

The cost of goods sold (COGS) in 3Q17 amounted to R\$778.2 million, up by 18.6% compared to 3Q16, resulting in gross margin of 19.2%. Operating expenses amounted to R\$73.2 million, up 18.4% from 3Q16.

Consolidado (R\$ Mil)

	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Revenues	962,664	763,047	26.2%	2,738,851	2,473,571	10.7%
Cost of goods sold	(778,212)	(655,917)	18.6%	(2,287,307)	(2,108,930)	8.5%
Raw-material	(399,375)	(321,431)	24.2%	(1,167,456)	(1,035,013)	12.8%
Labor, profit sharing and social benefits	(186,708)	(164,121)	13.8%	(542,669)	(537,717)	0.9%
Maintenance and third parties	(86,525)	(65,817)	31.5%	(251,606)	(214,573)	17.3%
Energy	(55,149)	(47,876)	15.2%	(161,344)	(153,959)	4.8%
Depreciation	(48,991)	(51,361)	-4.6%	(152,566)	(155,401)	-1.8%
Others*	(1,464)	(5,311)	-72.4%	(11,666)	(12,267)	-4.9%
Gross profit	184,452	107,130	72.2%	451,544	364,641	23.8%
<i>% on revenues</i>	<i>19.2%</i>	<i>14.0%</i>		<i>16.5%</i>	<i>14.7%</i>	
Operating expenses	(73,196)	(61,798)	18.4%	(224,666)	(198,880)	13.0%

*Reclassifications of costs were made among raw-material, maintenance and third parties to reflect better accuracy about productive process.

The changes in COGS between 3Q17 and 3Q16 were mainly due to the following factors:

- 24.2% increase in raw material costs, driven by the increase in production volumes and raw material prices compared to 3Q16. On the other hand, we noticed a 2.2% decrease in the cost per kilo of raw materials compared to the previous quarter (2Q17).
- Labor costs up 13.8% due to increase in headcount caused by volume growth in Mexican operations. Year over year comparison was also affected by collective bargain agreement.
- 31.5% increase in maintenance materials and third parties. In addition to the growth in volumes and increase in outsourced services, the annual comparison was also affected by an unfavorable base, due to extremely low maintenance levels carried out in 3Q16 (fall of 18.9% compared to 2Q16).
- 15.2% rise in energy costs, resulting from the increase in production volumes and higher tariffs compared to the previous year. These effects were offset by the partial closing of the Mauá unit.

Operating expenses, which encompass administrative and commercial expenses, grew by 18.4%, chiefly due to higher freight expenses from increasing sales volume and the development of research projects. Additionally, as from January 2017, the Company started to record research & development, final shipments, and technical assistance services, among others, as operating expenses, rather than cost of goods sold.

OTHER OPERATING EXPENSES

Other net operating expenses amounted to R\$14.0 million in 3Q17, against R\$23.5 million in 3Q16, corresponding to 40.5% decrease.

	Consolidated (R\$ thousand)					
	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Depreciation of non-operating assets	(176)	(188)	-6.4%	(532)	(1,027)	-48.2%
Amortization of intangibles assets	(10,042)	(17,271)	-41.9%	(30,691)	(56,049)	-45.2%
Restructuring of the Mauá plant	1,517	-		(44,141)	-	
Others*	(5,274)	(6,033)	-12.6%	(8,949)	(28,445)	-68.5%
Other net operating expenses	(13,975)	(23,492)	-40.5%	(84,313)	(85,521)	-1.4%

*Includes legal provisions, PP&E write offs, and income from the sale of unserviceable assets

This drop was chiefly due to lower amortization expenses, because of the impairment of intangible assets in 4Q16.

NET FINANCIAL INCOME

In 3Q17, the Company recorded net financial expenses of R\$13.4 million, compared to expenses of R\$11.0 million in 3Q16.

Consolidated (R\$ thousand)						
	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Financial expenses	(36,817)	(41,958)	-12.3%	(114,573)	(134,962)	-15.1%
Financial income	23,845	32,219	-26.0%	88,504	103,813	-14.7%
Net monetary and Exchange variation	(443)	(1,231)	-64.0%	(13,895)	(14,528)	-4.4%
Net financial income	(13,415)	(10,970)	22.3%	(39,964)	(45,677)	-12.5%

The reduction in financial expenses is chiefly due to net amortizations in the past twelve months, which amounted R\$212.8 million, and to the appreciation of the BRL against the USD (average exchange rate of R\$3.16 in 3Q17 vs. R\$3.25 in 3Q16), which affected the recognition of interest on borrowings denominated in dollars.

Drop of 26.0% in financial revenues, mainly because of the 9.7% decrease in the balance of cash and investments in Brazil (R\$717.1 million in 3Q17 vs. R\$793.8 million in 3Q16), and lower financial earnings due to lower interest rates, with an average equivalent to 11.12% p.a. in 3Q17 vs. 14.44% p.a. in 3Q16.

The reduction in expenses from net exchange and net monetary variations resulted from the appreciation of the BRL and MXN against the USD in 3Q17, as well as from marking to market of hedge transactions (zero cost collar).

EARNINGS BEFORE TAXES AND NET INCOME

Consolidated (R\$ thousand)						
	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Net income before income taxes	83,866	10,870	671.5%	102,601	34,563	196.9%
Tax effects before foreign Exchange impacts	(6,490)	4,796	-	14,085	(17,665)	-
<i>Tax rates before foreign Exchange effects</i>	<i>-8%</i>	<i>44%</i>		<i>14%</i>	<i>-51%</i>	
Net income before foreign Exchange effects on tax base	77,376	15,666	393.9%	116,686	16,898	590.5%
Foreign Exchange effects on tax base	(1,016)	(6,665)	-84.8%	22,781	(19,369)	-
Net income	76,360	9,001	748.4%	139,467	(2,471)	-
<i>% on revenues</i>	<i>7.9%</i>	<i>1.2%</i>		<i>5.1%</i>	<i>-0.1%</i>	

Tax effects before exchange impacts came to R\$6.5 million, as a result of the difference in expenses at the rate of (34%) on profit before tax effects and the effects of permanent additions/exclusions, highlighting the effects of the payment of interest on shareholders' equity and higher tax benefits from "reintegra" (from 0.1% in 2016 to 2% in 2017).

The effect of exchange rates on the tax base (deferred income tax in Mexican operations) is calculated in Mexican Pesos (MXN). The translation into the functional currency, the U.S. Dollar, resulted in a reduction of R\$1.0 million due to the devaluation of the Mexican Peso against the U.S. Dollar in 3Q17.

The net income from these effects amounted to R\$76.4 million in 3Q17, or 7.9% of revenues.

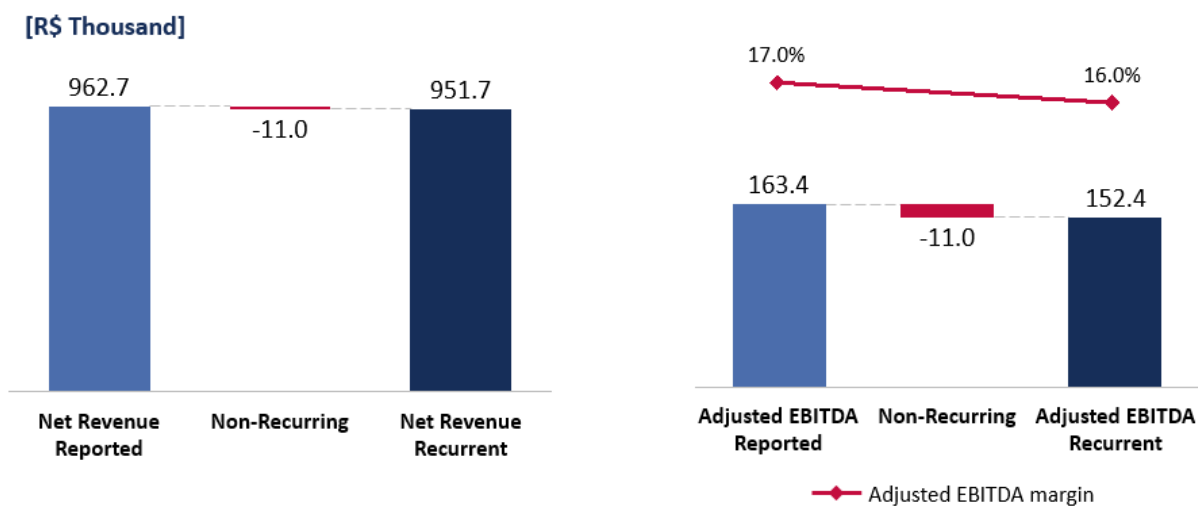
EBITDA

The combination of the factors mentioned above resulted in adjusted EBITDA of R\$163.4 million in 3Q17, with 17.0% margin on revenues. Adjusted EBITDA in 9M17 was R\$388.9 million, an increase of 17.8% against the same period of the previous year.

Consolidated (R\$ thousand)						
RECONCILIATION OF NET INCOME TO EBITDA	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
Net income	76,360	9,001	748.4%	139,467	(2,471)	-
(+) Net financial result	13,415	10,970	22.3%	39,964	45,677	-12.5%
(+) Income tax and social contribution	7,506	1,869	301.6%	(36,866)	37,034	-
(+) Depreciation and amortization	62,346	71,759	-13.1%	193,195	221,491	-12.8%
EBITDA (according to CVM 527/12)	159,627	93,599	70.5%	335,760	301,731	11.3%
% on revenues	16.6%	12.3%		12.3%	12.2%	
(+) Other net operating expenses*	5,274	6,033	-12.6%	8,949	28,445	-68.5%
(+/-) Restructuring of the Mauá plant	(1,517)			44,141		
Adjusted EBITDA	163,384	99,632	64.0%	388,850	330,176	17.8%
% on revenues	17.0%	13.1%		14.2%	13.3%	

* Other net operating expenses are presented net of amortization and depreciation expenses.

In 3Q17, EBITDA was positively impacted by R\$11.0 million non-recurring revenues from services provided in past periods. Excluding this amount, the Company's Adjusted EBITDA was R\$152.4 million, or 16.0% of adjusted revenues of R\$951.7 million.



INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT, AND INTANGIBLE ASSETS

Total investment in property, plant and equipment and intangible assets was R\$32.6 million in 3Q17, down 6.6% against 3Q16. This amount resulted in 3.4% on revenues of 3Q17. Investments in 9M17 amounted to R\$92.2 million, a 8.9% reduction against the same period of the previous year.

Consolidated (R\$ thousand)						
	3Q17	3Q16	Var. [%]	9M17	9M16	Var. [%]
PP&E						
Strategic investments	10,099	5,268	91.7%	29,745	15,549	91.3%
Maintenance and sustenance	17,850	27,867	-35.9%	49,832	77,336	-35.6%
Environment	1,617	643	151.5%	5,445	2,797	94.7%
Interest and financial expenses	409	858	-52.3%	1,116	2,317	-51.8%
Intangible assets						
Software	1,645	295	457.6%	2,617	3,153	-17.0%
Research and development	1,001	-	-	3,403	-	-
	32,621	34,931	-6.6%	92,158	101,152	-8.9%

WORKING CAPITAL

Consolidated (R\$ thousand)					
	3Q17	2Q17	1Q17	4Q16	3Q16
Balance sheet					
Accounts receivable	549,627	571,454	533,036	418,963	455,013
Inventories	354,009	338,776	373,649	409,713	371,830
Accounts payable	389,578	369,959	324,696	302,497	301,855
Sales outstanding [days]	57	63	60	47	50
Inventories outstanding [days]	44	43	49	54	48
Payables outstanding [days]	48	48	43	39	38
Cash conversion cycle [days]	53	58	66	62	60

Main working capital lines recorded the following variations against the previous quarter (2Q17):

- Reduction of R\$21.8 million (corresponding to 6 sales days in accounts receivable), as a result of a more favorable product mix;
- Inventories increased by R\$15.2 million, corresponding to 1 day increase (relating to the cost of goods sold) against 2Q17. The number of inventory days returned to regular levels after increases caused by the development of reserve inventories in 4Q16 and 1Q17 (54 and 49 days respectively), as a result of the partial reduction of the Mauá unit;
- Increase of R\$19.6 million in accounts payable, due to production volume growth in the period. This indicator improved significantly against the same period of the previous year (10 days), due to several actions intended to stretch payment terms with the current suppliers.

▼ CASH FLOW

Consolidated (R\$ thousand)						
CASH FLOW SUMMARY	3Q17	3Q16	Var.[%]	9M17	9M16	Var.[%]
Cash at the beginning of period	1,046,217	1,237,064	-15.4%	1,203,940	1,524,622	-21.0%
Cash flow from operating activities	96,326	(9,189)	-	151,695	162,004	-6.4%
Cash flow from investing activities	(30,025)	(29,436)	2.0%	(89,902)	(95,215)	-5.6%
Cash flow from financing activities	(140,142)	(13,439)	942.8%	(293,801)	(318,298)	-7.7%
Effect of Exchange variation on cash	(27,576)	4,883	-	(27,132)	(83,230)	-67.4%
Increase (decrease) in cash	(101,417)	(47,181)	115.0%	(259,140)	(334,739)	-22.6%
Cash at the end of period	944,800	1,189,883	-20.6%	944,800	1,189,883	-20.6%

In 3Q17, cash from operating activities amounted to R\$96.3 million, against a consumption of R\$9.2 million in 3Q16. This increase was due to the growth in operating income and improvement of the cash conversion cycle.

Investment activities totaled R\$30.0 million in 3Q17, up to 2.0% against investments recorded in 3Q16.

In 3Q17, financing activities totaled R\$140.1 million, chiefly driven by payment of loans in the amounting to R\$86.2 million, in addition to the distribution of interest on shareholders' equity of R\$50.0 million to shareholders.

The combination between these factors and the exchange rate variation on cash resulted in a decrease of R\$101.4 million in cash and cash equivalents in the period, which amounted to R\$944.8 million in 3Q17.

▼ INDEBTEDNESS

At the close of 3Q17, the Company's net debt amounted to R\$711.2 million, i.e., the net debt/adjusted EBITDA ratio for the previous 12-month period was 1.49. The decrease in this ratio compared to 2Q17 is due to the net repayment of loans in the amount of R\$86.2 million in the period, as well as to operating cash generation and exchange rate appreciation, which resulted in a reduction of the debt denominated in foreign currency.

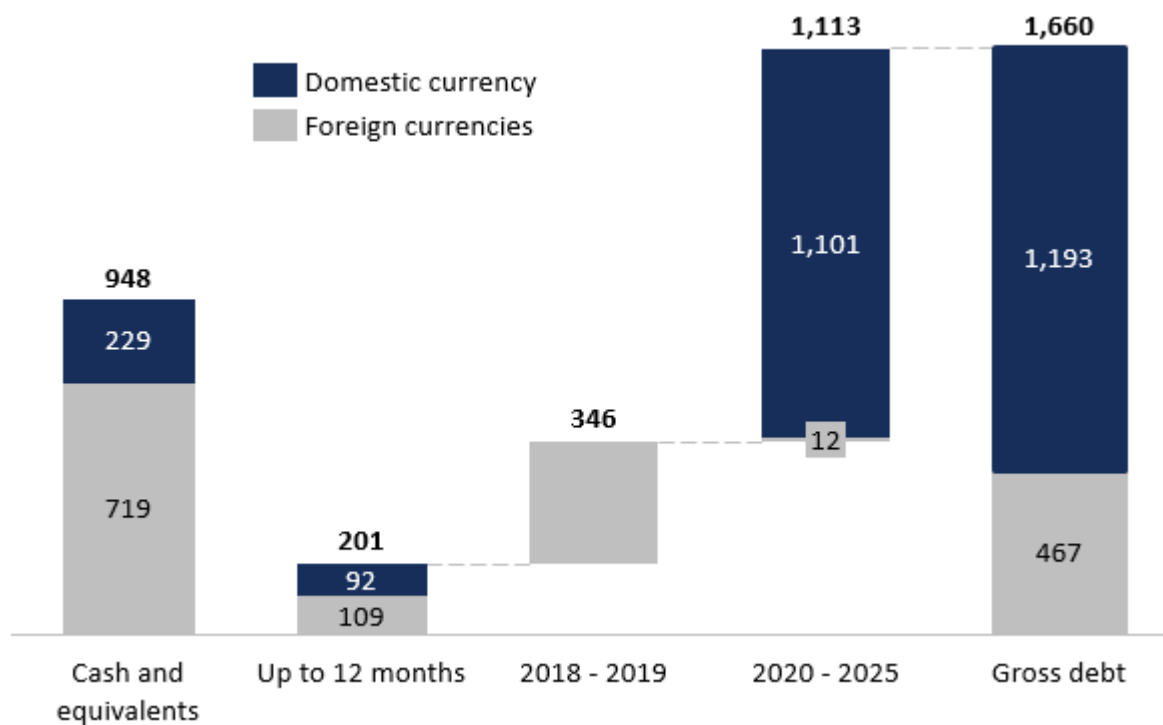
Obligations in foreign currency accounted for 72% of total obligations (8% short-term debt and 92% long-term debt), while 28% of debt is denominated in BRL (23% short-term debt and 77% long-term debt). Regarding cash balance, 76% is denominated in BRL, and 24% is denominated in foreign currency.

Consolidated (R\$ thousand)			
ENDIVIDAMENTO	3Q17	2Q17	1Q17
Short term*	201,435	262,848	307,575
Long term	1,458,223	1,555,896	1,519,607
Gross debt	1,659,658	1,818,744	1,827,182
Cash and equivalents**	948,436	1,047,820	1,141,384
Net debt	711,222	770,924	685,798
Gross debt/Adjusted EBITDA	3.48x	4.40x	4.51x
Net debt/Adjusted EBITDA	1.49x	1.87x	1.69x

*Includes derivatives

**Includes financial investments

The Company's debt profile is as follows:



Amounts in R\$ million.

▷ PAYMENT OF INTEREST ON EQUITY

On November 30, 2017, the Company will pay to R\$50.0 million to its shareholders, of which approximately R\$8.6 million will be paid as interest on shareholders' equity, and R\$41.4 million, as dividends, totaling R\$150.0 million regarding the first nine months of 2017. This amount corresponds to a dividend yield of 6.5%, based on closing stock price at each quarter. As previously approved by the Board of Directors, the Company intends to pay R\$200.0 million regarding the fiscal year 2017.

▷ DISPOSAL OF THE STEEL SHOTS BUSINESS

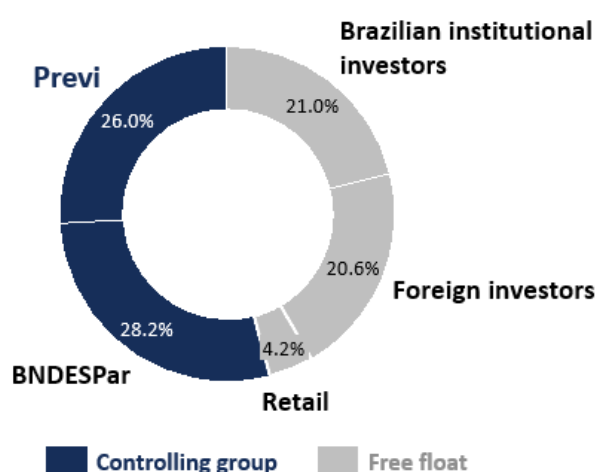
On August 9, 2017, the Administrative Council for Economic Defense (CADE) approved the sale of the steel shots production and sale business.

Regarding the share of this product in the Company' financial statements, net revenues from this business unit totaled R\$30.4 million in 2016, corresponding to 0.9% of total revenues, considering internal consumption. EBITDA resulting from this transaction was negative by R\$0.9 million in the period.

Despite the low representativeness of this product, this deal is in line with the Company's strategy to focus its efforts on improving profitability and return on invested capital.

▷ OWNERSHIP STRUCTURE

On September 29, 2017, Tupy's ownership structure was as follows:



The Company is subject to the rules of the *Novo Mercado* Arbitration Chamber, in accordance with article 60 of the By-laws.

* * *

Attachment I – Light vehicles production and sales in Brazil

(Units)						
	3Q17	3Q16	Var. (%)	9M2017	9M2016	Var. (%)
Production						
Passenger cars	609,773	437,532	39.4%	1,669,796	1,280,586	30.4%
Light commercial	84,398	81,697	3.3%	241,659	223,034	8.4%
Light vehicles	694,171	519,229	33.7%	1,911,455	1,503,620	27.1%
Sales						
Passenger cars	456,850	375,812	21.6%	1,227,185	1,083,382	13.3%
Light commercial	62,028	65,531	-5.3%	174,331	173,078	0.7%
Light vehicles	518,878	441,343	17.6%	1,401,516	1,256,460	11.5%
Exports						
Passenger cars	154,738	107,607	43.8%	457,829	284,572	60.9%
Light commercial	27,169	20,005	35.8%	80,207	56,871	41.0%
Light vehicles	181,907	127,612	42.5%	538,036	341,443	57.6%

Source: ANFAVEA

Attachment II – Commercial vehicles production and sales in Brazil

	(Units)					
	3Q17	3Q16	Var. (%)	9M2017	9M2016	Var. (%)
Production						
Trucks						
Semi-light	697	553	26.0%	1,924	1,870	2.9%
Light	4,742	4,318	9.8%	11,750	12,445	-5.6%
Medium	2,108	685	207.7%	5,069	2,818	79.9%
Semi-heavy	6,314	4,480	40.9%	17,654	13,185	33.9%
Heavy	9,162	5,112	79.2%	22,647	16,065	41.0%
Total trucks	23,023	15,148	52.0%	59,044	46,383	27.3%
Buses	6,182	5,243	17.9%	16,155	14,482	11.6%
Commercial vehicles	29,205	20,391	43.2%	75,199	60,865	23.6%
Sales						
Trucks						
Semi-light	486	596	-18.5%	1,265	1,496	-15.4%
Light	3,079	3,531	-12.8%	8,073	10,080	-19.9%
Medium	1,151	1,031	11.6%	2,945	3,224	-8.7%
Semi-heavy	3,765	3,785	-0.5%	9,284	10,990	-15.5%
Heavy	4,970	3,846	29.2%	12,520	11,700	7.0%
Total trucks	13,451	12,789	5.2%	34,087	37,490	-9.1%
Buses	3,665	2,962	23.7%	8,562	9,295	-7.9%
Commercial vehicles	17,116	15,751	8.7%	42,649	46,785	-8.8%
Exportações						
Trucks						
Semi-light	173	166	4.2%	506	507	-0.2%
Light	1,492	1,574	-5.2%	4,118	3,854	6.9%
Medium	562	303	85.5%	1,445	672	115.0%
Semi-heavy	3,009	1,385	117.3%	7,957	4,196	89.6%
Heavy	2,623	2,453	6.9%	7,464	6,028	23.8%
Total trucks	7,859	5,881	33.6%	21,490	15,257	40.9%
Buses	2,636	3,142	-16.1%	6,740	6,984	-3.5%
Commercial vehicles	10,495	9,023	16.3%	28,230	22,241	26.9%

Fonte: ANFAVEA

Attachment III – Production and sales of light and commercial vehicles in foreign markets

	(Units)					
	3Q17	3Q16	Var. (%)	9M2017	9M2016	Var. (%)
North America						
Production/Factory Shipments						
Passenger cars	1.311.451	1.666.954	-21,3%	4.556.919	5.150.363	-11,5%
Light commercial vehicles – Class 1-3	2.663.948	2.751.705	-3,2%	8.504.171	8.361.290	1,7%
Light Duty – Class 4-5	19.308	10.833	78,2%	62.291	49.296	26,4%
Medium Duty – Class 6-7	32.779	28.889	13,5%	103.508	104.083	-0,6%
Heavy Duty – Class 8	71.782	55.040	30,4%	183.530	178.650	2,7%
Medium & Heavy Duty¹	123.869	94.762	30,7%	349.329	332.029	5,2%
United States						
Sales						
Passenger cars	1.569.779	1.730.829	-9,3%	4.691.838	5.275.353	-11,1%
Light commercial vehicles – Class 1-3	2.857.242	2.739.559	4,3%	8.192.079	7.836.753	4,5%
Light Duty – Class 4-5	32.456	30.752	5,5%	96.143	92.009	4,5%
Medium Duty – Class 6-7	32.015	31.058	3,1%	93.195	92.310	1,0%
Heavy Duty – Class 8	50.198	45.336	10,7%	134.620	149.557	-10,0%
Medium & Heavy Duty¹	114.669	107.146	7,0%	323.958	333.876	-3,0%
Europe						
Sales						
Passenger cars	3.449.200	3.399.720	1,5%	11.660.121	11.244.036	3,7%

Source: Automotive News; Bloomberg; ACEA

¹Note: The amount of medium and heavy commercial vehicles comprises the vehicles of classes 4-8.

Attachment IV – Production and sales of agricultural machinery in global markets

(Units)						
	3Q17	3Q16	Var. (%)	9M2017	9M2016	Var. (%)
Production						
Americas						
Brazil	15,198	16,081	-5.5%	43,993	36,562	20.3%
Sales						
Americas						
Brazil	12,332	13,463	-8.4%	33,594	30,975	8.5%
United States and Canada	59,922	60,800	-1.4%	190,168	182,327	4.3%
Europe						
Germany	9,924	11,768	-15.7%	29,401	30,867	-4.7%
France	7,646	7,216	6.0%	20,384	23,407	-12.9%
United Kingdom	2,916	3,003	-2.9%	9,058	8,385	8.0%

Source: ANFAVEA; Bloomberg; AEM; AXEMA