Management Discussion and Analysis of the Financial Condition and Results of Operations for the nine months period ended September 30, 2017

Gestamp Automoción, S.A.

October 24, 2017

1. PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial information and operational data

Unless otherwise indicated, all financial information in this report has been prepared in accordance with IFRS applicable at the relevant date and is presented in Euros. IFRS differs in certain significant respects from generally accepted accounting principles in the US.

We have presented certain information in this report that has not been prepared in accordance with IFRS or any other accounting standards. As used in this report, this information includes "EBITDA", which represents operating profit before amortization, impairment and depreciation. This report also contains other measures such as: cash, cash equivalent and current financial assets, total financial debt and net financial debt. We present these non-IFRS measures because we believe that they and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

In particular, we believe that EBITDA is meaningful for investors because it provides an analysis of our operating results, profitability and ability to service debt and because EBITDA is used by our chief operating decision makers to track our business evolution, establish operational and strategic targets and make important business decisions. To facilitate the analysis of our operations, this indicator excludes amortization, impairment and depreciation expenses from operating profit in order to eliminate the impact of general long-term capital investment. Although we are presenting this measure to enhance the understanding of our historical operating performance, EBITDA should not be considered an alternative to operating profit as an indicator of our operating performance, or an alternative to cash flows from operating activities as a measure of our liquidity. The presentation of these measures is not intended to and does not comply with the reporting requirements of the SEC; compliance with its requirements would require us to make changes to the presentation of this information.

Rounding adjustments have been made in calculating some of the financial information included in this report. Figures shown as totals in some tables and elsewhere may not be exact arithmetic aggregations of the figures that precede them.

Industry data

In this report, we may rely on and refer to information regarding our business and the market in which we operate and compete. We have obtained this information from various third party sources, including providers of industry data, discussions with our customers and our own internal estimates. We cannot assure you that any of this information is accurate or correctly reflects our position in the industry, and none of our internal surveys or information has been verified by any independent sources. We do not make any representation or warranty as to the accuracy or completeness of any such information set forth in this report.

Forward looking statements and other qualifications

The following discussion and analysis is based on and should be read in conjunction with our historical financials included elsewhere in this quarterly report. Certain capitalized terms used herein have the meaning set out in the offering memorandum for our senior secured notes due 2023.

The discussion includes forward looking statements, which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties, which could cause actual events or conditions to differ materially from those implied herein. You are cautioned not to place undue reliance on these forward looking statements. These forward statements are made as of the date of this report and are not intended to give any assurance as to future results.

2. BUSINESS PERFORMANCE AND RESULT

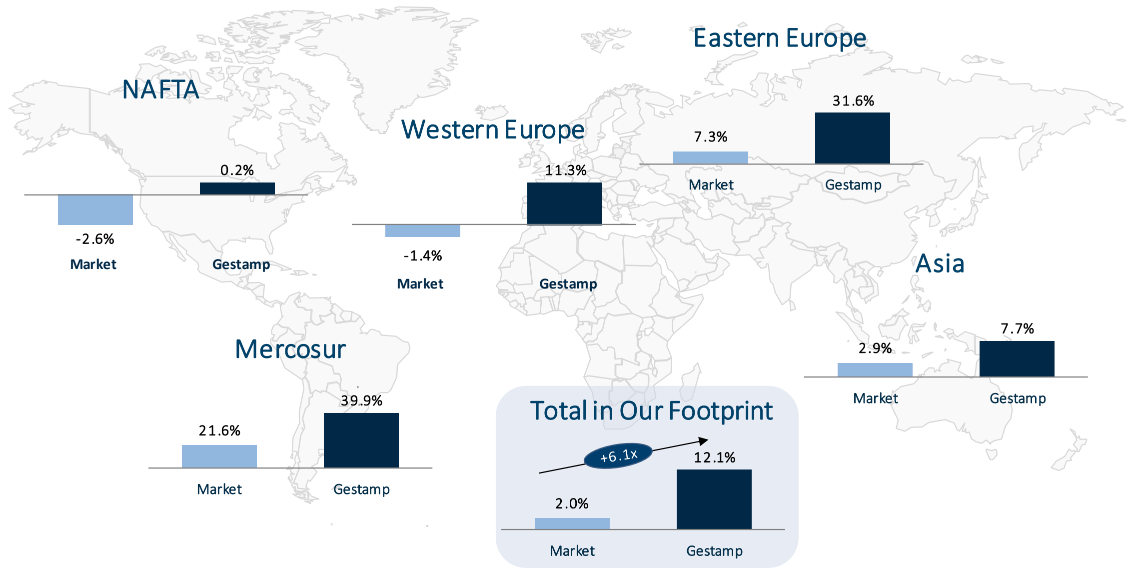
Global economic growth during the first nine months of 2017 has been stronger than expected, with the third quarter confirming the recovery path seen during the first half. Signs of recovery seen in USA during the second quarter have been confirmed during the third quarter, adding to the solid performance of the Eurozone and Japan. Recent political developments in Europe, such as the results of the German elections, Catalonia and the ongoing negotiations on Brexit, have had a limited impact on growth during the third quarter.

In this context, the evolution of the automotive sector has been positive. Global light vehicle production, according to IHS data as of September 2017, grew by 2.6% during the first nine months of 2017 (versus the first nine months of 2016). The growth in Gestamp's footprint stood at 2.0%, driven by strong market production in particular in Mercosur (+21.6%) and Eastern Europe (+7.3%) and overall stable performance in mature markets.

Global OEM's have continued to focus on "CASE" (*Connectivity, Autonomous driving, Shared mobility and Electrification*), which supports the outsourcing of the "Hardware" of a vehicle to global suppliers, such as Gestamp. During the IAA Autoshow in Frankfurt, the new trends around electrified car, autonomous driving, diesel debate, European production and spin-offs were the key topics and areas of debate. During the event, several OEM's announced new electrified car models, including: (i) BMW's launch of 25 models by 2025 with an electrified drive system of which 12 are expected to be pure-electric, (ii) VW's strategy for electrification called 'Roadmap E', with 80 new electric vehicles by 2025. These model launches announced by OEM's are expected to lead to an increase in the levels of outsourcing to global suppliers, such as Gestamp. In general, macroeconomic and auto sector conditions have been positive, driving growth globally. Mature and developing markets have been influenced each by their respective trends and dynamics. The aforementioned macro and auto trends provide a solid foundation and continue to reinforce Gestamp's vision, strategy and objectives.

Despite the above, the results of the third quarter of 2017 have been negatively affected by the issues announced in September with project launches mainly affecting two new plants in North America, as well as the impact of foreign exchange rates. In spite of these circumstances, EBITDA during the third quarter reached 175 million euros, in the line with the third quarter of 2016 (representing growth at constant exchange rates of 0.8%). Revenues grew by 12.1% during the first nine months of 2017 reaching €6,004.9 million and EBITDA by 7.3% reaching €627.4 million (13.6% and 9.2% at constant FX respectively). The profitability has been impacted by higher costs in North America and higher sales of tooling, particularly during the third quarter. Net Income grew by 18.3% when compared to the first nine months of 2016, reaching €152.6 million.

Gestamp Revenue Growth vs. Market Production Growth in Gestamp's Footprint *(9M 2017 vs 9M 2016)*

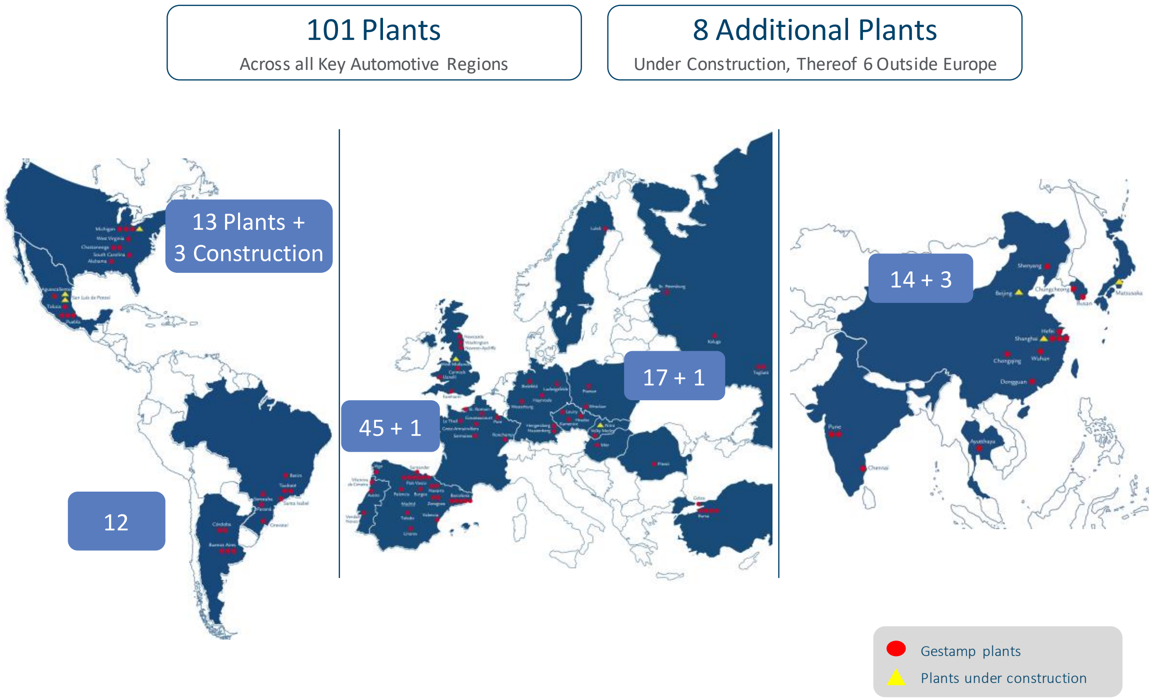


Note: Market production volume growth is based on countries in Gestamp's production footprint (IHS September 2017)

During the first nine months of 2017 Gestamp has outperformed market production volume growth (in its production footprint – IHS data as of September 2017) by more than 6 times.

Growth during the first nine months of 2017 has been driven by positive trends both at the macro level as well as in the auto sector, together with good volumes of existing programs and the ramp-up of new projects, especially in Mercosur and Europe.

During the first nine months of 2017, 5 new plants have been added to our footprint with the opening of three new greenfields (India, Brazil and USA) and the acquisition of two plants (Romania and SMA). Gestamp has continued to focus on its Asia strategy with the start of construction of its first plant in Japan. In addition, during this period Gestamp has strengthened its R&D capabilities by opening new centers in Tokyo (Japan) and Michigan (USA), which enhance our ability to work closely with our customers and co-develop industry-leading solutions to produce lighter and safer vehicles.



On September 11, Gestamp announced an update of the evolution of its operations in North America, where a high number of high quality new projects are being launched simultaneously, as a consequence of the success in strengthening Gestamp's position in the region. In this context, certain project launch operational issues arose in two new plants in the region, which resulted in non-recurring ("one-off") costs higher than budgeted, to secure the correct launching of these projects. These costs are well identified and the group has implemented an action plan, including preventive measures to support the launches of other projects in the region, and has dedicated all necessary resources and has taken all the required steps in North America to correct the issues, whilst securing the clients' project launches.

The action plan has included the strengthening of the organizational structure at the regional level in North America, both at management and plant levels, as well as the support from technical staff, with a high level of experience, sent from other geographical areas. To date, good progress has already been made at the operational level: inventory levels have been secured, production cycle times stabilized, scrap costs have been reduced and parts from other geographies are no longer being shipped. The action plan is progressing in line with expectations. This has resulted in significant "one-off" costs impacting the third quarter. North America should experience a recovery of its profitability levels in 2018, with an upward trend in the coming years.

Third quarter of 2017 compared to third quarter of 2016

	Third Quarter			YTD September 30,		
	2016	2017	% Change	2016	2017	% Change
Consolidated Income Statement Data	*(Millions of Euros)*			*(Millions of Euros)*		
Operating income	1,620.9	1,947.9	20.2%	5,424.0	6,133.8	13.1%
Revenue	1,615.8	1,873.7	16.0%	5,357.0	6,004.9	12.1%
Other operating incomes	34.1	62.6	83.6%	95.9	117.3	22.3%
Changes in inventories	-29.0	11.6	-140.0%	-28.9	11.6	-140.1%
Operating expenses	-1,532.4	-1,869.0	22.0%	-5,120.3	-5,812.6	13.5%
Raw materials and other consumables	-888.9	-1,108.2	24.7%	-3,123.8	-3,550.0	13.6%
Personnel expenses	-327.6	-364.8	11.4%	-1,000.1	-1,123.7	12.4%
Depreciation, amortization and impairment losses	-89.1	-96.1	7.9%	-281.2	-306.2	8.9%
Other operating expenses	-226.8	-299.9	32.2%	-715.2	-832.7	16.4%
Operating profit	88.5	78.9	-10.8%	303.7	321.2	5.8%
Finance income	-0.5	1.6	-420.0%	3.1	3.3	6.5%
Finance expenses	-19.5	-23.7	21.5%	-70.4	-71.5	1.6%
Exchange gains (losses)	-5.9	-2.0	-66.1%	-19.7	-3.1	-84.3%
Other	-0.7	-0.3	-57.1%	-2.1	-0.5	-76.2%
Profit from continuing operations	61.9	54.5	-12.0%	214.6	249.4	16.2%
Income tax expense	-16.0	-14.5	-9.4%	-56.9	-64.3	13.0%
Profit for the period	45.9	40.0	-12.9%	157.7	185.1	17.4%
Result from discontinued operations	0.0	0.0		0.0	0.0	
Profit (loss) attributable to non-controlling interests	-8.4	-3.8	-54.8%	-28.7	-32.5	13.2%
Profit attributable to equity holders of the parent	**37.5**	**36.2**	**-3.5%**	**129.0**	**152.6**	**18.3%**
EBITDA	177.6	175.0	-1.5%	584.9	627.4	7.3%

Revenues

During the third quarter of 2017, revenues increased by € 257.9 million, or 16.0% (19.5% at constant FX), to € 1,873.7 million compared to sales of € 1,615.8 million during the third quarter of 2016. The increase in revenues was largely attributable to the strong performance of Mercosur and Eastern Europe, tooling sales increase in Europa and Asia, as well as an update in prices to adapt to the higher raw material costs.

During the first nine months of 2017, revenues increased by € 647.9 million, or 12.1% (13.6% at constant FX), to € 6,004.9 million compared to € 5,357.0 million for the first nine months of 2016. The increase in revenues was attributable primarily to a strong increase in Eastern Europe sales (€ 167.8 million increase) and a € 111.9 million growth in Mercosur sales. Similarly, Western Europe sales increased by € 310.5 million, whilst sales in Asia increased by € 55.6 million and by € 2.0 million in North America.

	Third Quarter			YTD September 30,		
	2016	2017	% Change	2016	2017	% Change
Revenue	*(Millions of Euros)*			*(Millions of Euros)*		
Body-in-White and Chassis	1,337.7	1,471.9	10.0%	4,491.7	4,844.3	7.9%
Mechanisms	217.0	251.5	15.9%	665.6	733.4	10.2%
Toolings and Others	61.1	150.3	146.0%	199.7	427.2	113.9%
Total	**1,615.8**	**1,873.7**	**16.0%**	**5,357.0**	**6,004.9**	**12.1%**

Body-in-White and Chassis. During the first nine months of 2017 revenues increased by € 352.6 million, or 7.9%, to € 4,844.3 million from € 4,491.7 million during the first nine months of 2016. This increase was attributable primarily to an increase of sales in Eastern Europe, Western Europe and Mercosur.

Mechanisms. During the first nine months of 2017 revenues increased by € 67.8 million, or 10.2%, to € 733.4 million from € 665.6 million during the first nine months of 2016. This increase was attributable primarily to an increase in sales in China, Germany, Brazil, Spain, Czech Republic and North America.

Tooling and Other. During the first nine months of 2017 revenues increased by € 227.5 million, or 113.9%, to € 427.2 million from € 199.7 million during the first nine months of 2016. This increase was attributable primarily to an increase in sales in Western Europe.

Operating expenses

Raw materials and other consumables. During the first nine months of 2017 expenses on raw materials and other consumables increased by € 426.2 million, or 13.6%, to € 3,550.0 million from € 3,123.8 million during the first nine months of 2016. The increase was mainly due to higher sales volumes consistent with the increase in revenues and an increase in the prices of raw materials.

Personnel Expenses. During the first nine months of 2017 personnel expenses increased by € 123.6 million, or 12.4%, to € 1,123.7 million from € 1,000.1 million during the first nine months of 2016, mainly in Western Europe, Mercosur, Eastern Europe and Asia (consistent with the increases in sales) and to the higher project and launching expenses, especially in North America.

Depreciation, amortization and impairment losses. During the first nine months of 2017 depreciation expense increased by € 25.0 million, or 8.9%, to € 306.2 million from € 281.2 million in the first nine months of 2016, mainly in North America, Western Europe and Asia, largely as a result of depreciation of new investments carried out during 2016.

Other operating expenses. During the first nine months of 2017 other operating expenses increased by € 117.5 million, or 16.4%, to €832.7 million from € 715.2 million in the first nine months of 2016, mainly in Mercosur, Eastern Europe and Asia due to higher sales volumes and to the higher project and launching expenses, especially in North America.

Operating profit or loss

Operating profit during the first nine months of 2017 increased by € 17.5 million, or 5.8%, to € 321.2 million from € 303.7 million during the first nine months of 2016. This increase was primarily due to the increase in revenues.

EBITDA

EBITDA during the third quarter of 2017 decreased by € 2.7 million, or -1.5%, to € 175.0 million from € 177.7 million during the third quarter of 2016. Growth at constant FX was 0.8%. Third quarter EBITDA was in line with third quarter of 2016, despite non-recurring costs incurred during the third quarter of 2017 in North America, the increase in launching expenses for new global projects, and the growth in tooling sales (which have a lower margin, thus impacting profitability). These figures have been supported by a solid performance in Europe, Mercosur and Asia.

During the first nine months of 2017, EBITDA increased by € 42.5 million, or 7.3% to € 627.4 million compared to € 584.9 million for the first nine months of 2016. Growth at constant FX was 9.2%.

Net financial income (expenses)

Net financial expense increased by € 0.9 million, or 1.3%, to € 68.2 million during the first nine months of 2017 from € 67.3 million during the first nine months of 2016. This increase was primarily due to a higher average net financial debt for the period, partially compensated by a lower average interest rate and the renegotiation of loan interest margins with financial entities.

Exchange gains (losses)

During the first nine months of 2017 exchange losses amounted to € 3.1 million and € 19.7 million during the first nine months of 2016. The exchange losses in the first nine months of 2017 were primarily due to the depreciation of the Pound Sterling and Turkish Lira against the Euro.

Income tax

Income tax expense during the first nine months of 2017 increased by € 7.4 million, to € 64.3 million from € 56.9 million during the first nine months of 2016. This increase was primarily due to higher profit from continuing operations.

Profit attributable to non-controlling interests

Profit attributable to non-controlling interests during the first nine months of 2017 increased by € 3.8 million to € 32.5 million from € 28.7 million during the first nine months of 2016, largely as a result of higher profits in subsidiaries with minority partners.

Financial information by geographic segment

The following tables set forth, by geography, our revenues and EBITDA.

REVENUES

	Third Quarter			YTD September 30,		
	2016	2017	% Change	2016	2017	% Change
Revenue	*(Millions of Euros)*			*(Millions of Euros)*		
Geographical segments						
Western Europe	786.2	915.3	16.4%	2,748.9	3,059.5	11.3%
Eastern Europe	156.7	215.1	37.3%	530.8	698.6	31.6%
South America	114.6	136.5	19.1%	280.2	392.1	39.9%
North America	326.9	325.6	-0.4%	1,075.1	1,077.1	0.2%
Asia	231.4	281.2	21.5%	722.0	777.6	7.7%
Total	**1,615.8**	**1,873.7**	**16.0%**	**5,357.0**	**6,004.9**	**12.1%**

Western Europe

Revenues increased during the third quarter of 2017 by € 129.1 million, or 16.4% (17.2% at constant FX), to € 915.3 million. The increase in revenues was attributable primarily to the increase in tooling sales, the solid growth in France and to higher volumes in Iberia, offset in part by a decline in the United Kingdom due to depreciation of the British Pound.

During the first nine months of 2017 revenues grew by € 310.6 million, or 11.3% (12.8% at constant FX), to € 3,059.5 million from € 2,748.9 million.

Eastern Europe

During the third quarter of 2017 revenues increased by € 58.4 million, or 37.3% (46.2% at constant FX), to € 215.1 million. The increase in revenues was due to continued growth in activity, especially in Poland as a result of the ramp up of the new VW Crafter, in Turkey with FCA and Ford, and in Hungary with Audi.

During the first nine months of 2017 revenues grew by € 167.8 million, or 31.6% (37.8% at constant FX), to € 698.6 million from € 530.8 million in the first nine months of 2016. A new subsidiary in Romania was acquired in January 2017.

Mercosur

During the third quarter of 2017 revenues increased by € 21.9 million, or 19.1% (29.2% at constant FX), to € 136.5 million. Growth, which was above-market in both Argentina and Brazil, was fueled by an especially strong increase of market production volumes in both countries , especially in Brazil.

During the first nine months of 2017 revenues grew by € 111.9 million, or 39.9% (36.6% at constant FX), to € 392.1 million from € 280.2 million during the first nine months of 2016.

North America

During the third quarter of 2017 revenues decreased by € 1.3 million or -0.4% (3.9% at constant FX), to € 325.6 million. The evolution of revenues was largely affected by the change-over in large programs in the USA resulting in lower volumes, in line with expectations.

During the first nine months of 2017 revenues increased by € 2.0 million, or 0.2% (0.9% at constant FX), to € 1,077.1 million from € 1,075.1 million during the first nine months of 2016.

Asia

During the third quarter of 2017 revenues increased by € 49.8 million, or 21.5% (26.7% at constant FX), to € 281.2 million. The evolution of revenues was impacted by higher tooling sales, and growth in revenues in China.

During the first nine months of 2017 revenues increased by € 55.6 million, 7.7% (9.0% at constant FX) to € 777.6 million from € 722.0 million during the first nine months of 2016.

EBITDA

EBITDA	Third Quarter			YTD September 30,		
	2016	2017	% Change	2016	2017	% Change
	(Millions of Euros)			*(Millions of Euros)*		
Geographic segments						
Western Europe	78.2	80.3	2.7%	279.4	305.4	9.3%
Eastern Europe	15.4	23.2	50.6%	61.4	83.7	36.3%
Mercosur	7.5	14.2	89.3%	18.6	39.0	109.7%
North America	39.1	18.9	-51.7%	107.3	81.2	-24.3%
Asia	37.5	38.4	2.4%	118.2	118.1	-0.1%
Total	**177.7**	**175.0**	**-1.5%**	**584.9**	**627.4**	**7.3%**

Western Europe

EBITDA increased during the third quarter of 2017 by € 2.1 million, or 2.7% (2.2% at constant FX), to € 80.3 million. This moderate increase in EBITDA, when compared to the increase in revenues is due to an increase in the sales of tooling, which have lower margins, and to higher launching expenses.

EBITDA during the first nine months of 2017 grew by 26.0 million, or 9.3% (10.7% at constant FX), to € 305.4 million from € 279.4 million during the first nine months of 2016. The increase in tooling sales affected EBITDA figures in all locations as well as higher launching costs.

Eastern Europe

EBITDA during the third quarter of 2017 increased by € 7.8 million, or 50.6% (59.9% at constant FX), to € 23.2 million, primarily due to the previously described revenue trends.

EBITDA during the first nine months of 2017 grew by € 22.3 million, or 36.3% (44.3% at constant FX) to € 83.7 million from € 61.4 million in the first nine months of 2016.

Mercosur

EBITDA during the third quarter of 2017 increased by € 6.7 million, or 89.3% (103.5% at constant FX), to € 14.2 million. The increase in EBITDA was due to the continued recovery of volumes, the positive impact from ramp-up of programs, and performance improvement after the restructuring carried out in recent years.

EBITDA during the first nine months of 2017 grew by € 20.4 million, or 109.7% (105.4% at constant FX), to € 39.0 million from € 18.6 million in the first nine months of 2016.

North America

EBITDA during the third quarter of 2017 decreased by € 20.2 million, or -51.7% (-50.5% at constant FX), to € 18.9 million. The EBITDA evolution reflects the impact of the previously announced non-recurring costs, on top of the existing launch expenses in the USA due to a high number of new projects with respect to 2016.

EBITDA during the first nine months of 2017 fell by € 26.1 million, or -24.3% (-22.6% at constant FX), to € 81.2 million from € 107.3 million during the first nine months of 2016.

Asia

EBITDA during the third quarter of 2017 increased by € 0.9 million, or 2.4% (6.9% at constant FX), to € 38.4 million. The evolution in EBITDA was impacted by an increase in the sales of tooling (lower margin), to higher project and launching expenses, and to higher margins in 2016 given unusually high saturation rates in our plants.

EBITDA during the first nine months of 2017 fell by € 0.1 million, or -0.1% (1.0% increase at constant FX), to € 118.1 million from € 118.2 million during the first nine months of 2016.

Information on cash flows

	Third Quarter		YTD September 30,	
	2016	**2017**	**2016**	**2017**
	(Millions of Euros)		*(Millions of Euros)*	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the year before taxes and after non-controlling interest from continuing operations	**53.5**	**50.7**	**185.9**	**216.9**
Adjustments to profit	**61.2**	**110.1**	**336.5**	**369.3**
Depreciation and amortization of fixed assets	89.0	95.9	280.8	306.1
Impairment of fixed assets	0.1	0.2	0.4	0.1
Impairment	1.5	-3.1	4.1	0.4
Change in provisions	-13.4	0.2	-14.3	-8.0
Grants released to income	-1.0	-1.0	-4.1	-2.8
Profit (loss) attributable to non-controlling interests	8.4	3.8	28.7	32.5
Profit from disposal of fixed assets	0.0	0.8	-0.5	0.9
Profit from disposal of financial instruments	0.0	0.0	0.0	0.0
Financial income	0.4	-1.6	-3.1	-3.3
Financial expenses	19.5	23.7	70.4	71.5
Share of profits from associates - equity method	0.7	0.3	2.1	0.5
Exchange rate differences	-44.0	-9.1	-28.0	-28.0
Other income and expenses	0.0	0.0	0.0	-0.6
Changes in working capital	**-66.8**	**27.4**	**-255.1**	**-230.1**
(Increase)/Decrease in Inventories	6.8	-26.0	-63.5	-83.4
(Increase)/Decrease in Trade and other receivables	57.5	116.4	-250.7	-198.7
(Increase)/Decrease in Other current assets	4.4	-14.5	-4.5	-31.8
Increase/(Decrease) in Trade and other payables	-135.0	-48.7	69.3	82.7
Increase/(Decrease) in Other current liabilities	-0.5	0.2	-5.7	1.1
Other cash-flows from operating activities	**-30.9**	**-55.4**	**-121.9**	**-121.3**
Interest paid	-23.0	-18.5	-67.9	-66.0
Interest received	-0.6	1.3	4.0	3.0
Proceeds (payments) of income tax	-7.3	-38.2	-58.0	-58.3
Cash flows from operating activities	**17.0**	**132.8**	**145.4**	**234.8**

	Third Quarter		YTD September 30,	
	2016	2017	2016	2017
	(Millions of Euros)		*(Millions of Euros)*	
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments on investments	**-228.4**	**-202.4**	**-588.7**	**-659.0**
Group companies and associates	-7.6	0.0	-20.4	-10.4
Intangible assets	-20.1	-18.8	-63.5	-59.8
Property, plant and equipment	-166.6	-183.6	-465.7	-588.8
Other financial assets	-30.8	0.0	-35.8	0.0
Other assets	-3.3	0.0	-3.3	0.0
Proceeds from divestments	**-13.7**	**-3.5**	**5.8**	**18.6**
Group companies and associates	0.1	0.0	0.2	0.0
Intangible assets	0.0	0.1	1.0	0.7
Property, plant and equipment	0.0	6.9	3.3	16.0
Other financial assets	0.6	0.0	1.3	0.0
Other assets	-14.4	-10.5	0.0	1.9
Cash flows from investing activities	**-242.1**	**-205.9**	**-582.9**	**-640.4**
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds and payments on equity instruments	**0.1**	**2.3**	**-5.3**	**4.8**
Change in non-controlling interests	0.0	1.7	-6.2	3.4
Grants, donations and legacies received	0.1	0.6	0.9	1.4
Other equity movements	0.0	0.0	0.0	0.0
Proceeds and payments on financial liabilities	**149.5**	**32.2**	**412.8**	**449.0**
Proceeds from	**164.1**	**247.4**	**1,315.1**	**950.3**
Bonds and other securitites to trade	0.0	0.0	497.9	0.0
Interest-bearing loans and borrowings	113.0	246.8	638.7	933.9
Net increase of credit lines and commercial discount	48.4	0.0	170.4	0.0
Borrowings from Group companies and associates	0.0	0.0	5.1	0.0
Other borrowings	2.7	0.6	3.0	16.4
Repayment of	**-14.6**	**-215.2**	**-902.3**	**-501.3**
Bonds and other securitites to trade	0.0	0.0	-807.9	0.0
Interest-bearing loans and borrowings	-9.8	-178.4	-62.9	-443.7
Net decrease of credit lines and commercial discount	0.0	-18.6	0.0	-26.4
Borrowings from Group companies and associates	0.0	-1.4	-12.5	-8.8
Other borrowings	-4.8	-16.8	-19.0	-22.4
Payments on dividends and other equity instruments	**-6.2**	**-1.6**	**-54.8**	**-68.8**
Dividends	-6.2	-1.6	-54.8	-68.8
Cash flows from financing activities	**143.4**	**32.9**	**352.7**	**385.0**
Effect of changes in exchange rates	**4.3**	**-1.9**	**-2.1**	**-3.8**
Cash in assets held for sale	**0.0**	**0.0**	**0.0**	**0.0**
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS	**-77.4**	**-42.1**	**-86.9**	**-24.4**

Cash flow from operating activities

Cash flow from operating activities during the first nine months of 2017 increased by € 89.4 million to a net amount of € 234.8 million from a net amount € 145.4 million in the first nine months of 2016, primarily due to a decrease in the cash used for working capital and the increase in EBITDA linked to operating activities.

Cash flow from (used in) investing activities

Cash flow used in investing activities during the first nine months of 2017 increased by € 57.5 million to € 640.4 million from € 582.9 million during the first nine months of 2016. The cash flow used in the first nine months of 2017 was primarily for investments in projects in North America, Spain, China, Germany, United Kingdom and Japan.

Cash flow from (used in) financing activities

Cash flow from financing activities during the first nine months of 2017 amounted to € 385.0 million primarily due to a net increase in interest-bearing loans.

Liquidity

Our principal source of liquidity is our operating cash flow, which is analyzed above. Our ability to generate cash from our operations depends on our future operating performance, which is in turn dependent, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control.

Our long-term indebtedness primarily consists of € 479.0 million in senior secured notes; € 852.5 million in long-term portion of a funded senior secured amortizing Term Loan (part of the Senior Financing Agreement, or "SFA", originally syndicated on April 19, 2013, of which an additional € 280 million was in the form of a Revolving Credit Facility), € 160.0 million in long term debt with the European Investment Bank and € 660.4 million of aggregate principal amount in other long-term bilateral financing.

On May 11, 2016 we issued € 500 million of new senior secured notes due May 15, 2023 and on May 20, 2016 we signed an amendment and restatement of our SFA according to which, among other things, we agreed an increase in the availability of the Term Loan component of the SFA by € 340 million and extended the maturity of the Term Loans and the RCF to May 31, 2021. On June 6 and June 20, 2016 respectively we fully redeemed the remaining outstanding Euro and USD senior secured notes due May 2020 with proceeds from the aforementioned new senior secured notes and the increase in the SFA. On July 25, 2017 we signed another amendment of the SFA, extending its maturity to July 15, 2022.

Although we believe that our expected cash flows from operations, together with available borrowings and cash on hand, will be adequate to meet our anticipated liquidity and debt service needs, we cannot assure you that our business will generate sufficient cash flows from operations or that future debt and equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the notes, or to fund our other liquidity needs.

We believe that the potential risks to our liquidity include:

- a reduction in operating cash flows due to a lowering of operating profit from our operations, which could be caused by a downturn in our performance or in the industry as a whole;
- the failure or delay of our customers to make payments due to us;
- a failure to maintain low working capital requirements; and
- the need to fund expansion and other development capital expenditures.

If our future cash flows from operations and other capital resources (including borrowings under our current or any future credit facilities) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditures;
- sell our assets; or
- obtain additional debt or equity financing.

As market conditions warrant, we may from time to time purchase, redeem, repurchase, prepay, cancel or otherwise restructure or refinance all or a portion of our indebtedness including debt under the notes and the Senior Facilities, in privately negotiated transactions, open market transactions or otherwise. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of the notes and any future debt may limit our ability to pursue any of these alternatives.

We have debt service obligations. We anticipate that our leverage will continue for the foreseeable future. Our level of debt may have important negative consequences for you.

Working capital

The table below shows the sources (and uses) of cash related to working capital during the periods indicated.

	Third Quarter		YTD September 30,	
	2016	2017	2016	2017
	(Millions of Euros)		*(Millions of Euros)*	
Changes in working capital	**-66.8**	**27.4**	**-255.1**	**-230.1**
(Increase)/Decrease in Inventories	6.8	-26.0	-63.5	-83.4
(Increase)/Decrease in Trade and other receivables	57.5	116.4	-250.7	-198.7
(Increase)/Decrease in Other current assets	4.4	-14.5	-4.5	-31.8
Increase/(Decrease) in Trade and other payables	-135.0	-48.7	69.3	82.7
Increase/(Decrease) in Other current liabilities	-0.5	0.2	-5.7	1.1

Our working capital requirements largely arise from our trade and other receivables, which are primarily composed of amounts owed to us by our customers, inventories primarily composed of raw materials (mainly steel) and other current assets which comprise receivables accounts with the public treasury by the advanced payments of taxes or refunds of taxes.

Our trade and other payables primarily relate to trade payables to our suppliers for raw materials and services, other amounts to the public treasury for taxes and payments to our employees by means of salaries. We have historically funded our working capital requirements through funds generated from our operations, from borrowings under bank facilities and through funds from other financing sources.

Net working capital requirements increased by € 230.1 million during the first nine months of 2017 (€ 255.1 million during the first nine months of 2016), primarily due to an increase in the amount of receivables resulting mainly from an increase in the average days for collections from customers during the first nine months of 2017 compared to the end of the year 2016, offset in part by an increase in the amount of payables resulting mainly from an increase in the average days for payment to suppliers during the first nine months of 2017 with respect to the end of year 2016.

Investments in fixed assets

	Third Quarter		YTD September 30,	
	2016	2017	2016	2017
	(Millions of Euros)		*(Millions of Euros)*	
Capital expenditures				
Intangible assets	20.3	18.8	63.7	59.8
Tangible assets	145.0	186.5	416.9	566.9
- Growth Capex	-	*119.4*	-	*347.4*
- Recurrent Capex	-	*67.1*	-	*219.5*
Total	**165.3**	**205.3**	**480.6**	**626.7**

Note: 2016 capex split not available by type

Investments in fixed assets during the first nine months of 2017 and 2016 amounted to approximately € 626.7 million and € 480.6 million, respectively. Investments in fixed assets primarily consists of expenditure on property, plant and equipment. During the first nine months of the year 2017, capital expenditures were in line with expectations. Capital expenditures during the fourth quarter of the year will be less than during the fourth quarter of 2016 and as a result full year capital expenditure targets remain unchanged.

As in the past several years, most of our capital expenditures have been dedicated to growth investments, which during the first nine months of 2017 amounted to approximately € 347.4 million. Growth capex includes greenfield projects, major expansions of existing facilities and new processes/technologies in existing plants. This high level of investments lays the groundwork for continued above-market growth over the coming years.

Recurrent capital expenditure, which during the first nine months of 2017 amounted to € 219.5 million, includes investments in plant maintenance and business replacement.

Intangible capital expenditure during the first nine months of 2017 amounted to approximately € 59.8 million and includes expenditure on intangible assets such as certain research and development costs.

Contractual obligations

We have contractual commitments providing for payments primarily pursuant to our outstanding financial debt, including the financial obligations arising from the senior secured notes but excluding financial derivatives.

	As of September 30, 2017			
	Total	Less than 1 year	1 - 5 years	More than 5 years
	(Millions of Euros)			
Contractual obligations				
Interest bearing loans and borrowings	2,486.7	334.8	1,512.4	639.5
Financial leases	29.7	1.7	11.9	16.1
Borrowings from associated companies	59.5	1.6	38.5	19.4
Other financial debts	36.2	0.0	26.6	9.6
Total Financial Debts	**2,612.1**	**338.1**	**1,589.4**	**684.6**
Operating leases	465.1	86.1	224.0	155.0
Non interest bearing loans	8.5	0.0	7.4	1.1
Current non-trade liabilities	190.1	190.1		
Total Contractual Obligations	**3,275.8**	**614.3**	**1,820.8**	**840.7**

Other Financial Data

	YTD September 30,	
	2016	2017
	(Millions of Euros)	
Other Financial Data		
EBITDA [1]	584.9	627.4
Cash, cash equivalent and current financial assets	312.5	462.4
Total Financial Debt	2,307.2	2,612.1
Total Net Financial Debt	**1,994.7**	**2,149.7**

	YTD September 30,	
	2016	2017
	(Millions of Euros)	
Operating profit	303.7	321.2
Adjusted for:		
Depreciation, amortization and impairment loss	281.2	306.2
EBITDA	**584.9**	**627.4**

Cash, cash equivalents and current financial assets includes cash and cash equivalents as of September 30, 2017 of € 406.1 million and current financial assets as of September 30, 2017 of € 56.3 million (including loans and receivables, securities and other current financial assets).

The following non-trade liabilities are not considered financial debt as of September 30, 2017: € 78.1 million in derivative financial instruments, € 190.1 million of non-interest bearing short-term liabilities (of which € 159.1 million were to suppliers of fixed assets) and € 8.5 million of non-interest bearing long-term liabilities.

GESTAMP AUTOMOCION, S.A. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

	September 30, 2016	December 31, 2016	September 30, 2017
Consolidated Balance Sheet Data:		*(Millions of Euros)*	
Non-current assets	3,705.4	3,921.9	4,179.2
Intangible assets	387.1	393.0	405.9
Property, plant and equipment	2,971.5	3,160.0	3,375.6
Financial assets	90.6	95.5	82.5
Deferred tax assets	256.2	273.4	315.2
Current assets	2,476.0	2,507.7	2,832.7
Assets held for sale	0.0	0.0	0.0
Inventories	651.2	630.9	719.7
Trade and other receivables	1,484.2	1,376.9	1,586.4
Other current assets	28.1	26.2	64.2
Financial assets	43.4	43.2	56.3
Cash and cash equivalent	269.1	430.5	406.1
Total assets	**6,181.4**	**6,429.6**	**7,011.9**

	September 30, 2016	December 31, 2016	September 30, 2017
Consolidated Balance Sheet Data:		*(Millions of Euros)*	
Equity	1,799.7	1,872.0	1,910.5
Equity attributable to shareholders of the parent	1,392.2	1,524.7	1,476.4
Equity attributable to non-controlling interest	407.5	347.3	434.1
Non-current liabilities	2,205.6	2,198.6	2,771.4
Deferred income	27.3	25.9	24.4
Provisions	138.5	154.2	147.0
Non-trade liabilities	1,828.8	1,779.5	2,360.6
Deferred tax liabilities	210.4	238.4	238.9
Other non-current liabilities	0.6	0.6	0.5
Current liabilities	2,176.1	2,359.0	2,330.0
Non-trade liabilities	702.4	716.0	528.2
Trade and other payables	1,451.2	1,621.4	1,779.5
Provisions	20.2	18.1	15.8
Other current liabilities	2.3	3.5	6.5
Total equity and liabilities	**6,181.4**	**6,429.6**	**7,011.9**