Gestamp Automoción, S.A.

Annual Report 2014

Financial results for the year to December 31, 2014

TABLE OF CONTENTS

USE OF TERMS AND CONVENTIONS

Unless otherwise specified or the context requires otherwise in this Annual Report:

- references to “Banc of America” are to Banc of America Securities Limited;
- references to the “Collateral” are to the first-ranking share charges securing the notes;
- references to the “Dollar notes” are to the $350 million 5.625% Senior Secured Notes due 2020;
- references to “EIB” are to the European Investment Bank;
- references to the “EU” are to the European Union;
- references to “EUR”, “euro(s)” and “€” are to the currency of those countries in the European Union that form part of the common currency of the euro;
- references to the “Euro notes” are to the €500 million 5.875% Senior Secured Notes due 2020;
- references to “GBP”, “pound(s)” and “£” are to the currency of the United Kingdom;
- references to “Gestamp”, “Gestamp Automoción”, “we”, “us” and “our” are to Gestamp Automoción, S.A. together with its consolidated subsidiaries;
- references to “Gestamp Funding” are to Gestamp Funding Luxembourg S.A.;
- references to the “Guarantees” are to the unconditional guarantees of the notes to be granted by Gestamp Automoción and certain of its subsidiaries;
- references to the “Guarantors” are to Gestamp Automoción and to the subsidiaries of Gestamp Automoción which unconditionally guarantee the notes;
- references to “Parent Company” and “Acek Desarrollo” are to our majority shareholder Acek, Desarrollo y Gestión Industrial, S.L. (formerly named Corporación Gestamp, S.L.);
- references to “Grupo Acek, Desarrollo y Gestión Industrial” are to Acek Desarrollo together with its subsidiaries;
- references to “ICO” are to Instituto de Crédito Oficial;
- references to “IFRS” are to the International Financial Reporting Standards promulgated by the International Accounting Standards Board and as adopted by the European Union;
- references to “IKB” are to IKB Deutsche Industriebank AG;
- references to the “Indenture” are to the indenture governing the notes and dated May 20, 2013;
- references to the “notes” are to the Euro notes and the Dollar notes;
- references to “Other Debt Facilities” are to certain of our significant interest bearing loans and borrowings (other than the notes and the Senior Facilities), namely, the Banc of America loan, EIB loan, the ICO loan and the IKB loans (See “Description of Other Indebtedness—Other Debt Facilities”);
- references to “Senior Facilities” are to the senior term facilities and the revolving credit facility made available under the Senior Facilities Agreement;

- references to the “Senior Facilities Agreement” are to the senior term and revolving credit facilities agreement dated April 19, 2013 entered into between, among others, Gestamp Automoción as the company and Gestamp Funding, each as an original borrower, various subsidiaries of Gestamp Automoción (including Gestamp Funding) as original guarantors, the original lenders listed therein, Deutsche Bank AG, London Branch as agent and Deutsche Trustee Company Limited as security agent;

- references to the “UK” are to the United Kingdom;

- references to “US”, “U.S.” and “United States” are to the United States of America; and

- references to “US$”, “dollar(s)” and “$” are to the currency of the United States of America.

FORWARD-LOOKING STATEMENTS

Except for historical information contained herein, statements contained in this Annual Report may constitute "forward looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995.

The words "believe", "anticipate", "expect", "predict", "continue", "intend", "estimate", "plan", "aim", "assume", "positioned", "will", "may", "should", "shall", "risk", "probable" and other similar expressions, which are predictions or indications of future events and future trends, which do not relate to historical matters, identify forward-looking statements. This Annual Report includes forward-looking statements relating to our potential exposure to various types of market risks, such as credit risk, interest rate risk, exchange rate risk and commodity price risk. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are in some cases beyond our control and may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements (and from past results, performance or achievements). Certain factors that may cause such differences include but are not limited to:

- continued or increased weakness in the global economy, including the European sovereign debt crisis and restricted access to financing;
- the failure of one or more major financial institutions;
- increased or more pronounced cyclicality in the automobile industry;
- the loss of customers and/or the inability to realise revenues;
- disruptions to the automotive supply chain and volatility in raw material prices;
- increased competition and/or shifts in demand for certain vehicles and products;
- our inability to offset price concessions or additional costs;
- the costs in relation to construction, maintenance and closing of plants, including mechanical failures, equipment shutdowns and interruptions to the supply of utilities;
- integration and consolidation risks associated with acquisitions and difficulties in connection with program launches;
- risks associated with our joint ventures, certain of which we do not control;
- our international operations, including in relation to compliance with anti-corruption laws, regulations and economic sanctions programs;
- foreign exchange rate fluctuations and risks associated with tax liability in the jurisdictions in which we operate;
- loss of key executives, availability of labor and workforce utilization efficiency;
- legal, regulatory, product liability and/or health and safety issues; and
- other risks and uncertainties inherent in our business and the world economy.

For a more detailed discussion of these factors, see "Risk Factors", "Business" and "Operating and Financial Review and Prospects" included elsewhere in this Annual Report. You are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are made as of the date of this Annual Report and are not intended to give any assurance as to future results. We undertake no obligation to, and do not intend to, publicly update or revise any of these forward-looking statements, whether to reflect new information or future events or circumstances or otherwise.

PRESENTATION OF FINANCIAL AND OTHER DATA

Financial information and operational data

This annual report includes our audited consolidated financial statements as of and for the years ended December 31, 2014, 2013 and 2012. Other financial data is included which is derived from our accounting records. We prepare our financial statements in euro. Unless otherwise indicated, all financial information in this Annual Report has been prepared in accordance with IFRS applicable at the relevant date. IFRS differs in certain significant respects from generally accepted accounting principles in the US.

See “Independent Auditors” for a description of the independent auditors’ reports on our consolidated financial statements for the years ended December 31, 2014 and 2013, which have been audited by Ernst & Young, S.L, independent auditors, as stated in their unqualified report appearing herein on page F-2.

We have presented certain information in this Annual Report that are non-IFRS measures. As used in this annual report, this information includes “EBITDA”, which represents operating profit before amortization, impairment and depreciation. This annual report also contains other measures and ratios such as 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 indictor of our operating performance, or an alternative to cash flows from operating activities as a measure of our liquidity.

The information presented by EBITDA, and other adjusted financial information presented in this annual report is unaudited and has not been prepared in accordance with IFRS or any other accounting standards. We present these non-IFRS measures because we believe that they and similar measures are widely used by investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. In addition, 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.

You should not consider EBITDA or any other non-IFRS or financial measures presented herein, as alternatives to measures of financial performance determined in accordance with generally accepted accounting principles, such as net income, as a measure of operating results or cash flow as a measure of liquidity. EBITDA is not a measure of financial performance under IFRS. Our computation of EBITDA and other non-IFRS financial measures may not be comparable to similarly titled measures of other companies.

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

IFRS 10 Consolidated Financial Statements and IFRS 11 Joint Arrangements

The Group adopted IFRS 10 and IFRS 11 in 2014. The application of both standards has led to the modification of the accounting and consolidation methods of the following companies:

Company	Shareholding		Consolidation method	
	December 31, 2014	2013	December 31, 2014	2013
Beyçelik Gestamp, A.S.	50.00%	50.00%	Full	Proportionally
Gestamp Automotive India Private Ltd.	50.00%	50.00%	Full	Proportionally
Gestamp Sungwoo Stampings & Assemblies Private Ltd.	50.00%	50.00%	Full	Proportionally
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	50.00%	50.00%	Full	Proportionally
Edscha Pha, Ltd.	50.00%	50.00%	Full	Proportionally
Sungwoo Gestamp Hitech Pune Private, Ltd.	50.00%	50.00%	Equity method	Proportionally
Sungwoo Gestamp Hitech Chennai, Ltd.	50.00%	50.00%	Equity method	Proportionally
Gestamp Sungwoo Hitech (Chennai) Private, Ltd.	50.00%	50.00%	Equity method	Proportionally
GS Hot Stamping Co., Ltd.	47.49%	47.49%	Equity method	Proportionally
Jui Li Edscha Body Systems Co., Ltd.	50.00%	50.00%	Equity method	Proportionally
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	50.00%	50.00%	Equity method	Proportionally
Jui Li Edscha Holding Co., Ltd.	50.00%	50.00%	Equity method	Proportionally

Prior to application of IFRS 10 and 11 the companies mentioned above were considered jointly controlled entities and the interest of the Group in their assets, liabilities, income and expenses was accounted by the proportional consolidation method in the consolidated financial statements.

At the date of first application of IFRS 10 and 11 (2014) the Group assessed their control in the entities mentioned above. After this assessment, it was concluded that there was control over Beyçelik Gestamp, A.S., Gestamp Automotive India Private, Ltd., Gestamp Sungwoo Stampings & Assemblies Private, Ltd., GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi and Edscha Pha, Ltd, so according to IFRS 10 these companies come to be consolidated by the full consolidation method.

The Group decided to consider its interest in the companies Sungwoo Gestamp Hitech Pune Private, Ltd., Sungwoo Gestamp Hitech Chennai, Ltd., Gestamp Sungwoo Hitech (Chennai) Private, Ltd., GS Hot Stamping Co, Ltd., Jui Li Edscha Body Systems Co, Ltd., Jui Li Edscha Hainan Industry Enterprise Co. Ltd and Jui Li Edscha Holding Co, Ltd as joint-venture interests according to IFRS 11 and these companies came to be consolidated by the equity method.

As of April 30, 2014 Gestamp unwound its Joint Ventures with Sungwoo; Gestamp no longer has equity interests in Sungwoo Gestamp Hitech Pune Private Ltd., Sungwoo Gestamp Hitech Chennai Ltd., Gestamp Sungwoo Hitech (Chennai) Private Ltd. and GS Hot Stamping Co. Ltd.

The application of both IFRS is retrospective, as the standards require, and the comparative information of the previous years (2012 and 2013) has been restated in the consolidated financial statements.

Industry data

In this Annual Report, we 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. While we believe that industry publications, surveys and forecasts are reliable, they have not been independently verified, and we make no representation or warranty as to the accuracy or completeness of such information set forth in this Annual Report.

Additionally, industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and in some instances state that they do not assume liability for such information. We cannot assure you of the accuracy and completeness of such information as we have not independently verified such information.

In addition, in many cases, we have made statements in this Annual Report regarding our industry and our position in the industry based solely on our experience, our internal studies and estimates, and our own investigation of market conditions.

We cannot assure you that any of these assumptions are accurate or correctly reflect our position in the industry, and none of our internal surveys or information has been verified by any independent sources. We make no representation or warranty as to the accuracy or completeness of this information. Some of the surveys or sources were compiled by our advisors and are not publicly available and accordingly may not be considered to be as independent as other third party sources.

EXCHANGE RATE AND CURRENCY INFORMATION

The following tables set forth, for the periods set forth below, the high, low, average and period end Bloomberg Composite Rate expressed as U.S. dollars per €1.00. The Bloomberg Composite Rate is a "best market" calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate. The rates may differ from the actual rates used in the preparation of the consolidated financial statements and other financial information appearing in this Annual Report. We make no representation that the U.S. dollar amounts referred to below could have been or could, in the future, be converted into euro at any particular rate, if at all.

The average rate for a year means the average of the Bloomberg Composite Rates on the last day of each month during a year. The average rate for a month or for any shorter period, means the average of the daily Bloomberg Composite Rates during that month, or shorter period, as the case may be.

The Bloomberg Composite Rate of the Euro on December 31, 2014 was $ 1.2100 per €1.00.

	U.S. dollars per €1.00			
	High	Low	Average(1)	Period end
2009	1.5094	1.2544	1.3944	1.4331
2010	1.4509	1.1953	1.3264	1.3384
2011	1.4874	1.2907	1.3927	1.2961
2012	1.3453	1.2053	1.2859	1.3197
2013	1.3805	1.2772	1.3284	1.3789
2014	1.3925	1.2100	1.3285	1.2100

(1) The average of the exchange rates on the last business day of each month during the relevant period.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data for Gestamp Automoción, S.A. and its subsidiaries have been derived from our audited consolidated financial statements for the years ended December 31, 2014, 2013 and 2012.

Our selected consolidated financial data is presented in Euros and has been prepared in accordance with IFRS. You should read this selected consolidated financial data in conjunction with "Operating and Financial Review and Prospects", and the historical consolidated financial statements and the related notes, included elsewhere in this Annual Report.

	YTD December 31,		
	2012	**2013**	**2014**
	(Millions of Euros)		
Consolidated Income Statement Data			
Operating income	5,950.8	6,001.3	6,411.4
Revenue	5,822.3	5,853.3	6,255.8
Other operating incomes	104.4	133.3	126.6
Changes in inventories	24.1	14.7	29.0
Operating expenses	-5,597.7	-5,699.3	-6,073.9
Raw materials and other consumables	-3,670.2	-3,582.7	-3,885.8
Personnel expenses	-997.1	-1,068.3	-1,124.9
Depreciation, amortization and impairment losses	-282.4	-306.7	-319.0
Other operating expenses	-648.0	-741.6	-744.2
Operating profit	353.1	302.0	337.5
Finance income	6.4	18.5	9.6
Finance expenses	-87.6	-138.9	-138.6
Exchange gains (losses)	-1.2	-31.6	-7.6
Other	3.5	-14.7	-10.2
Profit from continuing operations	274.2	135.3	190.7
Income tax expense	-76.5	-29.6	-60.3
Profit for the period	197.7	105.7	130.4
Result from discontinued operations	0.0	0.0	-1.6
Profit (loss) attributable to non-controlling interests	-26.1	8.3	-3.1
Profit attributable to equity holders of the parent	**171.6**	**114.0**	**125.7**
EBITDA	635.5	608.7	656.5

04/30/2015 9:35 AM

	YTD December 31,		
	2012	**2013**	**2014**
	(Millions of Euros)		
Operating profit	353.1	302.0	337.5
Adjusted for:			
Depreciation, amortization and impairment losses	282.4	306.7	319.0
EBITDA	**635.5**	**608.7**	**656.5**

Note: "EBITDA" represents operating profit before depreciation, amortization and impairment losses. Our management believes 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. EBITDA is also a measure commonly reported and widely used by analysts, investors and other interested parties in our industry. 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. For the year ended December 31, 2013, the subsidiaries guaranteeing the notes represent approximately 50.5% of our total consolidated EBITDA.

	As of December 31,		
	2012	**2013**	**2014**
	(Millions of Euros)		
Consolidated Balance Sheet Data:			
Non-current assets	2,944.5	3,145.0	3,298.5
Intangible assets	205.7	275.9	311.6
Property, plant and equipment	2,478.1	2,553.8	2,661.8
Financial assets	85.9	114.8	76.8
Deferred tax assets	174.8	200.5	248.3
Current assets	1,844.0	2,272.0	2,208.6
Assets held for sale	0.0	27.4	0.0
Inventories	513.9	527.0	573.0
Trade and other receivables	1,014.6	1,127.8	1,057.5
Other current assets	8.9	11.8	18.3
Financial assets	46.8	57.6	75.9
Cash and cash equivalent	259.8	520.4	483.9
Total assets	**4,788.5**	**5,417.0**	**5,507.1**

	2012	**2013**	**2014**
	(Millions of Euros)		
Consolidated Balance Sheet Data:			
Equity	1,599.2	1,664.8	1,716.2
Equity attributable to shareholders of the parent	1,254.7	1,239.4	1,297.4
Equity attributable to non-controlling interest	344.5	425.4	418.8
Non-current liabilities	1,532.1	2,131.6	2,122.9
Deferred income	29.7	31.3	31.3
Provisions	168.1	135.0	131.2
Non-trade liabilities	1,156.5	1,785.9	1,725.3
Deferred tax liabilities	176.6	178.9	235.1
Other non-current liabilities	1.2	0.5	0.0
Current liabilities	1,657.2	1,620.6	1,668.0
Non-trade liabilities	696.5	512.1	454.5
Trade and other payables	938.4	1,092.4	1,191.8
Provisions	15.6	13.6	19.1
Other current liabilities	6.7	2.5	2.6
Total equity and liabilities	**4,788.5**	**5,417.0**	**5,507.1**

	YTD December 31,		
	2012	2013	2014
	(Millions of Euros)		
Other Financial Data			
EBITDA [(1)]	635.5	608.7	656.5
Cash, cash equivalent and current financial assets	306.6	578.0	559.8
Total Financial Debt	1,598.8	2,074.5	1,969.5
Total Net Financial Debt	**1,292.2**	**1,496.5**	**1,409.7**

(1) Total financial debt consists of interest-bearing loans and borrowings, financial leasing, borrowings from associated companies, loans from the Ministry of Science and Technology and other interest bearing loans but does not include derivative financial instruments, non-interest bearing loans, other current non-trade liabilities, deferred income, provisions, deferred tax liabilities, trade and other payables and other liabilities. Net financial debt consists of total financial debt less cash and cash equivalents and current financial assets. The following table presents a calculation of these measures:

	YTD December 31,		
	2012	2013	2014
	(Millions of Euros)		
Interest bearing loans and borrowings	1,378.1	1,746.6	1,764.8
Financial leasing	25.1	28.8	28.6
Borrowings from associated companies	121.6	210.5	99.4
Other financial debts	74.0	88.6	76.7
Total Financial Debt	**1,598.8**	**2,074.5**	**1,969.5**
Cash, cash equivalents and current financial assets	306.6	578.0	559.8
TOTAL NET FINANCIAL DEBT	**1,292.2**	**1,496.5**	**1,409.7**

Cash, cash equivalents and current financial assets includes cash and cash equivalents as of December 31, 2014 of €483.9 million and current financial assets as of December 31, 2014 of € 75.9 million (including loans and receivables, securities and other current financial assets).

The following non-trade liabilities are not considered financial debt as of December 31, 2014: €47.4 million in derivative financial instruments, €142.3 million of non-interest bearing short term liabilities (of which € 123.3 million were to suppliers of fixed assets) and €20.7 million of non-interest bearing long term liabilities.

	YTD December 31,		
	2012	**2013**	**2014**
	(Millions of Euros)		
Consolidated Cash Flow Information			
Cash flows from operating activities	372.6	367.1	565.5
Cash flows from investing activities	-580.4	-656.5	-447.6
Cash flows from financing activities	196.6	578.0	-178.9
Effect of changes in exchange rates	-1.3	-28.0	24.5
Cash in assets held for sale	0.0	0.0	0.0
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS	**-12.5**	**260.6**	**-36.5**

RISK FACTORS

The following summarizes certain risks related to our business. There may be additional risks that we do not currently know of or that we currently deem immaterial based on information available to us. Our business, financial condition or results of operations could be materially adversely affected by any of these risks.

Risks related to our Business

The weakness in the global economy, the global credit markets and the financial services industry over the past several years has severely and negatively affected demand for automobiles and automotive parts and continued weakness or a worsening of economic and political conditions could have a material adverse effect on our profitability.

Demand for and pricing of our products are subject to economic and political conditions and other factors present in the various domestic and international markets where our products are sold. The level of demand for our products depends primarily upon the level of consumer demand for new vehicles that are manufactured with our products.

The global economic crisis has resulted in delayed and reduced purchases of durable consumer goods, such as automobiles. Although the global economic climate improved during 2012 and 2013 and 2014, the global economy has not recovered to levels previously experienced and remains fragile. If the global economy were to take another significant downturn, depending upon its length, duration and severity, our business, financial condition, results of operations, and cash flow would again be materially adversely affected.

Continuing uncertainties and challenging conditions in the global economy could intensify the risks faced by the automotive industry and our business, which could have a material adverse effect on our operations, financial condition and profitability.

Continuing or renewed instability in global markets, including turmoil in Europe related to sovereign debt and the stability of the euro, has recently contributed to a global economic downturn. Future developments may continue to be dependent upon a number of political and economic factors, including the effectiveness of measures by the European Central Bank and the European Commission to address debt burdens of certain countries in Europe and the continued stability of the Eurozone. Concerns persist regarding the debt burden of certain Eurozone countries, in particular Greece, and their ability to meet future financial obligations, the overall stability of the euro and the suitability of the euro as a single currency given the diverse economic and political circumstances in individual member states of the Eurozone. For example, the anti-austerity party which won the parliamentary elections in Greece on January 25, 2015 formed a government with another anti-austerity party. The formation of this new Greek government could lead to the renegotiation of bailout terms or terms relating to the repayment of Greek national debt and concerns about Greece's exist from the Eurozone, which could, in turn, undermine confidence in the overall stability of the euro. These and other potential developments, or market perceptions concerning these and related issues, could have adverse consequences for us with respect to our outstanding debt obligations that are euro-denominated and, as we have a substantial amount of debt denominated in euro, our financial condition may be materially affected. The political unrest surrounding the crisis in Ukraine, specifically, existing or expanded economic sanctions imposed on Russia, and potential Russian response to those sanctions, could also have a negative impact on the European economy. As a result, we cannot predict how long these challenging conditions will exist or the extent to which the markets in which it operates may further deteriorate.

In these circumstances, many of the risks faced by the automotive industry and our business could intensify, which could have a material adverse effect on our business, financial condition, results of operations and cash flows as well as negatively impact our access to, and cost of, capital.

An unanticipated deterioration of economic conditions, which may include the failure of one or more major financial institutions, could adversely affect the amount of credit available to us, result in depletion of our cash resources and subject us to counterparty risk in connection with derivative transactions, each of which could have a material adverse effect on our operations and financial condition.

Uncertain economic conditions create significant planning risks for us. The occurrence of an economic shock not contemplated in our business plan, a rapid deterioration of economic conditions or a more prolonged recession than that experienced during the global economic crisis could result in the depletion of our cash resources. Notwithstanding that we have a diverse group of financial institutions acting as providers of credit to our business, the failure of a financial institution in which we invest our cash reserves or that is a counterparty in a derivatives transaction with us, could increase the risk that our cash reserves and amounts owing to us pursuant to derivative transactions may not be fully recoverable. Each of these factors could have a material adverse effect on our operations and financial condition.

Deterioration in the world economies could exacerbate the difficulties experienced by our customers and suppliers in obtaining financing, which, in turn, could materially and adversely impact our business, financial condition, results of operations and cash flows.

Lending institutions have suffered and may continue to suffer losses due to their lending and other financial relationships, especially because of the general weakening of the global economy and the increased financial instability of many borrowers. Longer-term disruptions in the credit markets could further adversely affect our customers by making it increasingly difficult for them to obtain financing for their businesses and for their customers to obtain financing for automobile purchases. Our OEM customers typically require significant financing for their respective businesses. In addition, our OEM customers typically have related finance companies that provide financing to their dealers and customers. These finance companies have historically been active participants in the securitization markets, which have experienced severe disruptions during the global economic crisis. Our suppliers, as well as the other suppliers to our customers, may face similar difficulties in obtaining financing for their businesses. If capital is not available to our customers and suppliers, or if its cost is prohibitively high, their businesses would be negatively impacted, which could result in their restructuring or even reorganization/liquidation under applicable bankruptcy laws. Any such negative impact, in turn, could materially and negatively affect our company either through the loss of revenues to any of our customers so affected, or due to our inability to meet our commitments without excess expense resulting from disruptions in supply caused by the suppliers so affected.

Financial difficulties experienced by any major customer could have a material adverse impact on us if such customer were unable to pay for the products we provide, materially reduced its capital expenditure on, and resulting demand for, new product lines, or we otherwise experienced a loss of, or material reduction in, business from such customer. As a result of such difficulties, we could experience lost revenues, significant write-offs of accounts receivable, significant impairment charges or additional restructurings beyond the steps we have taken to date.

The automobile industry is highly cyclical and cyclical downturns in our business segments negatively impact our business, financial condition, results of operations and cash flows.

The volume of automotive production and the level of new vehicle purchases regionally and worldwide are cyclical and have fluctuated, sometimes significantly from year-to-year. These fluctuations are caused by such factors as general economic conditions, interest rates, consumer confidence, consumer preferences, patterns of consumer spending, fuel costs and the automobile replacement cycle, and such fluctuations give rise to changes in demand for our products and may have a significant adverse impact on our results of operations.

The highly cyclical and fluctuating nature of the automotive industry presents a risk that is outside our control and that cannot be accurately predicted. Moreover, a number of factors that we cannot predict can and have impacted cyclicality in the past. Decreases in demand for automobiles generally, or in the demand for our products in particular, could materially and adversely impact our business, financial condition, results of operations and cash flows.

We are dependent on large customers for current and future revenues. The loss of any of these customers or the loss of market share by these customers could have a material adverse impact on us.

Although we supply our products to several of the leading automobile manufacturers, as is common in our industry we depend on certain large-value customers for a significant proportion of our revenues. The loss of all or a substantial portion of our sales to any of our large-volume customers could have a material adverse effect on our business, financial condition, results of operations and cash flows by reducing cash flows and by limiting our ability to spread our fixed costs over a larger revenue base. We may make fewer sales to these customers for a variety of reasons, including, but not limited to:

- loss of awarded business;
- reduced or delayed customer requirements;
- OEMs' insourcing business they have traditionally outsourced to us;
- strikes or other work stoppages affecting production by our customers;
- bankruptcy or insolvency of a customer; or
- reduced demand for our customers' products.

See also "—Deterioration in the world economies could exacerbate the difficulties experienced by our customers and suppliers in obtaining financing, which, in turn, could materially and adversely impact our business, financial condition, results of operations and cash flows".

Our inability to realize revenues represented by our awarded business or termination or non-renewal of production purchase orders by our customers could materially and adversely impact our business, financial condition, results of operations and cash flows.

The realization of future revenues from awarded business is inherently subject to a number of important risks and uncertainties, including the number of vehicles that our customers will actually produce and the timing of that production.

Typically the terms and conditions of the agreements with our customers do not include a commitment regarding minimum volumes of purchases from us. In addition, such contracts typically provide that customers have the contractual right to unilaterally terminate our contracts with them with no notice or limited notice. If such contracts are terminated by our customers, our ability to obtain compensation from our customers for such termination is generally limited to the direct out-of-pocket costs that we incurred for raw materials and work-in-progress and in certain instances undepreciated capital expenditures. Further, there is no guarantee that our customers will renew their purchase orders with us. We cannot assure you that our results of operations will not be materially adversely impacted in the future if we are unable to realize revenues from our awarded business, if our customers cancel awarded business or if our customers fail to renew their contracts with us.

Disruptions in the automotive supply chain could have a material adverse impact on our business, financial condition, results of operations and cash flows.

The automotive supply chain is subject to disruptions because we, along with our customers and suppliers, attempt to maintain low inventory levels. In addition, our plants are typically located in close proximity to our customers.

Disruptions could be caused by a multitude of potential problems, such as closures of one of our or our suppliers' plants or critical manufacturing lines due to strikes, mechanical breakdowns, electrical outages, fires, explosions or political upheaval, as well as logistical complications due to weather, earthquakes, or other natural or nuclear disasters, mechanical failures, delayed customs processing and more.

Additionally, if we are the cause for a customer being forced to halt production, the customer may seek to recoup all of its losses and expenses from us. Any disruptions affecting us or caused by us could have a material adverse impact on our business, financial condition, results of operations and cash flows.

The inability for us, our customers or our suppliers to obtain and maintain sufficient capital financing, including working capital lines, and credit insurance may adversely affect our, our customers' and our suppliers' liquidity and financial condition.

Our working capital requirements can vary significantly, depending in part on the level, variability and timing of our customers' worldwide vehicle production and the payment terms with our customers and suppliers. Our liquidity could also be adversely impacted if our suppliers were to suspend normal trade credit terms and require payment in advance or payment on delivery. If our available cash flows from operations are not sufficient to fund our ongoing cash needs, we would be required to look to our cash balances and availability for borrowings under our credit facilities to satisfy those needs, as well as potential sources of additional capital, which may not be available on satisfactory terms and in adequate amounts, if at all.

There can be no assurance that we, our customers and our suppliers will continue to have such ability. This may increase the risk that we cannot produce our products or will have to pay higher prices for our inputs. These higher prices may not be recovered in our selling prices.

Our suppliers often seek to obtain credit insurance based on the strength of the financial condition of our subsidiary with the payment obligation, which may be less robust than our consolidated financial condition. If we were to experience liquidity issues, our suppliers may not be able to obtain credit insurance and in turn would likely not be able to offer us payment terms that we have historically received. Our failure to receive such terms from our suppliers could have a material adverse effect on our liquidity.

The volatility of steel prices may adversely affect our results of operations.

The primary raw material used in our business is steel, which in recent years has represented approximately 58% of our sales. The majority of our steel is typically purchased through OEM re-sale programs, with the remainder of our steel purchasing requirements being met through contracts with steel suppliers that we negotiate.

An increase or decrease in steel prices affects our results. Although we have sought to be largely neutral with respect to steel pricing's impact on our margins over time as a result of our steel pricing arrangements, there is no guarantee that we will be able to achieve that goal. Most of our steel purchasing contracts that we negotiate directly with suppliers and that are not under OEM re-sale programs do not have any contractual provisions for pass through of the price of steel to the OEMs. Although historically and consistent with automotive industry standards, we have been able to negotiate with our OEM customers to pass through the impact of price swings leaving us protected from changing steel prices, however, there are no assurances that this will continue in the future.

We typically sell scrap steel in secondary markets in which, typically, the price of scrap steel fluctuates in line with fluctuations in steel prices. We generally share our recoveries from sales of scrap steel with our OEM customers either through scrap sharing agreements, in cases where we are on resale programs, or in the product pricing that we negotiate with OEMs regarding increases and decreases in the steel price in cases where we purchase steel directly from the mills. We may be impacted by the fluctuation in scrap steel prices, either positive or negative, in relation to our various customer agreements. If costs of raw materials and energy rise, and if we are not able to undertake cost saving measures elsewhere in our operations or increase the selling prices of our products, we will not able to compensate such cost increases, which could have a material adverse effect on our business, financial condition and results of operations.

We may have difficulty competing favorably in the highly competitive automotive parts industry generally and in certain product or geographic areas specifically.

The automotive parts industry is highly competitive. Although the overall number of competitors has decreased due to ongoing industry consolidation, we face significant competition within each of our major product areas, including from new competitors entering the markets that we serve, and OEMs that may seek to integrate vertically. The principal competitive factors include price, quality, global presence, service, product performance, design and engineering capabilities, new product innovation and timely delivery. We cannot assure you that we will be able to continue to compete favorably in these competitive markets or that increased competition will not have a material adverse effect on our business by reducing our ability to increase or maintain sales and profit margins.

We principally compete for new business projects at the beginning of the development of new models and upon the redesign of existing models by major OEM customers. In some cases, a number of our major OEM customers manufacture products that we currently produce, thereby eliminating an opportunity for us to bid for the production. New model development generally begins three to five years prior to the marketing of such models to the public. Redesign of existing models begins during the life cycle of a platform, usually at least two to three years before the end of the platform's life cycle. The failure to obtain new business projects on new models or to retain or increase business projects on redesigned existing models, could adversely affect our business, financial condition, results of operations, and cash flows. In addition, as a result of the relatively long lead times required for many of our structural components, it may be difficult in the short-term for us to obtain new revenues to replace any unexpected decline in the sale of existing products.

Shifts in market shares among vehicles or vehicle segments or shifts away from vehicles on which we have significant content could have a material adverse effect on our profitability.

While we supply parts for a wide variety of vehicles produced globally, we do not supply parts for all vehicles produced, nor is the number or value of parts evenly distributed among the vehicles for which we do supply parts. Shifts in market shares among vehicles or vehicle segments, particularly shifts away from vehicles on which we have significant content and shifts away from vehicle segments in which our sales may be more heavily concentrated, could have a material adverse effect on our profitability.

Our inability to offset price concessions or additional costs from our customers could have an adverse effect on our profitability.

We face ongoing pricing pressure, as well as pressure to absorb costs related to product design, engineering and tooling, as well as other items previously paid for directly by OEMs. Typically, in line with our industry practice, our customers benefit from price reductions during the life cycle of a contract. We expect to offset these price concessions by achieving production efficiencies, however, we cannot guarantee that we will do so. If we fail to achieve production efficiencies to fully offset price concessions or do not otherwise offset such price concessions, our profitability and results of operations would be adversely affected.

We may incur material costs related to plant closings, which could have a material adverse impact on our business, financial condition, results of operations and cash flows.

If we are forced to close manufacturing locations because of loss of business or consolidation of manufacturing facilities, the employee severance, asset retirement and other costs, including reimbursement costs relating to public subsidies, to close these facilities may be significant. In certain locations that are subject to leases, we may continue to incur material costs consistent with the initial lease terms. We continually attempt to align production capacity with demand; therefore, we cannot assure you that additional plants will not have to be closed.

The construction and maintenance of our facilities entails certain risks.

The construction and maintenance of our facilities entails certain difficulties, both from a technical perspective as well as in terms of the timing of the various construction phases. A number of problems may arise in relation to our facilities, such as interruptions or delays due to failed deliveries by suppliers or manufacturers, problems with connecting to the utilities networks, construction faults, problems linked to the operation of equipment, adverse weather conditions, unexpected delays in obtaining or sourcing permits and authorizations, or longer-than-expected periods for technical adjustments. The additional costs that may arise in the maintenance of facilities may adversely affect our business operations, financial position and operational results.

Mechanical failure, equipment shutdowns and technological breakdown could adversely affect our business.

We are subject to mechanical failure and equipment shutdowns which may be beyond our control. If a section of one of our facilities is damaged or shuts down, it could cause a mechanical failure or equipment shutdown in other components of such facility. If such events occur, our production capacity may be materially and adversely impacted. In the event that we are forced to shut down any of our sites for a significant period of time, it would have a material adverse effect on our business operations, financial position and operational results.

Interruptions in the supply of utilities to our facilities may negatively affect our operations

We are reliant upon a continuous and uninterrupted supply of electricity, gas and water to our facilities to ensure the continued operation of our production lines and supply chain. An interruption to the supply of any of these utilities, even in the short term, including but not limited to a trip in the electricity grid, a gas leak or issues with local water mains, could cause equipment shutdowns, mechanical failures and/or damage to our facilities and equipment which could materially and adversely impact our business operations, operational results and financial position.

Our ongoing operations may require increased capital expenditure at certain stages that will consume cash from our operations and borrowings.

In order to maintain our product lines for existing products, from time to time, we are required to make certain operational and maintenance-related capital expenditure on our facilities. Our ability to undertake such operational and maintenance measures largely depends on our cash flow from our operations and access to capital. We intend to continue to fund our cash needs through cash flow from operations. However, there may be unforeseen capital expenditure needs for which we may not have adequate capital. The timing of capital expenditures also may cause fluctuations in our operational results.

Our profitability may be adversely affected by program launch difficulties.

From time to time we are awarded new or takeover business by our customers. The launch of new business is a complex process, the success of which depends on a wide range of factors, including the production readiness of our and our suppliers' manufacturing facilities and manufacturing processes, as well as factors related to tooling, equipment, employees, initial product quality and other factors. Our failure to successfully launch material new or takeover business could have an adverse effect on our profitability.

There are integration and consolidation risks associated with potential future acquisitions and divestitures. Future acquisitions and divestment may result in significant transaction expenses, unexpected liabilities and a negative impact on operations and/or cash flows. Future acquisitions may result in risks associated with entering new markets, and we may be unable to profitably operate the acquired businesses.

We have a history of making strategic acquisitions and divestitures and in the future we may consider and make further strategic acquisitions of suitable acquisition candidates in markets where we currently operate as well as in markets in which we have not previously operated. We may also consider and make strategic divestitures where this is in line with our strategy.

However, we may not be able to identify suitable acquisition candidates in the future, or may not be able to finance such acquisitions on favorable terms. We may lack sufficient management, financial and other resources to successfully integrate future acquisitions or to ensure that such future acquisitions will perform as planned or prove to be beneficial to our operations. Acquisitions and divestitures involve numerous other risks, including the diversion of our management's attention from other business concerns, undisclosed risks impacting the target and potential adverse effects on existing business relationships with current customers and suppliers. In addition, any acquisitions or divestitures could impact our financial position, cash-flow or create dilution for our stockholders. In certain transactions, our acquisition analysis includes assumptions regarding the consolidation of operations and improved operating cost structures for the combined operations. Such synergies or benefits may not be achieved on the assumed time schedule or in the assumed amount, if at all. Any future acquisitions may result in significant transaction expenses, unexpected liabilities and risks associated with entering new markets in addition to the integration and consolidation risks.

As a result of our acquisitions or divestments, we may assume continuing obligations, deferred payments and liabilities. Any past or future acquisitions may result in exposure to third parties for liabilities, such as liability for faulty work done by the acquired business and liability of the acquired business or assets that may or may not be adequately covered by insurance or by indemnification, if any, from the former owners of the acquired business or assets. The occurrence of any of these liabilities could have a material adverse effect on our business and results of operations.

We do not control certain of our joint ventures.

We have a number of strategic partnerships and joint ventures and alliances in which we hold a non-controlling interest. For example, we have entered into a Turkish joint venture in Beyçelik in which we have a 50% interest. We also hold 50% interests in several entities in India and China. There can be no assurance that the arrangements will be successful and/or achieve their planned objectives. The performance of all such operations in which we do not have a controlling interest will depend on the financial and strategic support of the other shareholders. Such other shareholders may make ill-informed or inadequate management decisions, or may fail to supply or be unwilling to supply the required operational, strategic and financial resources, which could materially adversely affect these operations. If any of our strategic partners were to encounter financial difficulties, change their business strategies or no longer be willing to participate in these strategic partnerships, joint ventures and alliances, our business, financial condition and results of operations could be materially adversely affected.

Moreover, in some of these businesses, we may not have the power to control the payment of dividends or other distributions, so even if the business is performing well, we may not be able to receive payment of our share of any profits. Finally, there could be circumstances in which we may wish or be required to acquire the ownership interests of our partners, and there can be no assurance that we will have access to the funds necessary to do so, on commercially reasonably terms or at all.

The estimates of our return on investment may be inaccurate which could negatively impact our results.

While returns on investments are not guaranteed, in assessing a new investment or acquisition, as part of our internal decision making methodology, one of the factors we consider is whether we believe that the investment may result in an internal rate of return to us of approximately 15%. Due to a number of the risk factors set out in this section, our investment methodology may prove to be materially inaccurate which could negatively impact our results of operations, cash flows and financial condition.

The value of our deferred tax assets could become impaired, which could materially and adversely affect our operating results.

As of December 31, 2014, we had approximately €248.3 million in net deferred income tax assets. These deferred tax assets include net operating loss carry forwards that can be used to offset taxable income in future periods and reduce income taxes payable in those future periods. We periodically determine the probability of the realization of deferred tax assets, using significant judgments and estimates with respect to, among other things, historical operating results, expectations of future earnings and tax planning strategies. If we determine in the future that there is not sufficient positive evidence to support the valuation of these assets, due to the factors described above or other factors, we may be required to adjust the valuation allowance to reduce our deferred tax assets. Such a reduction could result in material non-cash expenses in the period in which the valuation allowance is adjusted and could have a material adverse effect on our results of operations. Our ability to utilize our net operating loss carry forwards may be limited and delayed. In addition, adverse changes in the underlying profitability and financial outlook of our operations in several foreign jurisdictions could lead to changes in our valuation allowances against deferred tax assets and other tax accruals that could adversely affect our financial results.

We have a material amount of goodwill, which, if it becomes impaired, would result in a reduction in our net income and equity.

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. IFRS requires that goodwill be periodically evaluated for impairment based on the fair value of the reporting unit. Declines in our profitability or the value of comparable companies may impact the fair value of our reporting units, which could result in a write-down of goodwill and a reduction in net income.

As of December 31, 2014, we had approximately €114.4 million of goodwill on our consolidated balance sheet that could be subject to impairment. In addition, if we acquire new businesses in the future, we may recognize additional goodwill, which could be significant. We could also be required to recognize additional impairments in the future and such an impairment charge could have a material adverse effect on our financial position and results of operations in the period of recognition.

We are subject to risks related to our international operations.

Our international operations include manufacturing facilities in, among other locations, Brazil, China, India, Thailand, Russia, Turkey, US, Mexico and Argentina, and we sell our products in each of these areas. For the year ended December 31, 2014, a significant share of our revenues derived from operations in these economies. International operations are subject to various risks that could have a material adverse effect on those operations and our business as a whole, including but not limited to:

- exposure to local economic and social conditions, including logistical and communication challenges;
- exposure to local political conditions, including political disputes, coups, the risk of seizure of assets by a foreign government, increased risk of fraud and political corruption, terrorism, acts or war or similar events;
- exposure to local public health issues and the resultant impact on economic and political conditions;
- exposure to potentially undeveloped legal systems which make it difficult to enforce contractual rights and to potentially adverse changes in laws and regulatory practices;
- exposure to local tax requirements and obligations;

- foreign currency exchange rate fluctuations and currency controls;
- greater risk of uncontrollable accounts and longer collection cycles;
- the risk of government-sponsored competition;
- controls on the repatriation of cash, including the imposition or increase of withholding and other taxes on remittances and other payments by foreign subsidiaries; and
- export and import restrictions.

We are exposed to risks in relation to compliance with anti-corruption laws and regulations and economic sanction programs

Our international operations require us to comply with the laws and regulations of various jurisdictions. In particular, our international operations are subject to anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act of 2010, and economic sanction programs, including those administered by the UN, EU and Office of Foreign Asset Control in the United States. These laws prohibit improper business conduct and restrict us from dealing with certain sanctioned countries.

As a result of our international operations, we are exposed to the risk of violating anti-corruption laws and sanctions regulations applicable in those countries where we operate. Some of the countries in which we operate lack as developed a legal system as other locations and are perceived to have high levels of corruption. Our continued geographical diversification, including in growth economies, development of joint venture relationships worldwide and our employment of local agents in the countries in which we operate increases the risk of violations of anti-corruption laws, sanctions, or similar laws. Violations of anti-corruption laws and sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition, any major violations could have a significant impact on our reputation and consequently on our ability to win future business.

We have policies and procedures designed to assist our compliance with applicable laws and regulations including training of our employees to comply with such laws and regulations. While we have a strong culture of compliance and have adequate systems of control, we seek to continuously improve our systems of internal controls, to remedy any weaknesses that are identified through appropriate corrective action depending on the circumstances, including additional training, improvement of internal controls and oversight, and deployment of additional resources and to take appropriate action in case of any breach of our rules and procedures which might include disciplinary measures, suspensions of employees and ultimately termination of such employees. There can be no assurance, however, that our policies and procedures will be followed at all times or will effectively detect and prevent violations of the applicable laws by one or more of our employees, consultants, agents or partners and, as a result, we could be subject to penalties and material adverse consequences on its business, financial condition or results of operations if it failed to prevent any such violations.

Foreign exchange rate fluctuations could cause a decline in our financial condition, results of operations and cash flows.

Although our reporting currency is the Euro, a portion of our sales and operating costs are realized in other currencies, such as the Chinese Yuan, the Russian Ruble, the Brazilian Real, the Argentinian Peso and the Turkish Lira. In the year ended December 31, 2014, €3,596.8 million of our revenues (which represented approximately 57.5% of our revenue for that period), on a consolidated basis, were generated in currencies other than the Euro.

We are subject to risk if the foreign currency in which our costs are paid appreciates against the currency in which we generate revenues because the appreciation effectively increases our cost in that country. The financial condition, results of operations and cash flows of some of our operating entities are reported in foreign currencies and then translated into Euros at the applicable foreign exchange rate for inclusion in our consolidated financial statements. As a result, appreciation of the Euro against these foreign currencies generally will have a negative impact on our reported sales and profits while depreciation of the Euro against these foreign currencies will generally have a positive effect on reported revenues and profits.

Significant long-term fluctuations in relative currency values, in particular a significant change in the relative values of the Chinese Yuan, the Russian Ruble, the Brazilian Real, the Argentinian Peso and/or the Turkish Lira could have an adverse effect on our profitability and financial condition and any sustained change in such relative currency values could adversely impact our competitiveness in certain geographic regions.

Economic instability in the countries in which we operate where the Euro is not the local currency and the related decline in the value of the relevant local currency in these countries could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In jurisdictions where the prevailing currency is subject to significant volatility, in the contracts we enter into in these jurisdictions we seek to nominate an alternative functional currency, typically either the Euro or U.S. Dollar, to seek to minimize the impact of any exchange rate fluctuations.

Our hedging and other derivative arrangements may not effectively or sufficiently offset the negative impact of foreign exchange rate fluctuations.

We may use a combination of natural hedging techniques and financial derivatives to protect against certain foreign currency exchange rate risks. Such hedging activities may be ineffective or may not offset more than a portion of the adverse financial impact resulting from foreign currency variations. Gains or losses associated with hedging activities also may negatively impact operating results.

We have invested substantial resources in markets where we expect growth and we may be unable to timely alter our strategies should such expectations not be realized.

Our future growth is dependent on our making the right investments at the right time to support product development and manufacturing capacity in areas where we can support our customer base. We have identified certain markets including the US, Mexico, Brazil, Turkey, Russia, China, India and Thailand as key markets where we are likely to experience substantial growth, and accordingly have made and/or expect to make substantial investments, both directly and through participation in various partnerships and joint ventures to support anticipated growth in those regions. If we are unable to deepen existing and develop additional customer relationships in these regions, we may not only fail to realize expected rates of return on our investments, but we may incur losses on such investments and be unable to timely redeploy the invested capital to take advantage of other markets, potentially resulting in lost market share to our competitors. Our results will also suffer if these regions do not grow as quickly as we anticipate.

Changes in our mix of earnings between jurisdictions with lower tax rates and those with higher tax rates could have a material adverse effect on our profitability.

Our effective tax rate varies in each country in which we conduct business. Changes in our mix of earnings between jurisdictions with lower tax rates and those with higher tax rates could have a material adverse effect on our profitability.

Our profitability may be materially adversely affected by our inability to utilize tax losses or because of tax exposures we face.

We have incurred losses in some countries which we may not be able to fully or partially offset against income we have earned in those countries. In some cases, we may not be able to utilize these losses at all if we cannot generate profits in those countries or if we have ceased conducting business in those countries altogether. Our inability to utilize material tax losses could materially adversely affect our profitability. At any given time, we may face other tax exposures arising out of changes in tax laws, tax reassessments or otherwise. To the extent we cannot implement measures to offset these exposures, they may have a material adverse effect on our profitability.

Loss of key executives and failure to attract qualified management could limit our growth and negatively impact our operations.

We have a management team with a substantial amount of expertise in the automotive industry. Loss of key members of management could result in the loss of valuable customer relationships and/or less or unsuccessful implementation of strategies.

Availability of labor in some of the areas in which we operate could negatively impact our operations

When establishing and operating facilities in some growth economies, we may encounter difficulties with the availability of labor. In some instances we may compete with our customers for qualified employees in a limited labor pool of adequately trained workers. Performing work in these areas and under these circumstances can slow our progress, potentially causing us to incur contractual liabilities to our customers. These circumstances may also cause us to incur additional, unanticipated costs that we might not be able to pass on to our customers.

Our profitability could be negatively impacted if we are not able to maintain appropriate utilization of our workforce.

The extent to which we utilize our workforce affects our profitability. If we under-utilize our workforce, our project profits and overall profitability suffer in the short-term. If we over-utilize our workforce, we may negatively impact safety, employee satisfaction and project execution, which could result in a decline of future project awards. The utilization of our workforce is impacted by numerous factors including:

- our estimate of the headcount requirements for various manufacturing units based upon our forecast of the demand for our products;
- our ability to maintain our talent base and manage attrition;
- our ability to schedule our portfolio of projects to efficiently utilize our employees and minimize production downtime;
- our need to invest time and resources into functions such as training, business development, employee recruiting, and sales that are not chargeable to customer projects; and
- the degree of structural flexibility of labor laws in countries where our employees are located.

The workforce in the automotive industry is highly unionized and if we fail to extend or renegotiate our collective bargaining agreements with our labor unions as they expire from time to time, or if our employees, or our customers' employees, engage in work stoppages and other labor problems, this could result in a material adverse effect.

As of December 31, 2014, we had 31,746 employees, the majority of whom were covered under collective bargaining agreements on a plant-by-plant basis and that expire at various times. In addition, we have specific exposure to labor strikes in our international operations related primarily to the economic instability in several countries in the European Union. If major work disruptions involving our employees were to occur, our business could be adversely affected by a variety of factors, including a loss of revenues, increased costs and reduced profitability. We cannot assure you that we will not experience a material labor disruption at one or more of our facilities in the future in the course of renegotiation of our labor arrangements or otherwise. We cannot guarantee that we will be able to successfully extend or renegotiate our collective bargaining agreements as they expire from time to time. If we fail to extend or renegotiate any of our collective bargaining agreements or are only able to renegotiate them on terms that are less favorable to us, we may need to incur additional costs, which could have a material adverse effect on our business, financial condition and results of operations.

Further, many of the manufacturing facilities of our customers and suppliers are unionized and are subject to the risk of labor disruptions from time to time. A significant labor disruption could lead to a lengthy shutdown of our customers' or our suppliers' production lines, which could have a material adverse effect on our operations and profitability.

A shift away from technologies in which we invest could have a material adverse effect on our profitability and financial condition.

Our business requires a high level of technical expertise for the development and manufacture of our products. We invest in technology and innovation which we believe will be critical to our long-term growth and we need to continually adapt our expertise in response to technological innovations, industry standards, product instructions and customer requirements. Our ability to anticipate changes in technology and to successfully develop and introduce new and enhanced products or manufacturing processes on a timely basis will be a significant factor in our ability to remain competitive. New technologies or changes in industry and customer requirements may render one or more of our current offerings obsolete, excessively costly or otherwise unmarketable. If there is a shift away from the use of technologies in which we are investing, our costs may not be fully recovered. We may be placed at a competitive disadvantage if other technologies emerge as industry-leading technologies, which could have a material adverse effect on our prospects for growth, profitability and financial condition.

Legal or regulatory claims or investigations against us could have a material adverse effect on our financial position.

From time to time, we may become involved in legal or regulatory proceedings, claims or investigations, including by governmental bodies, customers, suppliers, former employees, class action plaintiffs and others. On an ongoing basis, we attempt to assess the likelihood of any adverse judgments or outcomes to these proceedings or claims, although it is difficult to predict final outcomes with any degree of certainty.

Except as disclosed from time to time in our consolidated financial statements, we do not believe that any of the proceedings or claims to which we are party will result in costs, charges or liabilities that will have a material adverse effect on our financial position. However, we cannot assure you that the costs, charges and liabilities associated with these matters will not be material, or that those costs, charges and liabilities will not exceed any amounts reserved for them in our consolidated financial statements. In future periods, we could be subject to cash costs or non-cash charges to earnings if any of these matters are resolved unfavorably to us.

Product liability claims and warranty and recall costs could cause us to incur losses and damage our reputation.

Many of our products are critical to the structural integrity of a vehicle. As such, we face an inherent business risk of exposure to product liability claims in the event of the failure of our products to perform to specifications, or if our products are alleged to result in property damage, bodily injury or death. We are generally required under our customer contracts to indemnify our customers for product liability claims in respect of our products. Accordingly, we may be materially and adversely impacted by product liability claims.

If any of our products are, or are alleged to be, defective, we may be required to participate in a recall involving those products. In addition, our customers demand that we bear the cost of the repair and replacement of defective products which are either covered under their warranty or are the subject of a recall by them. Warranty provisions are established based on our best estimate of the amounts necessary to settle existing or probable claims on product defect issues. Recall costs are costs incurred when government regulators or our customers decide to recall a product due to a known or suspected performance issue and we are required to participate either voluntarily or involuntarily. Currently, under most customer agreements, we only account for existing or probable warranty claims. Under certain complete vehicle engineering and assembly contracts, we record an estimate of future warranty-related costs based on the terms of the specific customer agreements and the specific customer's warranty experience. Because we have never been the cause of a vehicle recall nor suffered any product recalls or liability damages, we have no warranty and recall data which allows us to establish accurate estimates of, or provisions for, future warranty or recall costs relating to new products, assembly programs or technologies being brought into production. In addition, we do not have insurance covering product recalls. The obligation to repair or replace such products could have a material adverse effect on our profitability and financial condition.

A decrease in actual and perceived quality of our products could damage our image and reputation and also the image and reputation of one or more of our brands. Defective products could result in loss of sales, loss of customers and loss of market acceptance. In turn, any major defect in one of our products could also have a material adverse effect on our reputation and market perception, which in turn could have an adverse effect on our sales and results of operations.

Our operations expose us to the risk of material health and safety liabilities.

The nature of our operations subjects us to various statutory compliance and litigation risks under health, safety and employment laws. We cannot guarantee that there will be no accidents or incidents suffered by our employees, our contractors or other third parties on our sites. If any of these incidents occur, we could be subject to prosecutions and litigation, which may lead to fines, penalties and other damages being imposed on us and cause damage to our reputation. Such events could have a material adverse effect on our business operations, financial position and operational results.

We are subject to environmental requirements and risks as a result of which we may incur significant costs, liabilities and obligations.

We are subject to a variety of environmental and pollution control laws, regulations and permits that govern, among other things, soil, surface water and groundwater contamination; the generation, storage, handling, use, disposal and transportation of hazardous materials; the emission and discharge of materials, including greenhouse gases ("GHG"), into the environment; and health and safety. If we fail to comply with these laws, regulations or permits, we could be fined or otherwise sanctioned by regulators or become subject to litigation. Environmental and pollution control laws, regulations and permits, and the enforcement thereof, change frequently, have tended to become more stringent over time and may necessitate substantial capital expenditures or operating costs.

We are also subject to environmental laws requiring investigation and clean-up of environmental contamination and are in various stages of investigation and clean-up at one of our manufacturing facilities where contamination has been alleged. Estimating environmental clean-up liabilities is complex and heavily dependent on the nature and extent of historical information and physical data relating to the contaminated sites, the complexity of the contamination, the uncertainty of which remedy to apply and the outcome of discussions with regulatory authorities relating to the contamination. In addition, these environmental laws and regulations are complex, change frequently and have tended to become more stringent and expensive over time. Therefore, we may not have been, and in the future may not be, in complete compliance with all such laws and regulations and we may incur material costs or liabilities as a result of such laws and regulations significantly in excess of amounts we have reserved. In addition to potentially significant investigation and cleanup costs, contamination can give rise to third-party claims for fines or penalties, natural resource damages, personal injury or property damage.

We cannot assure you that our costs, liabilities and obligations relating to environmental matters will not have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may not be adequately insured.

We currently have insurance arrangements in place for products and public liability, property damage, business interruption (including for sudden and unexpected environmental damage). However, these insurance policies may not cover any losses or damages resulting from the materialization of any of the risks we are subject to. Further, significant increases in insurance premiums could reduce our cash flow. It is also possible in the future that insurance providers may no longer wish to insure businesses in our industry against certain environmental occurrences.

Significant changes in laws and governmental regulations could have an adverse effect on our profitability.

The legal, regulatory and industry-standard environment in our principal markets is complex and dynamic, and future changes to the laws, regulations and market practice as regards, for example, CO_2 emissions and safety tests and protocols, could have an adverse effect on the products we produce and our profitability. Additionally, we could be adversely affected by changes in tax or other laws which impose additional costs on automobile manufacturers or consumers, or more stringent fuel economy and emissions requirements on manufacturers, of sport-utility vehicles, light trucks and other vehicles from which we derive some of our sales.

We may face risks relating to climate change that could have an adverse impact on our business.

GHG emissions have increasingly become the subject of substantial international, national, regional, state and local attention. GHG emission regulations have been promulgated in certain of the jurisdictions in which we operate, and additional GHG requirements are in various stages of development. For example, the United States Congress has considered legislation that would establish a nationwide limit on GHGs. In addition, the EPA has issued regulations limiting GHG emissions from mobile and stationary sources pursuant to the federal Clean Air Act. When effective, such measures could require us to modify existing or obtain new permits, implement additional pollution control technology, curtail operations or increase our operating costs. In addition, our OEM customers may seek price reductions from us to account for their increased costs resulting from GHG regulations. Further, growing pressure to reduce GHG emissions from mobile sources could reduce automobile sales, thereby reducing demand for our products and ultimately our revenues. Thus, any additional regulation of GHG emissions, including through a cap-and-trade system, technology mandate, emissions tax, reporting requirement or other program, could adversely affect our business, results of operations, financial condition, reputation, product demand and liquidity.

Natural disasters could disrupt our supply of products to our customers which could have a material adverse effect on our operations and profitability.

Our manufacturing facilities are subject to risks associated with natural disasters, including fires, floods, hurricanes and earthquakes. The occurrence of any of these disasters could cause the total or partial destruction of a manufacturing facility, thus preventing us from supplying products to our customers and disrupting production at their facilities for an indeterminate period of time. The inability to promptly resume the supply of products following a natural disaster at a manufacturing facility could have a material adverse effect on our operations and profitability.

Terrorist attacks and other acts of violence or war or political changes in geographical areas where we operate may affect our business and results of operations.

Terrorist attacks and other acts of violence or war may negatively affect our business and results of operations. There can be no assurance that there will not be terrorist attacks or violent acts that may directly impact us, our customers or partners. In addition, political changes in certain geographical areas where we operate may affect our business and results of operations. Any of these occurrences could cause a significant disruption in our business and could adversely affect our business operations, financial position and operational results.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion together with our consolidated financial statements included elsewhere in this Annual Report. The financial data in this discussion of our results of operations and financial condition as of and for the years ended December 31, 2014, 2013 and 2012 has been derived from the audited consolidated financial statements of Gestamp Automoción and its subsidiaries as of and for the years ended December 31, 2014, 2013 and 2012 prepared in accordance with IFRS as adopted by the European Union. Certain monetary amounts, percentages and other figures included in this Annual Report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

You should read the following discussion together with the sections entitled "Selected Consolidated Financial Data", "Risk Factors", "Forward-Looking Statements" and "Presentation of Financial Information".

Overview

We are a leading global automotive supplier active in the design, development and manufacture of metal components and assemblies for sale to OEMs, primarily for use in the production of light vehicles. We have an extensive global footprint of 93 production facilities in 20 countries over four continents with one additional plant under construction as of December 31, 2014. We supply our products globally to all of the 12 largest OEMs by production volume. Our extensive geographical and customer diversification allows us to take advantage of global growth opportunities and has mitigated the impact of regional production fluctuations on our business during economic downturns.

We offer our OEM customers a diverse product portfolio, supplying Body-in-White and Chassis structures and complex assemblies, Mechanisms, as well as tooling and dies and other related services. We are one of the very few truly global suppliers to OEMs in our product portfolios, which sets us apart from many of our competitors in the industry. We have long-standing and entrenched relationships with our largest OEM customers and, as a result, have been able to proactively manage our business to meet the developing global trends in the industry and the resulting changes in the requirements of the OEMs that we supply.

Key factors affecting our results of operations

We believe that the following factors impact our results of operations:

- ***Significant acquisitions***

  Certain significant, discretionary acquisitions have had a material effect on our financial results, have affected our consolidation perimeter and represented a large portion of our investments over the years. There were no acquisitions which had a significant effect on our financial results in the years ended December 31, 2014, 2013 and 2012.

- ***Capital expenditure***

  The growth of our business involves significant capital expenditure, to the extent that we build new manufacturing plants or increase capacity in existing plants. Increased success and penetration with our customers based on increased project awards translates into increased capital expenditure to accommodate the execution of those projects. Once a project is ongoing, maintenance capital expenditure is limited and somewhat predictable. When new programs or vehicle models are required, usually at the end of a vehicle cycle, "renewal" or "replacement" capital expenditure is required in order to adapt existing infrastructure to accommodate new assembly and process design, usually at levels significantly below the expenditure required to create the capacity in the first place.

The construction period for these new manufacturing facilities typically ranges between 12 months and 15 months and the cash used in investments in property, plant and equipment associated with the construction and equipment of these new manufacturing facilities typically ranges between €40 million and €70 million. Once the construction of a manufacturing facility is completed, the output of the manufacturing facility increases over time, reaching full production capacity typically during the following 18 to 24 months.

- ***Global automotive market***

The cycles of the global automotive industry, which is correlated with general global macroeconomic conditions, impacts our OEM customers' production requirements and consequently impacts the volume of purchases of our products by our OEM customers. With increased economic growth in our growth markets and recovery in our more traditional markets, we have experienced and expect to experience increased vehicle production levels, with a consequent increase in the demand for our products and a positive impact on our revenues with slower economic growth having the correlative effect.

- ***Diversification***

Our strong geographic, customer and product diversification has had the effect of reducing revenue volatility during the economic downturn. Our well-diversified customer base, which includes all of the 12 largest OEMs by production volume, has limited our exposure to a downturn in the demand for any one OEM's products portfolio. Regional differences in duration, timing and intensity of economic cycles, combined with the diversity of our geographic footprint, have mitigated the effects of the economic cycle on our business, limiting the impact of our exposure to the cycle in any one region or geography. Our diversified revenue base has allowed us to take advantage of global growth opportunities, even during the economic downturn.

- ***Steel price***

A significant part of our cost base consists of purchases of raw materials which are variable in nature. The primary raw material used in our business is steel, which in recent years has represented approximately 50% of our sales. While steel prices affect our revenue and costs, historically, our profit margins have not been significantly affected by changes in steel prices. The majority of our steel is typically purchased through OEM re-sale programs, under which an OEM customer negotiates directly with the steel suppliers the price of the steel that we use to manufacture components for that OEM. Such negotiated steel price is passed through to the OEM customer in the sale price of the automotive component. The remainder of our steel purchasing requirements are typically met through contracts with steel suppliers that we negotiate. Historically, we have negotiated with our OEM customers to pass through the increase or decrease in the steel price, eliminating significant volatility in our margins relating to volatility in steel prices. Due to our strong relationships with OEMs and the large steel volumes we acquire in the market place, we expect to be able to negotiate competitive steel contracts from suppliers and to pass through cost increases to our customers, thus stabilizing the effect on our margins.

We also sell scrap steel, which is a byproduct of our production process. Typically, the price of scrap steel fluctuates in line with steel prices. We generally share our recoveries from sales of scrap steel with our OEM customers either through scrap sharing agreements, in cases where we are on resale programs, or in the product pricing that we negotiate with OEMs based on increases and decreases in the steel price in cases where we purchase steel directly from the mills. As with steel prices, we may be impacted by the fluctuation in scrap steel prices, either positive or negative, but historically these fluctuations have had a limited impact on our margins.

- ***Other costs***

Labor costs have represented in recent years between approximately 15% and 18% of our total annual sales. A significant part of our labor costs are semi-variable in nature and can be adjusted to meet business needs. For example, in 2008 and 2009, we were able to respond quickly to the deterioration in market conditions and took measures to contain costs by lowering headcount, including a reduction in the number of temporary personnel. The predictability of our cost-base has assisted our strategic planning and has allowed us to maintain consistent profit margins.

- ***Vehicle cycles***

In our industry, once a project has been nominated to a preferred supplier, it is rare for an OEM to switch to another supplier, given the prohibitive operational, technical and logistical costs of switching, particularly during the life cycle of a specific vehicle model. Vehicle models typically have long, multi-year product life cycles. Given these factors, while the actual revenues which we derive from a project ultimately depend on our OEM customers' production volumes achieved for the respective car models, we have good visibility on mid-term revenues within a relatively small range of sensitivity.

- ***Product pricing***

During the life cycle of a contract, we are expected to achieve production efficiencies. Typically, in line with our industry practice, we pass on a portion of these production efficiencies to our customers by way of price reductions during the term of the contract. When negotiated price reductions are expected to be retroactive, we accrue for such amounts as a reduction of revenues as products are shipped. To the extent we are not able to achieve the efficiencies necessary to offset the price reductions, such price reductions negatively impact our revenues.

- ***Seasonality***

Our business is seasonal. Our working capital requirements typically increase during the first and second quarters of the year and reduce towards the end of the year. This is due to the following factors. OEMs typically slow down vehicle production during certain portions of the year. For instance, our customers in Europe typically slow down vehicle production during the beginning of the second half of the year in July or August as well as towards the end of the year during the holiday season in December during which they also often conduct internal maintenance and adjustments to inventory. Further, there are a fewer number of working days at the end of a year as opposed to the beginning of a year and this results in a reduction in vehicle production at the end of the year. Also, we typically agree final due amounts with our suppliers at the end of the year, which are usually paid at the beginning of the following year, resulting in higher payables at the end of the year and significant cash outflows during January and February. Further, a significant portion of our tooling receivables balances are collected from our clients typically before year-end, resulting in cash inflows and a reduction in receivables at the end of the year. Our results of operations, cash flows and liquidity may therefore be impacted by these seasonal practices. However, our strong geographic, customer and product diversification allows us to take advantage of global production cycles and has mitigated the impact of regional demand fluctuations during the year on our business.

- ***Transaction and foreign exchange translation***

We seek to limit our foreign exchange transaction risk by purchasing and manufacturing products in the same country where we sell to our final customer. However, the translation of foreign currencies back to the Euro may have a significant impact on our revenues and financial results. Foreign exchange has an unfavorable impact on revenues when the Euro is relatively strong as compared with foreign currencies and a favorable impact on revenues when the Euro is relatively weak as compared with foreign currencies. The functional currency of our foreign operations is the local currency. Assets and liabilities of our foreign operations are translated into Euro using the applicable period-end rates of exchange. Results of operations are translated at applicable average rates prevailing throughout the period. Translation gains or losses are reported as a separate component of accumulated other comprehensive income in our consolidated statements of stockholders' equity (deficit). Gains and losses resulting from foreign currency transactions are included in net income (loss).

Principal profit and loss account items

The following is a brief description of the revenue and expenses that are included in the line items of our consolidated profit and loss accounts.

Operating Income

Revenue

Revenue is recognized when products are delivered or services are provided, regardless of when actual payment or collection occurs. Revenue is recognized at fair value of the balancing entry, defining fair value as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, taking into account the amount of any discounts or rebates provided. Revenue includes:

- Sale of goods: Revenue from the sale of goods is recognized when the following conditions have been met:
- We have transferred to the buyer the significant risks and rewards of ownership of the goods;
- We retain neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to us; and
- The costs incurred or to be incurred in respect of the transaction can be reliably measured.
- Manufacture of tools for third party sale and rendering of services: Revenue arising from the manufacture of tools for sale to third parties and the rendering of services is recognized by reference to the stage of completion of the transaction at the reporting date. This is referred to as the stage of completion method. See Note 5 to our consolidated financial statements for the years ended December 31, 2014, 2013 and 2012 included elsewhere in this Annual Report.
- Interest, royalties, and dividends: interest revenue is recognized as interest accrues taking into account the effective return of the asset (using the effective interest method, i.e., the rate that makes discounted future cash receipts through the expected life of the financial instrument equal to the initial carrying amount of the asset). Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement. Dividends are recognized when the shareholder's right to receive payment is established.

Other operating income

Other operating income is comprised principally of grants related to income and grants related to assets released to income for the year, surplus provision for taxes, surplus provision for other commitments, surplus provision for environmental matters, own work capitalized and net effect of certain business combinations and acquisitions during the year.

Operating Expenses

Our operating expenses are comprised primarily of expenses on raw materials and other consumables, personnel expenses and depreciation, amortization and impairment losses. Expenses are recognized when products are delivered or services are provided, regardless of when actual payment or collection occurs. Further, expenses are recognized when there is a decrease in an asset or an increase in a liability that can be measured reliably, and they are recognized during the period in which they are incurred.

Raw materials and other consumables

Our expenses on raw materials and other consumables include purchases of goods and tools for resale, discounts for prompt payment, purchase returns and similar transactions, volume discounts, changes to inventories, purchases of raw materials, consumption of other supplies, expenses on work performed by third parties, impairment and reversal of impairment of goods for resale and raw materials.

Personnel expenses

Our personnel expenses include salaries, social security and other benefits expenses. Personnel expenses are primarily costs driven by the size of our operations, our geographical reach and customer requirements.

Depreciation, amortization and impairment losses

Depreciation and amortization relates to the depreciation of our property, plant and equipment. Annual depreciation is calculated using the straight-line method based on the standard estimated useful lives of the various assets. The physical life of our forming assets is typically longer. Our maintenance and replacement/renewal capital expenditures for our equipment is less than the depreciation of our assets. Land is not depreciated and is presented net of any impairment charges.

Property, plant, and equipment is carried at either acquisition or production cost, including all the costs and expenses directly related with assets acquired until ready for use, less accumulated depreciation and any impairment losses.

Certain major parts of some items of plant and equipment may require replacement at irregular intervals. The cost of these parts is capitalized when the part is replaced and depreciated over their estimated useful lives. The net carrying amount of replaced parts is retired with a charge to income when the replacement occurs. Ordinary repair or maintenance work is not capitalized.

An item of property, plant, and equipment is retired upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on retirement of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is included in the income statement in the year the asset is retired. Borrowing costs directly attributable to the acquisition or development of a qualifying asset (which is an asset that takes more than one year to be ready for its intended use) are capitalized as part of the cost of the respective assets.

Other operating expenses

Our other operating expenses relate to maintenance and upkeep, other external services, taxes and levies, impairment of accounts receivable, profits or losses from disposal of assets, application of non-current provisions and profits from business combinations.

Financial income (expenses)

Financial income primarily consists of income from equity investments and loans within our group and to third parties.

Financial expenses are composed of interest expenses from our borrowings from companies within our group and our external financings including bank borrowings and trade bills and other financial expenses.

Exchange gains (losses)

Exchange gains (losses) relates to the impact of changes in the functional currency relative to the euro on foreign currency borrowings considered permanent. These exchange gains (losses) are taken directly to equity under "Translation differences", net of the tax effect.

The tranch of the bond issued in US dollars is considered a hedge of equity invested in companies in the United States, so exchange differences arising from the valuation at the year end exchange rate in 2014 are considered "Translation differences", net of the tax effect.

Transactions in foreign currencies are translated to euros at the exchange rate prevailing at the date of the transaction. Exchange gains and losses arising on the settlement of these transactions or on translating foreign currency denominated monetary assets and liabilities at closing rates are recognized in the consolidated income statement.

Share of profits (losses) from associates carried under the Equity Method

Share of profits (losses) in companies carried under the equity method is composed of the results of companies included in our consolidated results, on which we have significant influence but not control or joint control. For the purposes of the preparation of our financial statements, significant influence is deemed to exist in investments in which we, directly or indirectly, hold over 20% of the voting power, and in certain instances where our holding is less than 20%, but significant influence can be clearly demonstrated. Companies in which our direct or indirect holding is between 20% and 50%, but in which we do not hold the majority of voting rights or in which we do not have effective control or joint control with another third party entity, are consolidated using the equity method.

Income tax

We file income tax returns in each of the jurisdictions in which our subsidiaries are located. Our tax expense (tax income) was calculated based on accounting profit, which is calculated based on a number of factors such as theoretical tax expense, difference in prevailing rates, permanent differences, application of tax credits carried forward, tax credits restructured by prescription, adjustments related to current tax (previous years) and other tax adjustments.

Our theoretical tax rate applied in 2014 and 2013 was 30%. The "differences in prevailing rates" in 2014 and 2013 reflects the differences between prevailing rates in certain operating markets and the theoretical applicable rate, mainly relating to operations taxed in the US, Brazil (34%), and Argentina (35%).

The permanent differences in 2014 and 2013 reflect mainly accelerated depreciation, inflation adjustments, nondeductible provisions, fiscal transparency, nondeductible differences in exchange rates, nondeductible expenses, and those differences generated in the consolidation process.

Profit (loss) attributable to non-controlling interests

Our consolidated results include entities in which there exists a non-controlling interest. See note 16 to our consolidated financial statements for the years ended December 31, 2014, 2013 and 2012 included elsewhere in this Annual Report for a description of the entities in which there existed a non-controlling interest during the period.

Non-GAAP measures

EBITDA

We define EBITDA as operating profit before depreciation and amortization and impairment losses. See "Presentation of Financial and Other Data—Financial information and operational data".

Results of operations

Year ended December 31, 2014 compared to year ended December 31, 2013

The table below sets out our results of operations for the year ended December 31, 2014, compared to the year ended December 31, 2013.

	YTD December 31,				
	2012	**2013**	**% Change**	**2014**	**% Change**
			(Millions of Euros)		
Consolidated Income Statement Data					
Operating income	5,950.8	6,001.3	0.8%	6,411.4	6.8%
Revenue	5,822.3	5,853.3	0.5%	6,255.8	6.9%
Other operating incomes	104.4	133.3	27.7%	126.6	-5.0%
Changes in inventories	24.1	14.7	-39.0%	29.0	97.3%
Operating expenses	-5,597.7	-5,699.3	1.8%	-6,073.9	6.6%
Raw materials and other consumables	-3,670.2	-3,582.7	-2.4%	-3,885.8	8.5%
Personnel expenses	-997.1	-1,068.3	7.1%	-1,124.9	5.3%
Depreciation, amortization and impairment losses	-282.4	-306.7	8.6%	-319.0	4.0%
Other operating expenses	-648.0	-741.6	14.4%	-744.2	0.4%
Operating profit	353.1	302.0	-14.5%	337.5	11.8%
Finance income	6.4	18.5	189.1%	9.6	-48.1%
Finance expenses	-87.6	-138.9	58.6%	-138.6	-0.2%
Exchange gains (losses)	-1.2	-31.6	2533.3%	-7.6	-75.9%
Other	3.5	-14.7	-520.0%	-10.2	-30.6%
Profit from continuing operations	274.2	135.3	-50.7%	190.7	40.9%
Income tax expense	-76.5	-29.6	-61.3%	-60.3	103.7%
Profit for the period	197.7	105.7	-46.5%	130.4	23.4%
Result from discontinued operations	0.0	0.0		-1.6	
Profit (loss) attributable to non-controlling interests	-26.1	8.3	-131.8%	-3.1	-137.3%
Profit attributable to equity holders of the parent	**171.6**	**114.0**	-33.6%	**125.7**	10.3%
EBITDA	635.5	608.7	-4.2%	656.5	7.9%

Revenue

Revenue increased by €402.5 million, or 6.9%, to €6,255.8 million in 2014 from €5,853.3 million in 2013. The increase in revenue was primarily attributable to a €186.0 million or 33.6% increase in revenue in Asia; a €166.3 million or 20.2% increase in revenue in North America; and a €156.6 million or 5.0% increase in Western Europe. These increases were in part off-set by a €108.4 million or 9.9% decrease in revenue in Eastern Europe and Mercosur associated with lower sales in Russia, Argentina and Brazil.

The following table sets forth, by product category, our revenue for the years ended December 31, 2014 and 2013:

	YTD December 31,		
	2013	2014	% Change
	(Millions of Euros)		
Revenue			
Body-in-White and Chassis	4,744.4	5,090.0	7.3%
Mechanisms	702.9	750.4	6.8%
Toolings and Others	406.0	415.4	2.3%
Total	**5,853.3**	**6,255.8**	**6.9%**

Body-in-White and Chassis: Revenue increased by €345.6 million, or 7.3%, to € 5,090.0 million in 2014 from €4,744.4 million in 2013. This increase was primarily due to higher sales in North America, Western Europe and Asia partially offset by a decrease of sales in Mercosur and Russia.

Mechanisms: Revenue increased by €47.5 million, or 6.8%, to €750.4 million in 2014 from €702.9 million in 2013. This increase was primarily due to an increase of sales in United States, Spain, China, Germany and South Korea partially offset by a decrease of sales in Brazil and France.

Tooling and Others: Revenue increased by €9.4 million, or 2.3%, to €415.4 million in 2014 from €406.0 million in 2013. This increase was primarily due to higher sales in Asia and Mercosur partially offset by a decrease of sales in Eastern Europe and North America.

Operating expenses

Raw materials and other consumables. Raw materials and other consumables increased by €303.1 million, or 8.5%, to €3,885.8 million in 2014 from €3,582.7 million in 2013. The increase in raw materials and other consumables expenses in 2014 is mainly due to higher sales volume in North America, Western Europe and Asia and is consistent with the rate of growth of sales.

Personnel Expenses. Personnel expenses increased by €56.6 million, or 5.3%, to €1,124.9 million in 2014 from €1,068.3 million in 2013. This increase was due to an increase in full-time employees due to the ramp up of our new plants in the US and China, and to the decline in activity in some geographies, not fully offset by reductions in labor.

Depreciation, amortization and impairment losses. Depreciation, amortization and impairment losses increased by €12.3 million, or 4.0%, to €319.0 million in 2014 from €306.7 million in 2013, largely as a result of depreciation of new investments carried out during 2013 and during 2014, particularly in Asia and the Americas, as well as in the Mechanisms business unit in general.

Other Operating Expenses. Other operating expenses increased by €2.6 million, or 0.4%, to €744.2 million in 2014 from €741.6 million in 2013. This increase was largely in the areas of maintenance and external services. In 2013, operating expenses could not be fully adjusted to reflect the lower than expected volume, but in 2014, these operating exepenses have been adjusted to the volume of activity.

Operating profit or loss

Operating profit increased by €35.5 million, or 11.8%, to €337.5 million in 2014 from €302.0 million in 2013, largely due to the higher sales volume and lower percentage increase in operating costs.

EBITDA

EBITDA increased by €47.8 million, or 7.9%, to €656.5 million in 2014 from € 608.7 million in 2013 primarily due to a greater increase in revenue than in our operating expenses.

Net financial income (expenses)

Net financial expense increased by €8.6 million, or 7.1%, to €129.0 million in 2014 from €120.4 million in 2013. This increase was primarily due to a higher weighted average of financial debt in 2014 compared to 2013.

Exchange gains (losses)

Exchange losses decreased by €24.0 million to €7.6 million in 2014 from €31.6 million in 2013. In 2014 adverse currency movements in Russia had the most impact, whereas in 2013 the impact from adverse currency movements came mainly from East Europe (Russia and Turkey), Mercosur (Brazil and Argentina) and Asia (India).

Income Tax

Income tax expense increased by €30.7 million, or 103.7%, to €60.3 million in 2014 from €29.6 million in 2013, which has resulted in an increase in the average tax rate from 21.9% in 2013 to 31.6% in 2014. This increase in the income tax was primarily due to an increase in taxable income in 2014 generated in jurisdictions with higher tax rates like Brazil, United States, and Germany; and the effect of changes in future tax rates in Spain.

Profit attributable to non-controlling interest

Profit attributable to non-controlling interest increased by €11.4 million to profit of €3.1 million in 2014 from losses of €8.3 million in 2013. This increase in profit attributable to our non-controlling interest is attributable to the higher profits or lower losses achieved by our subsidiaries in which third parties hold a minority interest, such as our joint ventures in United States, Turkey and Brazil.

Year ended December 31, 2013 compared to year ended December 31, 2012

Revenue

Revenue increased by €31.0 million, or 0.5%, to €5,853.3 million in 2013 from €5,822.3 million in 2012. The increase in revenue was primarily attributable to (A) a €101.6 million or 22.1% increase in revenue in 2013 in Asia (B) a €70.6 million or 2.1% decrease in revenue in 2013 in the European Union and the Americas associated with lower sales in Western Europe and Brazil.

The following table sets forth, by product category, our revenue for the years ended December 31, 2013 and 2012:

	YTD December 31,		
	2012	**2013**	**% Change**
	(Millions of Euros)		
Revenue			
Body-in-White and Chassis	4,813.3	4,744.4	-1.4%
Mechanisms	682.3	702.9	3.0%
Toolings and Others	326.7	406.0	24.3%
Total	**5,822.3**	**5,853.3**	**0.5%**

Body-in-White and Chassis: Revenue decreased by €68.9 million, or 1.4%, to € 4,744.4 million in 2013 from €4,813.3 million in 2012. This decrease was primarily due to lower sales in Western Europe partially offset by an increase of sales in Eastern Europe, North America and Asia.

Mechanisms: Revenue increased by €20.6 million, or 3.0%, to €702.9 million in 2013 from €682.3 million in 2012. This increase was primarily due to an increase of sales in China and Japan, United States and Slovakia partially offset by a decrease of sales in Western Europe.

Tooling and Others: Revenue increased by €79.3 million, or 24.3%, to €406.0 million in 2013 from €326.7 million in 2012. This increase was in all geographic zones except South America.

Operating expenses

Raw materials and other consumables. Raw materials and other consumables decreased by € 87.5 million, or 2.4%, to €3,582.7 million in 2013 from €3,670.2 million in 2012. The decrease in raw materials and other consumables expenses in 2013 despite the increase of revenue in 2013 was partially attributable to a larger contribution of new projects in 2013 vs. 2012, for example due to the lower average age of projects operating, which impacts gross margin insofar as pre-agreed price reductions during the life of a project have a comparatively lower impact on total gross margin. Also contributing to the decrease were lower steel prices and growth in sales of chassis and mechanisms products, which utilize less raw material.

Personnel Expenses. Personnel expenses increased by €71.2 million, or 7.1%, to € 1,068.3 million in 2013 from €997.1 million in 2012. This increase was due to an increase in full-time employees due to the ramp up of our new plants in the US and China, the decline in activity in Western Europe not fully offset by reductions in labor, an increase in the average salary of our employees, and to a lesser extent, to an increase in expenses on R&D and corporate organizational platforms to accompany our recent growth.

Depreciation, amortization and impairment losses. Depreciation, amortization and impairment losses increased by €24.3 million, or 8.6%, to €306.7 million in 2013 from €282.4 million in 2012, largely as a result of depreciation of new investments carried out during 2012 and during 2013, particularly in Asia and the Americas, as well as in the Mechanisms business unit in general.

Other Operating Expenses. Other operating expenses increased by €93.6 million, or 14.4%, to €741.6 million in 2013 from €648.0 million in 2012. This increase was largely in the areas of maintenance and external services associated with startup costs of projects in the US, Russia and Mexico completed in 2013. In addition, operating expenses could not be fully adjusted to reflect the lower than expected volumes, and utility prices were overall higher than in the prior year.

Operating profit or loss

Operating profit decreased by €51.1 million, or 14.5%, to €302.0 million in 2013 from €353.1 million in 2012, largely due to the higher operating expenses associated with start-up costs of new projects and increased depreciation related to investments in 2012 and 2013, partially offset by improved gross margin due to lower percentages of raw material and consumables.

EBITDA

EBITDA decreased by €26.8 million, or 4.2%, to €608.7 million in 2013 from € 635.5 million in 2012. This decrease was primarily a result of launch and ramp-up related higher personnel and other operating expenses in 2013 compared to 2012. The stronger Euro in 2013 compared to 2012 negatively affected EBITDA in 2013 as the translation into Euros of our EBITDA in the United Kingdom, Brazil, Argentina, United States, Russia, Turkey, India and China was impacted by adverse movements in the respective exchange rates.

Net financial income (expenses)

Net financial expense increased by €39.2 million, or 48.3%, to €120.4 million in 2013 from €81.2 million in 2012. This increase was primarily due to a weighted average increase in financial debt of €217.4 million for the year, or 18.4%, and, to a lesser extent, due to an increase of approximately 30 basis points in the average interest rate applicable to our indebtedness, as well as to extraordinary expenses arising from the notes issuance, as well as the early repayment and restructuring of existing financing facilities (e.g., unwinding of upfront financing fees which had been capitalized).

Exchange gains (losses)

Exchange losses increased by €30.4 million to €31.6 million in 2013 from €1.2 million in 2012. This increase was primarily due to adverse currency movements mainly in East Europe (Russia and Turkey), Mercosur (Brazil and Argentina) and Asia (India) partially offset by positive exchange differences by the valuation of dollar notes at December 31, 2013.

Income Tax

Income tax expense decreased by €46.9 million, or 61.3%, to €29.6 million in 2013 from €76.5 million in 2012, which has resulted in a decrease in the average tax rate from 27.9% in 2012 to 21.9% in 2013. This decrease in the income tax was primarily due to a decrease in taxable income in 2013 generated in jurisdictions with higher tax rates like Brazil, Argentina, United States and Germany.

Profit attributable to non-controlling interest

Profit attributable to non-controlling interest decreased by €34.4 million to losses of €8.3million in 2013 from profit of €26.1 million in 2012. This decrease in profit attributable to our non-controlling interest is attributable to the lower profits or higher losses achieved by our subsidiaries in which third parties hold a minority interest, such as our joint ventures in Russia, Brazil and Argentina mainly due to negative exchange differences in 2013.

Liquidity and capital resources

Historical cash flows

The following tables set forth our historical cash flow items for the periods indicated:

	YTD December 31,		
	2012	2013	2014
	(Millions of Euros)		
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before taxes and after non-controlling interest from continuing operations	**248.1**	**143.6**	**187.6**
Profit for the year from discontinued operations net of taxes	**0.0**	**0.0**	**-1.6**
Adjustments to profit	**357.0**	**396.5**	**420.9**
Depreciation and amortization of fixed assets	282.4	304.0	318.9
Impairment of fixed assets	-0.6	2.7	0.1
Impairment	18.4	-1.0	-11.0
Change in provisions	-47.2	-30.4	-9.9
Grants released to income	-4.9	-5.2	-5.4
Profit (loss) attributable to non-controlling interests	26.1	-8.3	3.1
Profit from disposal of fixed assets	0.4	-0.4	1.4
Profit from disposal of financial instruments	0.3	12.3	0.0
Financial income	-6.4	-18.5	-9.6
Financial expenses	87.6	138.9	138.6
Share of profits from associates - equity method	-0.3	2.3	3.2
Exchange rate differences	1.2	0.0	-12.0
Other income and expenses	0.0	0.1	3.5
Changes in working capital	**-98.7**	**32.1**	**151.8**
(Increase)/Decrease in Inventories	-61.7	-19.2	-38.8
(Increase)/Decrease in Trade and other receivables	-5.5	-125.2	84.5
(Increase)/Decrease in Other current assets	0.0	-2.9	-6.6
Increase/(Decrease) in Trade and other payables	-33.7	183.6	120.2
Increase/(Decrease) in Other current liabilities	2.2	-4.2	-7.5
Other cash-flows from operating activities	**-133.8**	**-205.1**	**-193.2**
Interest paid	-73.0	-157.1	-139.8
Interest received	5.6	20.1	7.2
Proceeds (payments) of income tax	-66.4	-68.1	-60.6
Cash flows from operating activities	**372.6**	**367.1**	**565.5**

	YTD December 31, 2012	2013	2014
	(Millions of Euros)		
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments on investments	**-606.0**	**-715.5**	**-548.4**
Group companies and associates	-8.8	-11.8	-28.8
Intangible assets	-40.1	-101.9	-70.0
Property, plant and equipment	-533.9	-571.7	-382.0
Other financial assets	-22.0	-30.1	-67.6
Other assets	-1.2	0.0	0.0
Proceeds from divestments	**25.6**	**59.0**	**100.8**
Group companies and associates	4.8	7.3	10.4
Intangible assets	0.4	0.0	1.1
Property, plant and equipment	4.8	43.2	12.5
Other financial assets	15.6	8.5	48.4
Other assets	0.0	0.0	28.4
Cash flows from investing activities	**-580.4**	**-656.5**	**-447.6**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds and payments on equity instruments	**4.4**	**171.0**	**-6.5**
Change in non-controlling interests	0.3	165.3	-11.3
Grants, donations and legacies received	4.1	6.9	5.0
Other equity movements	0.0	-1.2	-0.2
Proceeds and payments on financial liabilities	**242.7**	**462.7**	**-130.9**
Proceeds from	**443.8**	**1,698.1**	**131.7**
Bonds and other securitites to trade	0.0	756.5	0.0
Interest-bearing loans and borrowings	313.6	809.1	100.1
Borrowings from Group companies and associates	47.1	111.3	21.8
Other borrowings	83.1	21.2	9.8
Repayment of	**-201.1**	**-1,235.4**	**-262.6**
Interest-bearing loans and borrowings	-181.7	-1,179.0	-116.5
Borrowings from Group companies and associates	0.0	-40.0	-131.2
Other borrowings	-19.4	-16.4	-14.9
Payments on dividends and other equity instruments	**-50.5**	**-55.7**	**-41.5**
Dividends	-50.5	-55.7	-41.5
Cash flows from financing activities	**196.6**	**578.0**	**-178.9**
Effect of changes in exchange rates	**-1.3**	**-28.0**	**24.5**
Cash in assets held for sale	**0.0**	**0.0**	**0.0**
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS	**-12.5**	**260.6**	**-36.5**

Cash flows from operating activities

Our net cash flows from operating activities were €565.5 million in 2014 primarily attributable to the profit for the year before taxes and after non-controlling interest of €187.6 million, attributable to increased activity; depreciation and amortization of €318.9 million; reduction of needs in working capital of €151.8 million; net cash payments of interest of €132.6 million; and payments of income tax of €60.6 million. Other factors positively impacting cash flows from operating activities in 2014 include additional collections on tooling projects of €60.6 million as well as an increase in non-recourse factoring of €64.8 million.

Our net cash flows from operating activities were €367.1 million in 2013 primarily attributable to the profit for the year before taxes and after non-controlling interest of €143.6 million, attributable to increased activity, depreciation and amortization of €304.0 million, reduction of needs in working capital of €32.1 million, net cash payments of interest of €137.0 million, and payments of income tax of €68.1 million (cash payments of taxes are correlated to pre-tax income of the previous fiscal year). Other factors negatively impacting cash flows from operating activities in 2013 include a reduction in non-recourse factoring of €33.8 million, as well as an estimated €35 million of one-off transaction related expenses related to the notes offerings, the Senior Facilities Agreement and related re-financings undertaken during 2013, included in cash payments of interest.

Our net cash flows from operating activities were €372.6 million in 2012 primarily attributable to the profit for the year before taxes and after non-controlling interest of €248.1 million, attributable to increased activity, depreciation and amortization of €282.4 million, working capital requirements of €98.7 million and payments of income tax of €66.4 million.

Cash flows from (used in) investing activities

Our net cash flows used in investing activities were €447.6 million in 2014, primarily attributable to €382.0 million used in investments in new projects in Spain, China, United States, United Kingdom, Germany and Mexico and maintenance and replacement capital expenditure.

Our net cash flows used in investing activities were €656.5 million in 2013, primarily attributable to €571.7 million used in investments in new projects in Spain, China, United States, United Kingdom, Brazil, Russia and Germany and maintenance and replacement capital expenditure. The amount of net cash flows used in investing activities includes an extraordinary addition to intangible assets in the amount of €31 million resulting from the acquisition of the Gestamp trademark from our Parent Company.

Our net cash flows used in investing activities were €580.4 million in 2012, primarily attributable to €533.9 million used in investments in new projects in China, United States, Spain, United Kingdom, Brazil and Russia and maintenance and replacement capital expenditure.

Cash flows from financing activities

Our net cash flows used in financing activities were €178.9 million in 2014, primarily due to a reduction of debts as a result of:

- the net amortization of other interest bearing loans in the amount of €16.4 million (repayments of loans and borrowings of €116.5 million and proceeds from loans and borrowings of €100.1 million);

- the net amortization of borrowings from Acek, Desarrollo y Gestión Industrial, S.L. (formerly named Corporación Gestamp, S.L.), our Parent Company, in the amount of €131.2 million. In August 2014, we repaid €122.5 million of debt to our Parent Company, the amount of the financing that it had outstanding with the European Investment Bank and ICO, and simultaneously our Parent Company repaid and cancelled this financing.

- the payment of €33.9 million in dividends to our shareholders and €7.6 million to shareholders in subsidiaries.

Our net cash flows from financing activities were €578.0 million in 2013, primarily due to an increase of debts as a result of:

- the issuance of the senior secured notes in the amount of €756.5 million;

- funding of the new syndicated loan of €570.0 million;

- the proceeds from the investments by Mitsui & Co., Ltd. of €297 million through the acquisition of a 30% share in our Brazilian, Mexican, Argentinian and North American operations via several capital increases; and

- the proceeds from the investments by COFIDES of €40.0 million through the acquisition of a 35% share in our subsidiary Mursolar 21.

This increase has been partially offset by:

- the net amortization of other interest bearing loans in the amount of €1,179.0 million;

- the execution of the purchase option to acquire the 49% minority interest shareholding in GMF Holding GmbH from Tocqueville Capital Company B.V. (company belonging to Liberty Hampshire Company, LLC group) for €104 million;

- the purchase of the 35% minority interest shareholding in our Mexican operations from COFIDES for €67.5 million; and

- the payment of €51.0 million in dividends to our shareholders and €4.7 million to shareholders in subsidiaries.

Our net cash flows from financing activities were €196.6 million in 2012, attributable to an increase in our net indebtedness of €242.7 million and partially offset by payment of dividends to our shareholders of €50.5 million.

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, as well as other factors discussed in the section entitled *"Risk Factors."*

Our long-term indebtedness primarily consists of €789.3 million Euros in senior secured notes due 2020; €495.9 million in long-term portion of a funded senior secured amortizing Term Loan (part of the bank facilities syndicated on April 19, 2013, of which an additional €280 million is in the form of an undrawn Revolving Credit Facility); a €60.0 million bilateral term loan; and €137.1 million of aggregate principal amount in other long-term financing.

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 facility) 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;
- obtain additional debt or equity financing; or
- restructure or refinance all or a portion of our debt, including the notes, on or before maturity.

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.

In addition, historically we have paid dividends to our shareholders of €50.5 million in 2012, €51 million in 2013 and €33.9 million in 2014. This last dividend was paid in July 2014.

We are leveraged and 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:

	YTD December 31,		
	2012	2013	2014
	(Millions of Euros)		
Changes in working capital	**-98.7**	**32.1**	**151.8**
(Increase)/Decrease in Inventories	-61.7	-19.2	-38.8
(Increase)/Decrease in Trade and other receivables	-5.5	-125.2	84.5
(Increase)/Decrease in Other current assets	0.0	-2.9	-6.6
Increase/(Decrease) in Trade and other payables	-33.7	183.6	120.2
Increase/(Decrease) in Other current liabilities	2.2	-4.2	-7.5

Our working capital requirements largely arise from our trade 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 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 way 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 decreased by €151.8 million during 2014, compared to a decrease of €32.1 million during 2013. The decrease in net working capital in 2014 was due to the decrease in trade and other receivables by €84.5 million in part from additional collections on tooling and also from a decrease in the average days for collection from customers to 41 days in 2014 from 42 days in 2013; and also due to an increase in trade and other payables, with average days for payment to suppliers increasing to 69 days in 2014 from 63 days in 2013.

Net working capital requirements decreased by €32.1 million during 2013, compared to an increase of €98.7 million during 2012. The decrease in net working capital in 2013 was due to the increase in trade and other payables due to the increase in the average days for payment to suppliers to 63 days in 2013 from 58 days in 2012. This was partially offset by the increase in trade and other receivables by €125.2 million due the increase in the average days for collection from customers to 42 days in 2013 from 41 days in 2012.

Net working capital increased by €98.7 million in 2012. In 2012, working capital requirements increased by €33.7 million primarily as a result of a reduction in the average days for payment of trade payables to 58 days in 2012, partially offset by a reduction in the average days for collection of trade receivables to 41 days in 2012 and also as a result of an increase in our inventories by €61.7 million primarily due to an increase in the average days for raw materials to 23 days in 2012, which in turn was largely attributable to stocks in new facilities that were in ramp-up phase.

Investments in fixed assets

	YTD December 31,		
	2012	2013	2014
	(Millions of Euros)		
Capital expenditures			
Intangible assets	40.4	102.7	70.0
Tangible assets	595.7	534.7	413.3
Total	**636.1**	**637.4**	**483.3**
Net payments on investments			
Intangible assets	39.7	101.9	68.9
Tangible assets	529.1	528.5	369.5
Total	**568.8**	**630.4**	**438.4**

Investments in fixed assets during 2014 and 2013 amounted to approximately €483.3 million and €637.4 million, respectively. Investments in fixed assets primarily consists of expenditure on property, plant and equipment. This includes expenditure on new manufacturing plants and expansion of existing plant capacity for new production lines, maintenance capital expenditure comprised of expenditures on maintenance of machinery and buildings, improvements of existing plants driven by health and safety and noise reduction concerns and replacement capital expenditure incurred in relation to changes to our production platforms in connection with new models. Replacement capital expenditure is primarily incurred in connection with updating our welding and assembly cells and equipment, given that the most costly categories of our infrastructure, such as land, buildings and press equipment, have long lives and can be adapted with relatively low expenditure for replacement or renewal business.

Investments in fixed assets also includes expenditure on intangible assets, such as research and development costs.

Net payments on investments reflect actual net cash outlays for fixed assets, taking into account increases and decreases in payables to our suppliers of fixed assets as well as proceeds from divestments of fixed assets, and amounted to approximately €438.4 million and €630.4 million during 2014 and 2013 respectively.

Contractual obligations

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

Our consolidated contractual obligations as of December 31, 2014 were as follows:

	As of December 31, 2014			
	Total	Less than 1 year	1 - 5 years	More than 5 years
	(Millions of Euros)			
Contractual obligations				
Interest bearing loans and borrowings	1,764.8	282.5	684.7	797.6
Financial leases	28.6	3.5	8.4	16.7
Borrowings from associated companies	99.4	26.2	47.1	26.1
Other financial debts	76.7	0.0	52.6	24.1
Total Financial Debts	**1,969.5**	**312.2**	**792.8**	**864.5**
Operating leases	418.8	74.6	216.2	128.0
Non interest bearing loans	20.7	0.0	17.9	2.8
Current non-trade liabilities	117.3	117.3	0.0	0.0
Current non-trade liabilities from associates companies	25.0	25.0	0.0	0.0
Total Contractual Obligations	**2,551.3**	**529.1**	**1,026.9**	**995.3**

Off-balance sheet arrangements

We generally do not utilize off-balance sheet arrangements.

Critical accounting policies

Our financial statements and the accompanying Notes contain information that is pertinent to this discussion and analysis of our financial position and results of operations. The preparation of financial statements in conformity with IFRS requires our management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses, and the related disclosure of contingent assets and liabilities. Estimates are evaluated based on available information and experience. Actual results could differ from these estimates under different assumptions or conditions. For a detailed description of our critical accounting policies, see Note 5 to our consolidated financial statements for the years ended December 31, 2014 and 2013 included elsewhere in this Annual Report.

Market risks

Our treasury team is responsible for managing our exposure to financial risk and for minimizing the potential adverse effects on our financial returns. We are primarily exposed to market risk from changes in foreign currency exchange rates and interest rates and we are also exposed to liquidity risk and credit risk. We manage our exposure to these market risks through our regular operating and financing activities.

Foreign currency risks

In the year ended December 31, 2014, €3,596.8 million of our revenues (which represented approximately 57.5% of our revenue for that period), on a consolidated basis, were generated in currencies other than the Euro. Our strategy for managing currency risk relies primarily on conducting business and making investments in a foreign country in that country’s currency. The effects on us of foreign currency fluctuations are mitigated by the fact that expenses are generally incurred in the same currency in which revenues are generated.

However, fluctuations in the exchange rate between the currency in which a transaction is denominated and our presentation currency, the euro, can have some negative or positive impact on our profit or loss, specifically affecting management of our financial debt.

We mainly operate in the following currencies: Argentine Peso, Brazilian Real, Chinese Yuan, Czech Crown, Euro, GB Pound, Hungarian Forint, Indian Rupee, Korean Won, Mexican Peso, Polish Zloty, Russian Ruble, Swedish Crown, Taiwanese Dollar, Turkish Lira, US Dollar and Japanese Yen.

To manage exchange rate risk, we use a series of financial instruments that give us a degree of flexibility, essentially comprised of the following:

- Foreign currency forward contracts: These arrangements lock in the price at which an entity can buy or sell a currency on a set date; the timing can be adjusted to align the transactions with the hedged cash flows.

- "Puttable instruments": Other derivatives are also used to hedge currency risk, including those designed to lock in a maximum or minimum exchange rate (collar or tunnel) at a set settlement date.

The following table demonstrates the notional impact on our profits of a 5% positive and negative fluctuation in the currencies specified against the Euro:

	2014	
	Impact on Profit (€' thousands)	
Currency	**5% Fluctuation**	**-5% Fluctuation**
Swedish Krona	(426)	426
US Dollar	1,204	(1,204)
Hungarian Forint	(452)	452
Sterling	985	(985)
Mexican Peso	449	(449)
Brazilian Real	151	(151)
Chinese Renmimbi	864	(864)
Indian Rupee	53	(53)
Turkish Lira	290	(290)
Argentine Peso	509	(509)
Russian Rouble	(396)	396
Korean Won	123	(123)
Polish Zloty	91	(91)
Czech Koruna	135	(135)
Japanese Yen	34	(34)
Thailand Baht	(9)	9
Impact in absolute terms	**3,605**	**(3,605)**
Result attributable to equity holders of Gestamp	125,702	125,702
Effect in relative terms	**2.87%**	**(2.87%)**

We hold hedges contracted for net foreign investments to cover the exposure to changes in exchange rates with respect to the interest in the net assets of foreign operations. These financial derivatives hedging net foreign investments are initially recognized in our balance sheet at acquisition cost and, subsequently, they are marked to market. Any gains or losses arising from changes in the market value of derivatives in respect of the ineffective portion of an effective hedge are taken directly to the consolidated income statement, while gains or losses on the effective portion are recognized in "Effective hedges" within "Retained earnings" with respect to cash flow hedges, and in "Translation differences" with respect to net foreign investment hedges. The cumulative gain or loss recognized in equity is taken to the consolidated income statement when the hedged item affects profit or loss or in the year of disposal of the item. Derivatives are recognized as assets when the fair value is positive and as liabilities when the fair value is negative.

Interest rate risks

Our borrowings mainly bear interest at floating rates, exposing us to risk from fluctuations in market interest rates, so that market fluctuations affect cash flows. We mitigate this risk by using interest rate derivatives/hedges, through entities that operate on organized markets. These instruments are used to hedge exposure to fluctuations in floating interest rates on a portion of the bank loans granted to us and on a portion of expected future borrowings. We use mainly swaps, by which we convert the floating rate on a loan into a fixed rate. We may swap the rate on a portion of the loan or on the entire loan, and for its entire duration or a part thereof. Virtually all of our borrowings are at floating rates indexed to Euribor.

Liquidity risk

Liquidity risk is defined as the risk that a company will not be able to service its commitments as a result of adverse conditions in the debt markets that prevent or hinder its capital raising efforts. We manage liquidity risk by maintaining sufficient cash balances to enable us to negotiate refinancing on the best possible terms and to cover our near term cash outlays, thereby avoiding the need to raise funds on disadvantageous terms.

Credit risk

Credit risk is concentrated primarily in our accounts receivable. Our management considers that our counterparties are creditworthy, multinational companies. We manage our credit risk according to policies, procedures and controls determined by us regarding credit risk management of customers. At each closing date, we analyze on the basis of real historical data the balances of each major client individually in order to determine the need for provisions or impairment. We have no guarantee on debts and have concluded that the risk concentration is low given that our customers belong to distinct jurisdictions and operate in highly independent markets. Our credit risk with banks is managed by our treasury department according to our policies. The surplus cash investments are contracted only with authorized counterparties and always within the credit limit assigned for each counterparty. The limits are established in order to minimize risk concentration, thereby mitigating financial losses in the event of a default by the counterparty. Our maximum exposure to credit risk at December 31, 2012, 2013 and 2014 amounts to the carrying values, except for financial guarantees and derivative financial instruments.

Commodity risk

The primary raw material used in our business is steel. We are mostly neutral to changes in the price of steel as a result of our pass-through arrangements with OEMs, which provide us a natural hedge.

BUSINESS

Our company

We are a leading global automotive supplier active in the design, development and manufacture of metal components and assemblies for sale to OEMs, primarily for use in the production of light vehicles. We have an extensive global footprint of 93 production facilities in 20 countries over four continents with one additional plant under construction as of December 31, 2014. We supply our products globally to all of the 12 largest OEMs by production volume. Our extensive geographical and customer diversification allows us to take advantage of global growth opportunities and has mitigated the impact of regional production fluctuations on our business during economic downturns.

We offer our OEM customers a diverse product portfolio, supplying Body-in-White and Chassis structures and complex assemblies, Mechanisms, as well as tooling and dies and other related services.

- *Body-in-White:* Our Body-in-White product portfolio includes large component parts and assemblies, such as hoods, roofs, doors, fenders and other high quality "Class A" surfaces and assemblies, which are used to create the exterior skin of an automobile. This product portfolio also includes structural and other crash-relevant products, such as floors, pillars, rails and wheel arches, which together with the exterior skin component parts and assemblies form the essential upper and under body (platform) structures of an automobile.

- *Chassis:* Our Chassis product portfolio consists of systems, frames and related parts, such as front and rear axles and links, control arms and integrated links, which link the body and the powertrain of an automobile and carry the load of the vehicle.

- *Mechanisms:* Our Mechanisms product portfolio consists of mechanical components such as hinges for doors, hoods, and trunk lids, door checks and door hinges with integrated door checks that join the automobile's body with the moving parts and that enable the user to open and shut the automobile's front, side and rear doors and lift-gates. Mechanisms also include powered systems that allow automobile doors to open and close electrically and by remote activation.

- *Other products (tooling):* We have extensive in-house capabilities in the design, engineering, manufacturing and servicing of dies and tools in support of our customers and in-house press manufacturing.

We are one of the very few truly global suppliers to OEMs in our product portfolio, which sets us apart from many of our competitors in the industry. We have long-standing and entrenched relationships with our largest OEM customers and, as a result, have been able to proactively manage our business to meet the developing global trends in the industry and the resulting changes in the requirements of the OEMs that we supply.

In 2014, our revenue was €6,255.6 million and our EBITDA was €656.5 million. During the same period, we derived revenues of €5,090.0 million from our Body-in-White and Chassis sales, representing approximately 81.4% of our total revenue and revenues of €750.4 million from our Mechanisms sales, representing approximately 12.0% of our total revenue.

We believe that our historical and continuing financial and operational success and stability have been, and continue to be, driven by our strategic, customer-focused geographical expansion and diversified revenue streams, as well as our manufacturing, process design and technological expertise. We believe that these factors have allowed us to achieve our position as a leading global supplier in the automotive industry, and one of strategic importance to many of the largest OEMs globally.

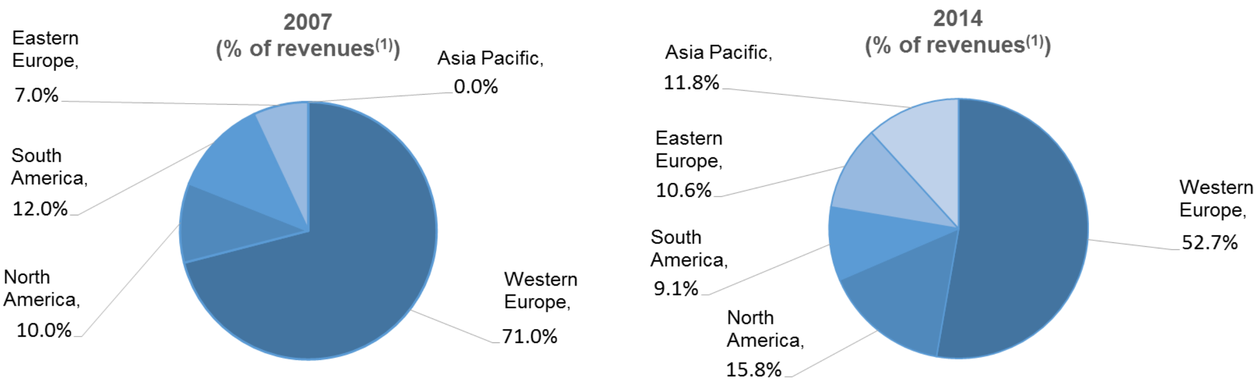
Highly diversified revenue base across regions, customers and products

Regional diversification

We have a geographically highly diversified global footprint with 93 production facilities in 20 countries over four continents with one additional plant under construction as of December 31, 2014. Since 2007, we have focused our expansion outside our traditional markets in Western Europe, into North America, South America, Asia and Eastern Europe where we have been able to capture the increasing demand for our products, in part driven by a significant increase in vehicle production in several geographic regions.

We are one of very few truly global players in our product portfolio who have committed substantial investment to and have a well established presence in these growth markets. We are market leaders by revenue in the majority of them, which gives us a competitive advantage over those suppliers who are yet to establish themselves in these growing markets.

As part of our customer-focused approach to our expansion strategy, we have proactively managed the decision of when and where to expand in our growth markets by coordinating our roll-out plans with those of the OEMs we supply. Since 2007, we have opened 24 production facilities outside of Western Europe, with one more under construction as of December 31, 2014. Our strong geographical diversification throughout our regional centers of operation allows us to take advantage of global growth opportunities and has mitigated the impact of regional demand fluctuations on our business during economic downturns. The charts below reflect the evolution of our regional diversification between 2007 and 2014 by revenue:



(1) Based on manufacturing origin of sales

Customer diversification

We have a well diversified customer base which, through a successful development strategy, has expanded to include all of the 12 largest OEMs by production volume in 2012, as compared to seven of the largest OEMs by production volume in 2007. In the financial year ended December 31, 2013, our top three OEM customers accounted for 48.1% of our sales to OEMs (excluding tooling), compared to 60.3% in the financial year ended December 31, 2007.

We have pursued a strategy of customer diversification and have forged new global relationships with Jaguar Land Rover, Hyundai, Toyota, Honda and other OEMs with whom we had a limited relationship prior to 2007.

Product diversification

Our historic product portfolio had been comprised primarily of Body-in-White products and, to a lesser extent, Chassis products. With the acquisition of the metal forming business unit of ThyssenKrupp Metal Forming in 2011, we have significantly strengthened our position in Chassis products. Sales of our Body-in-White and Chassis products represented 81.4% of our total revenues in 2013.

The acquisition in 2010 of the body components business unit of Edscha, a manufacturer of Mechanisms products, enabled us to diversify our product portfolio by further increasing the range of products we can offer our customers in the area of body and structural automotive components. Sales of our Mechanisms products represented 12.0% of our total revenues in 2013. Our expansion into these product areas was in line with our long-term growth strategy and strongly supported by our key OEM customers.

The diversification of our product portfolio has helped us to strengthen our strategic relationships with OEMs, who are able to turn to us for innovative and market-leading product solutions across the value chain.

Technology and leading R&D capabilities

One of the global trends in the automotive industry is the increased focus on innovative and technologically advanced products that seek to address the parallel concerns of improved safety for passengers and road users and weight and emissions reduction. Our commitment to developing innovative, high quality products has defined our approach to our customers. We are a global leader in the automotive supplier industry in the use of high strength and ultra high strength steel, which find their application in many body parts of the car where it helps to reduce vehicle weight and improve fuel and emissions efficiency while also improving safety in a cost-effective way. Many of our products are manufactured using our state-of-the-art technologies in innovative press hardening (also known as hot stamping) and other high strength stamping processes. These products provide superior safety and weight reduction, differentiate us from our competition and help us to achieve leading positions in the industry. We have made significant investments over the past three years in rolling out our press hardening and stamping technology in our facilities around the world to respond to growing demand from OEMs for our products.

Our innovative products and market-leading processes are developed through our targeted R&D platform, which has a dedicated team of approximately 1,000 employees, across 12 facilities spread around the globe. Furthermore, we are among the very few Tier 1 suppliers that have in-house tooling capabilities. Underlying our innovative products and processes and in-house capabilities is the maintenance of rigorous quality management systems in all of our manufacturing plants and R&D facilities. Through regular internal audits we are able to ensure that our products and processes are monitored to the highest industry standards. We believe that these competencies and capabilities along the entire value chain give us a competitive advantage over many of the other suppliers.

Leading market positions

We believe that we are the number 1 supplier of Body-in-White and Chassis products globally by combined revenue. In Body-in-White products, we believe that we are the clear market leader among individual suppliers in Western and Eastern Europe combined, and in South America. In Chassis products, we believe that we are number two in the market among individual suppliers in Western and Eastern Europe combined, and in South America. Body-in-White, Chassis and Mechanisms products collectively represented €5,840 million or 93,4% of our revenues in 2014.

In developing and rolling-out new models, OEMs are increasingly collaborating with suppliers to design models around common platforms and are seeking to consolidate their supplier-base with an increased focus on large, technically and financially strong global suppliers that are capable of producing consistent and high-quality products at competitive prices. As a result, large, multi-technology, high-quality Tier 1 suppliers such as ourselves are increasingly taking market share from smaller competitors, as we are in a better position to meet these OEM criteria.

We have strategic and long-standing relationships with our largest OEM customers, which are based on confidence and an understanding established over many years of successful collaboration. There are very few suppliers that, like us, have such long-standing relationships with the largest global OEMs, and there are an even smaller number of suppliers that, like us, are capable of delivering solutions to complex projects, truly globally and on a consistent and high quality basis across the product portfolios. Our scale and ability to develop differentiated solutions for OEMs' on a global footing are critical to our success and differentiate us from local and regional suppliers of car components.

Our highly advanced technological capabilities, global manufacturing and managerial footprint, significant operational scale and track record of financial stability enable us to be one of the very few suppliers who can support an OEM throughout the full product life cycle, including as a development partner during the early stages of product development. This ability to support the development process of OEMs and act as an outsourcing partner to them globally is an important differentiator, especially on innovative product solutions, and would take significant investment and many years to attempt to replicate.

From operational, technical and logistical perspectives, OEMs face substantial switching costs in replacing the supplier of a particular component or platform, particularly during the life cycle of a specific vehicle model, and the supplier of a particular car model is often also chosen for subsequent generations of that model. This is largely due to the long lead-time and significant investment required to set up the production and supply processes, and to the efficiencies and savings gained through experience with the manufacturing processes of particular products.

Our long-standing and collaborative relationships with OEMs, highly advanced technological capabilities, global manufacturing and managerial footprint, significant operational scale and track record of financial stability help us to develop a competitive advantage over our competitors, entrench our strategic relationships with OEMs and reduce the risk of a committed OEM switching from us to an alternative supplier.

High mid-term revenue visibility, predictable cost-base and conservative financial risk profile

We have long-term and strategic relationships with our OEM customers. In our industry, once a project has been nominated to a preferred supplier, it is rare for an OEM to switch to another supplier, given the prohibitive operational, technical and logistical costs of switching, particularly during the life cycle of a specific vehicle model. Given these factors, while the actual revenues which we derive from a project ultimately depend on our OEM customers' production volumes achieved for the respective car models, we have good visibility of mid-term revenues within a relatively small range of sensitivity. Each year, most of our revenues are derived from projects that continue into following years, given that vehicle cycles last several years.

In addition, our OEM customer, brand and model diversification, highly diversified global footprint and our complementary product lines strongly mitigate the effects of regional demand or individual model volume fluctuations and help to reduce mid-term revenue volatility.

We have a relatively predictable cost base, with limited maintenance capital expenditure once a project is ongoing and limited exposure to raw material price volatility. The primary raw material used in our business is steel, which in recent years represented approximately 50% of our sales. While steel prices affect our revenue and costs, historically, our profit margins have not been significantly affected by changes in steel prices. The majority of our steel is typically purchased through OEM re-sale programs, under which an OEM customer negotiates directly with the steel suppliers the price of the steel that we use to manufacture components for that OEM. Such negotiated steel price is passed through to the OEM customer in the sale price of the automotive component. The remainder of our steel purchasing requirements are typically met through contracts with steel suppliers that we negotiated. Historically, we have negotiated with our OEM customers to pass through the increase or decrease in the steel price, eliminating significant volatility in our margins relating to volatility in steel prices. Due to our strong relationships with OEMs and the large steel volumes we acquire in the market place, we expect to be able to negotiate competitive steel contracts with suppliers and to pass through cost increases to our customers, thus stabilizing the effect on our results.

In addition to our limited exposure to raw material price volatility, we have a low operating leverage. A significant part of our labor costs, which have represented in recent years between approximately 15% and 18% of our total annual sales, are semi-variable in nature and can be adjusted to meet business needs. For example, in 2008 and 2009, we were able to respond quickly to the deterioration in market conditions and took measures to contain costs by lowering headcount, including a reduction in the number of temporary personnel.

We have been able to keep our leverage ratios stable despite our sizeable acquisitions in 2010 (Edscha) and in 2011 (ThyssenKrupp Metal Forming). We were able to continue to invest during the downturn and maintain a high level of profitability by managing our working capital effectively, managing the timing of capital expenditures and delivering cost savings across our business. Our predictable cost-base, conservative financial profile and low operating leverage reduce the exposure of our operations to unpredictable externalities and are valued by our OEM customers.

Experienced management team focused on operational excellence, profitable growth and stable shareholder structure

Our management team has extensive experience in the industry and most of our executive committee have been with the company for more than 10 years. Operational excellence is deeply rooted in our organizational structure and culture. Our geographical divisions are focused on improving manufacturing processes (built upon plant-by-plant profit centers), while our business units are centered on customers, products, process innovation and R&D. Our focus on operational excellence across all of our production and R&D facilities has established us as one of the technology, quality and innovation leaders in the industry.

Our management team has a demonstrated track record of achieving long-term profitable growth through the economic cycle, maintaining double-digit EBITDA margins even during the 2008-2009 economic crisis. Our recent successful major acquisitions in 2010 (Edscha) and in 2011 (ThyssenKrupp Metal Forming) were driven by our management's identification of the substantial value creation potential of these businesses.

Our controlling shareholders are long-term holders, supportive of our vision and strategy. Our Chief Executive Officer, who is also one of our largest shareholders, has been instrumental in driving our profitable growth strategy.

Our strategies

Our mission is to be an indispensable strategic partner for a diversified OEM customer base across our entire product portfolio. The strategies to achieve our mission, set out in more detail below, are founded upon the pillars of best-in-class processes and product technology innovation, customer-focused growth and diversification of our global footprint, while maintaining operational excellence at all levels and in all regions.

Retain and strengthen technological and quality leadership

Our objective is to leverage our operational economies of scale to provide our customers with a best-in-class range of products that seek to address weight and emissions reduction targets, as well as improved passenger and road user safety. We intend to continue to strengthen our technological competencies to benefit from the trend towards co-development of new vehicles and common platforms between OEMs and suppliers, while also growing our presence in innovative technologies. Our R&D platform plays a key role in the development of new products, applications, technologies and processes, and we intend to continue to invest to retain our technological leadership and respond to the latest automotive industry trends.

Increase penetration with OEMs

Having significantly improved our worldwide customer penetration since the global financial crisis, we believe that we are poised to benefit from the large number of new model roll-outs of our OEM customers. We aim to increase our market share by winning new business across our global footprint. One of our key focus areas for future growth is in deepening supply relationships with Japanese OEMs outside of Japan. We see a trend of Japanese OEMs shifting more of their production base outside of Japan to be closer to the markets with growing demand for vehicles. In doing so, Japanese OEMs are more open to work with foreign suppliers. We believe that our relationship with Mitsui through our joint venture in North and South America will enhance our relationships with Japanese OEMs in general. We also intend to grow with other Asian OEMs outside of their home markets.

Expand with discipline through selective and profitable investments

We aim to be an indispensable global partner for our OEM customers and we strive to achieve this aim by continually proving our reliability as a strategic supplier by, for example, providing solutions to their most critical needs on a global scale, and by continuing to tailor our expansion plans to match theirs.

Our capital expenditure is associated with disciplined growth, generally tied specifically to client project nominations. Since 2007 we have opened 24 new manufacturing facilities outside of Western Europe which have collectively added to our EBITDA and cash flow from operating activities. While returns on investments are not guaranteed, in assessing a new investment, as part of our internal decision making methodology, one of the factors our management considers is whether we believe that the investment may result in an internal rate of return to us of at least 15%.

This selective and disciplined approach to investments has significantly contributed to our increase in EBITDA from €390.0 million in 2010 to €656.5 million in 2014 and to our increase in cash flows from operating activities from €271.2 million in 2010 to €565.5 million in 2014. Although, we have favored organic growth over acquisitions, through our strategic acquisitions of Edscha (2010) and ThyssenKrupp Metal Forming (2011), we have participated in the consolidation and rationalization of the supplier base in collaboration with OEMs.

We aim to continue this approach of disciplined investments. Currently the primary focus, both for our OEM customers and for us, is on growth markets where there are opportunities to capitalize on growing long-term demand. For instance, we believe that we are well-positioned to take advantage of China's growth as a result of our existing footprint of high-quality manufacturing facilities in the country. Four out of our six additional plants that were inaugurated during 2013 and 2014 are located in China to meet non-Chinese OEMs' local needs. There currently is substantial demand for our products in growth markets that would require additional manufacturing facilities and we aim to take advantage of this demand through selective and disciplined investments.

Maintain and bring improved operational excellence to bear on existing and acquired businesses

Our objective is to deliver a best-in-class range of products to our OEM customers and, to this end, we strive to maintain an organizational structure and culture with consistent levels of operational excellence across all of our production and R&D facilities.

At the same time, we focus on reducing our cost base through improved economies of scale and capitalizing on synergies with recently acquired businesses. Over the past five years, we have delivered double-digit EBITDA margins in our existing businesses and have a track record of improving EBITDA margins in acquired businesses as we adapt them to our best-in-class manufacturing techniques and processes.

Evaluate regional partnerships in new markets

We continually evaluate working with regional strategic partners when entering new markets in order to limit start-up risks and benefit from partners' intimate knowledge of local requirements and customers' needs. Two examples of such joint ventures are our operations in Turkey, with Beyçelik, and in Russia, with Severstal. We also have financial partners in some joint ventures with the aim to mitigate the financial costs of entering new markets. We have recently closed on a joint venture with Mitsui which we expect will bring both financial and strategic benefits. If opportunities arise in the future, we will evaluate suitable partnerships strategically aligned from a customer, technological, geographic and/or financial perspective.

Mitsui Joint Venture

In 2013 we signed and closed on an investment agreement with Mitsui & Co., Ltd ("Mitsui") by which Mitsui invested €297 million in our United States, Mexican, Brazilian and Argentinian operations via several capital increases, acquiring a 30% share in our business in those four countries. The joint venture with Mitsui will reinforce our position in those geographies in the future.

Furthermore, we see a trend of Japanese OEMs shifting more of their production base outside of Japan to be closer to the markets with growing demand for vehicles. In doing so, Japanese OEMs are more open to work with foreign suppliers. One of our key focus areas for future growth is in deepening supply relationships with Japanese OEMs outside of Japan. We believe that our relationship with Mitsui will enhance our relationships with Japanese OEMs in general and support us in our strategy for growth in this regard.

Our Products

We produce a diverse range of products, many of which are critical to the structural integrity of a vehicle. Our product portfolio covers Body-in-White and Chassis structures and complex assemblies, opening systems and Mechanisms, as well as tooling and other services. We focus on innovation in the design of our products with the fundamental goals of promoting weight reduction, therefore reducing harmful emissions and environmental impact; and improving safety, thereby increasing the protection of passengers, other road users and pedestrians.

Body-in-White and Chassis

Body-in-White

Our Body-in-White product lines are comprised of component parts and assemblies, such as hoods, roofs, doors, fenders and other Class A surfaces and assemblies, which are used to create the "exterior skin" of the vehicle. Because these component parts and assemblies form the visible exterior of the vehicle and therefore its outward appearance, they require consistent and flawless surface finishes. This product line also consists of structural and other crash-relevant products, such as floors, pillars, rails and wheel arches, which together with the "exterior skin" component parts and assemblies, form the essential structure of the vehicle.

Product Category	Typical Products
Exterior	• Hoods • Roofs • Fenders • Doors
Structural/Crash relevant	• Floors • Pillars • Rails • Wheel arches • Front modules • Bumper • Crash boxes • Cross car beams

Our Body-in-White product lines consist of both component parts, as well as the complex assemblies which are made up of multiple component parts and sub-assemblies welded together to form major portions of the vehicle's body structure.

Chassis

Our Chassis product lines are comprised of systems, frames and related parts, such as front and rear axles and links, control arms and integrated links, which are used to create the "skeleton", or essential lower body structure, of the vehicle and carry the load of the vehicle. These structures are critical to overall performance of the vehicle, particularly in the areas of noise, vibration and harshness, handling and crash management. Chassis structures include heavy gauge metal stampings that provide structural integrity in crash scenarios and are critical to the strength and safety of vehicles and also include a wide variety of stamped, formed and welded suspension components.

Product Category	Typical Products
Sub-frames/Cross member	• Front sub-frames • Rear axles
Links/Control arms	• Front/rear link • Control arms integrated links

The primary technologies and processes involved in the manufacturing of our Body-in-White and Chassis products include (i) press hardening (also known as hot forming); (ii) cold forming technologies such as stamping, roll-forming and hydro-forming; (iii) advanced assembly technologies such as remote laser welding; and (iv) finishing technologies such as powder coating and cataphoretic painting. See "—Manufacturing processes".

Mechanisms

Our mechanisms product lines include mechanical components such as hinges for doors, hoods, and trunk lids, door checks and door hinges with integrated door checks that join the vehicle's body with the moving parts and that enable the user to open and shut the vehicle's doors, front and rear lids and lift-gates. Mechanisms also include powered systems that allow vehicle lids to open and close electrically driven at the touch of a button. This product category also includes driver control products such as parking brakes and clutch or brake pedals.

Product Category	Typical Products
Body components Powered systems Driver controls	• Door checks • Hinge systems • Powered systems • Parking brakes • Pedal boxes

The primary technologies and processes involved in the manufacturing of our Mechanisms products include, among other things, stamping, sawing, milling and plastic injection molding. See "—Manufacturing processes".

Other products (tooling)

We have extensive in-house capabilities in the design, engineering, manufacturing and servicing of dies and tools in support of our customers. We also have in-house press manufacturing services. Additionally, we provide engineering support services, independent of particular production programs. See "—Manufacturing processes".

In addition, we typically sell the scrap steel that is generated by our manufacturing processes in secondary markets, the revenue from which is allocated between our Body-in-White, Chassis and Mechanisms products lines according to where the scrap was derived. We generally share our recoveries from sales of scrap steel with our customers either through scrap sharing agreements, in cases where we are on resale programs, or in the product pricing that is negotiated regarding increases and decreases in the steel price in cases where we purchase steel directly from the mills.

Manufacturing processes

Since our foundation in 1997 we, and the technology employed in our manufacturing processes, have evolved significantly from a limited-technology company based only on cold stamping, to a multi-technology company with diversified technological capabilities. We now have a broad technology portfolio and capabilities across the value chain, including (i) in-house die/tool manufacturing capabilities; (ii) a wide range of forming technologies from press hardening to cold forming technologies such as roll-forming and hydro-forming, in addition to the full range of cold stamping processes; (iii) advanced assembly technologies such as remote laser welding; and (iv) finishing technologies such as powder coating and cataphoretic painting.

Die or tool manufacturing

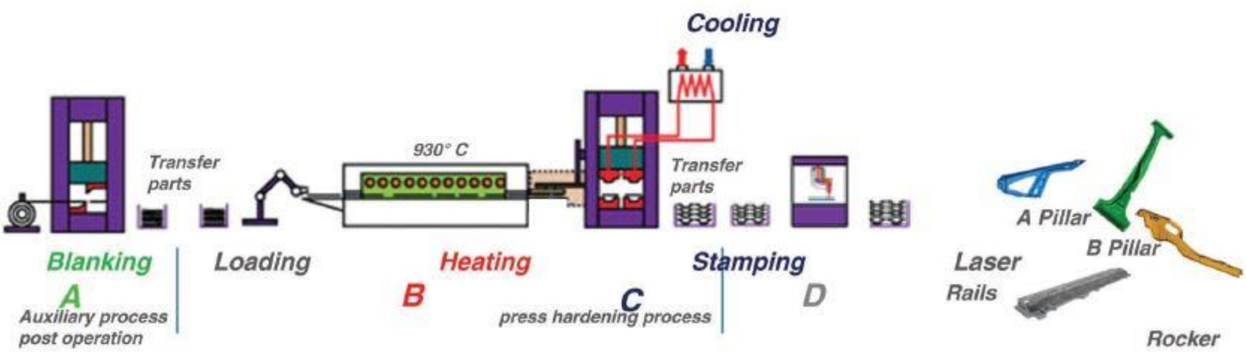
Dies or tools are the common terms for the equipment used in the stamping and forming processes to cut or form raw material into a required shape using a press. Our in-house tooling capabilities cover the entire tooling value chain from the initial process of die design to the secondary phase of prototyping, patterning, casting, machining and setting the die through to try-out verification, quality checks and logistics. We are recognized as one of the few suppliers that have in-house tooling capabilities that can address the manufacture of parts that comprise the visible outer skin of the car (also called A-class parts) such as doors and hoods. Critical phases such as follow-ups and quality checks are carried out globally by a dedicated European team. We have a supplier development program in place to assure the quality of any outsourced tooling. Our customers recognize us as one of the few suppliers that have the internal capacities for developing and manufacturing tooling for press hardening.

Forming

<u>Press Hardening or Hot Stamping</u>

Press Hardening is an innovative process by which advanced ultra high strength steel is formed into complex shapes more efficiently than with traditional cold stamping. The process involves the heating of the steel blanks until they are malleable, followed by formation and then rapid cooling in specially designed dies, creating in the process a transformed and hardened material. Because of this ability to efficiently combine strength and complexity, press hardened parts accomplish in one relatively light-weight piece what would typically require thicker, heavier parts welded together in more than one process under cold stamping. Press hardening parts therefore currently represent one of the most advanced lightweight solutions for the car body structure that simultaneously allows us to improve crash performance and passenger safety requirements.

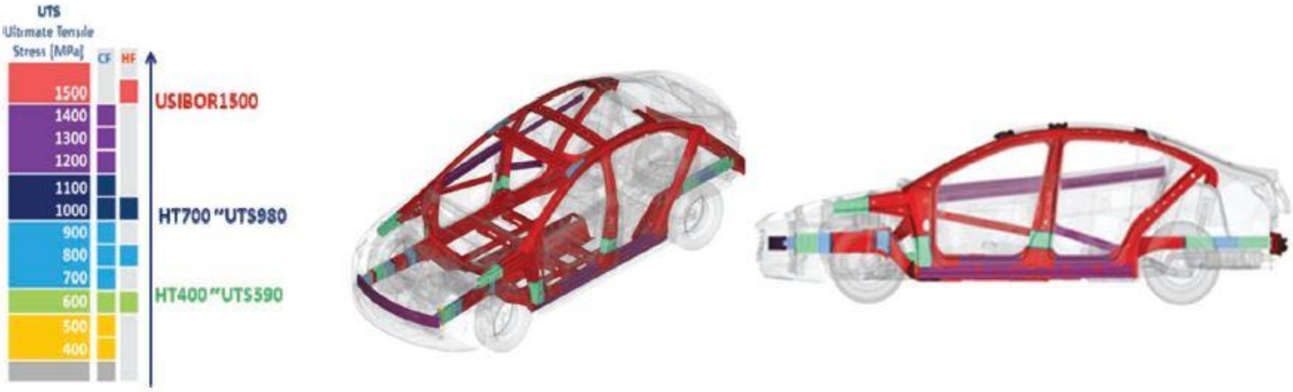
Set out below is a graphic description of the basic process of press hardening.



The press hardening process is comprised of four main steps. First, sheets of material are cut into blank units by a blanking line. The blanks are then loaded into an automatic furnace and heated over a defined period of time to 930°C. After the heating process is complete, they are transferred into a press. Immediately upon transfer into the press, the material is stamped to a complex shape while being cooled at a minimum cooling rate of 50°c per second while inside the die. The newly produced part has an ultra-high strength of 1500 Mpa, as opposed to ca. 550 Mpa with cold stamped boron steel. Following this process, the produce part needs to be cut and pierced using a laser.

We are the largest global supplier of press hardening parts, and our press hardening production lines cover the entire value chain from the manufacturing of our own dies to production lines.

The close cooperation between our R&D and process know-how has resulted in the creation of a highly sophisticated and patented "Tailored Material Property" or "TMP" design. TMP is a specific press hardening process with which we can produce different strength levels in different areas of the same part, using the same equipment inside the dies but controlling the different hardening temperatures during the cooling process. Press hardening using the TMP design process is changing the car body architecture. TMP technology, creating deformable soft zones, allows us to provide new product offerings that provide better crash behavior and controlled car body deformation than other products. Using the TMP design process, we are also able to achieve up to 20% weight reduction when compared with other products made using traditional methods.



Cold Forming

Cold forming technologies include forming operations in different types of machines. Sub-categories of cold forming include roll forming and hydro-forming. Cold forming allows us to manufacture a range of parts from small reinforcement parts to a complete car body side.

Cold forming involves the transformation of a sheet of metal at room temperature inside a forming die under pressure. We operate various kinds of cold forming presses with different automation concepts with press forces ranging from 200 tons up to 2,500 tons. In order to achieve complex forms, parts must be pressed or stamped and cut in several steps, under different press technologies. Depending on the size and shape of the part we can choose the press process operations used to stamp the parts. For instance:

- For large parts, we use tandem presses where the material is moved by robots from press to press in five or six operations.

- For medium size parts with cupped shapes, we use transfer presses, where the material is moved inside the die by transfer bars in up to six operations. During the transfer press stamping process steel coil sheet is fed into a press and a blank is created where the material is cut from the coil strip. The blank is then pushed or transferred to the next station where the rough cup is created. The cup is then transferred by mechanical fingers to one or more subsequent draw stations until the rough, final shape has been created. The part is then transferred into additional stations that are used to establish critical diameters and lengths, features, and forms.

- For small size parts, we use progressive presses, where the material is always connected with the stamped part in the material strip and the finished part is separated from the strip after several forming and cutting operations. Progressive presses are mainly used for some deep draw stamping where the length to diameter ratio is low and part side features are not required. In progressive presses, the steel coil sheet is not cut, but is fed through the press. After several forming and cutting operations, and only once finished, the stamped part is separated from the material strip.

We operate presses in the upper range of forces of greater than 1,000 tons and consequently we are able to stamp high strength materials, which have a typical strength up to 1,000 MPa. Ultra high strength steels are an important part of weight reduction solutions for the car body structure and have a significant impact especially in the car chassis where material thickness and strengths are required.

Roll Forming is a cold forming process, where a coil strip is subjected to a bending operation by passing the strip through sets of rollers resulting in continuous deformation. Each set of rollers performs an incremental part of the bend, until the desired cross-section profile is obtained. This process is ideal for producing parts with constant profiles, long lengths and in large quantities. We operate several variations of roll forming and can also perform automatic cutting, piercing, separating and laser welding. With this range of capabilities we can manufacture parts with minimum material usage.

Hydroforming is a specialized type of cold forming that uses a high pressure hydraulic fluid to press room temperature tubes into a die. The process consists of pre-bending a metallic tube and placing this pre-shaped tube inside a die with the desired cross sections and forms, and applying pressure to the inside of the tube held by the die. During the blowing or forming of the tube held in the die, holes can be pierced into the tube thereby avoiding secondary operations in most cases. Hydroforming allows complex shapes with concavities to be formed, which would be difficult or impossible with standard stamping. Hydroforming is considered to be a cost-effective way of shaping metal into lightweight, structurally stiff, complex and strong pieces. One of the advantages of using this process is that it enables us to create a three dimensional tube that in cold stamping only could be manufactured by welding two shells together. The ability to deform thick materials makes this technology useful for chassis applications in particular.

Assembly

During the assembly stage, we effectively combine components of all our different manufacturing processes using welding, clinching and adhesive technologies. Our body shops use the most advanced technologies for assembling complex parts such as complete chassis and engine cradles using advanced assembly technologies such as metal inert gas (MIG) welding or metal active gas (MAG) welding. We use parts resistant or spot welding in the welding of Ultra High Strength Steel and Press Hardening parts. Our welding cells are typically highly automated and we use automated robots to perform several of the most precise operations inside the welding cells to achieve maximum cost reduction and ensure we produce the highest quality assemblies.

We use a special process of laser welding in all the different aspects of our production. For instance, the Tailor Welded Blank process involves the welding of two flat metal blanks, thereby creating a single product with different thicknesses or comprising several different types of materials. TWB products are important in the weight reduction of the car body structure and can be combined with any types of material for cold forming and press hardening.

Laser welding technology is not limited to flat material welding and is used also to weld different parts into an assembly. The advantages of laser welding are the very short time cycles and minimal deformation due to the reduced thermic effect.

Finishing

We use various finishing technologies such as shot blasting, zinc coating, powder coating and cataphoretic painting on our products. Shot blasting is used to clean surfaces such as uncoated steels, mainly in press hardening and to prepare parts for welding and painting. Zinc coating is used for maximum corrosion protection and is applied to chassis components. Powder coating and painting operations are the basis for any assembly for normal corrosion requirements. Finishing is always a fully automated process so as to guarantee the highest quality finish and to meet pre-agreed product specifications and requirements.

Processes specifically used in our Mechanisms segment

Hinges are made of three different raw materials with different manufacturing processes. We may use sheet metal and use a stamping process in progressive dies. We may also use other raw materials such as profiles, which are first sawn and then finely milled and profiled by automated milling centers. The manufacture of hinges involves partial zinc coating and the final assembly on specific assembly-lines with screwing and riveting processes. The manufacture of door checks involves plastic injection molding. The manufacture of driver controls may additionally involve cataphoretic painting. Powered systems production is mainly based on the assembly of purchased electrical and mechanical components on customized assembly lines.

Research and Development

We operate in a highly competitive and globalized industry and must constantly change and adapt to meet our customer's needs and expectations. We consider innovation and R&D to be key success factors for the differentiation of our products and services from those of our competitors. Among our global workforce of 31,746 as at December 31, 2014, approximately 1,000 employees are focused on R&D.

Our Body-in-White and Chassis products are fundamental elements in the vehicles produced by our OEM customers. The design and manufacture of these products are driven by the requirements and expectations of the OEMs that we supply, and we collaborate and work closely with them, from the early stages of development through to final production, to ensure their requirements and expectations are met.

When conceiving of, designing and producing our Body-in-White products, we collaborate with the OEMs to focus on improving the fundamental, strategic functions of the vehicle such as sustainability (including lightweight design; use of eco-friendly technologies), passive safety (EuroNCAP and IIHS), NVH, exterior styling (which is a non-technical but esthetic consideration) and architecture (involving support to all the functions and modules of the vehicle), durability and fatigue. We seek to create close collaborations with our clients in order to co-develop body-in-white concepts and technologies for the future. In Chassis, our R&D efforts are geared towards achieving weight reduction. In Mechanisms, we look to address daily challenges such as vehicle access, crash safety and reliability. Across our product lines, cost effective design is a key area of strategic focus of our innovation efforts.

Our past R&D activities have resulted in a number of new proprietary manufacturing processes and products including, for example, the TMP design technology described above, which enables us to create specifically targeted material properties in precision-targeted areas of the part and which allows our clients to optimize weight and performance. See "—Manufacturing processes".

While we manufacture a small number of products using aluminum and carbon-fiber, demand in the market for aluminum and carbon-fiber based products is limited at present, primarily due to the high costs in relation to performance and weight savings. Nevertheless, we monitor the evolution of demand in the market for premium products constructed using these materials, and our customer-focused strategy may lead us to manufacture more products with these materials, based on customer demand and potential for adequate returns for us.

Our close working relationships with the OEMs results in a deep understanding of our customers' requirements and constraints. This major advantage enables us to provide innovative, customized and cost effective products that address their needs and which consolidates our relationship with them as a core supplier and co-developer of strategic importance.

Intellectual Property

Although the processes we use in the manufacture of the products we produce are technical in nature, our business does not rely heavily on intellectual property. Among the most important intellectual property that we do own relate to the patented press hardening processes we utilise in our operations, as well as our brand name, Gestamp.

Customers and Geography

We have a broad customer base as well as an extensive global manufacturing and managerial footprint. We have increasingly diversified our customer base to an extent that we now sell our products to each of the top 12 OEMs by production volume, including Volkswagen, Renault-Nissan, BMW, General Motors and Daimler.

We have developed long-standing business relationships with our automotive customers around the world. We work together with our customers along the full value chain, including development, industrial engineering, tooling and manufacturing. Quality assurance programs matching the highest standards underlie our service offering. In growing economies in particular, our customers are focusing their own resources on vehicle assembly and seek to outsource to suppliers that are capable of providing an integrated supply service. We believe that our customers perceive us as a supplier that is capable on a global scale of providing: 1) high-quality products at competitive prices with standardized high-level quality; 2) innovative solutions for complex projects; and 3) on-time delivery and quality customer service. Our technical expertise and extensive global footprint have enabled us to win complex mandates on global projects with the top OEMs around the globe.

Mandates in the automotive OEM business involve long-term production arrangements based on the lifecycle of the specific model or platform. As a result of our strategic and long term relationships with our OEM customers, and given the prohibitive operational, technical and logistical costs of switching, particularly during the life cycle of a specific vehicle model, we have strong visibility on our mid-term revenues. Furthermore, we believe we can leverage our strong customer relationships to obtain similar awards in the future.

In addition to being diversified, our customer base is weighted towards financially stable OEMs, meaning that, subject to the stage of the automotive industry cycle and prevailing macroeconomic conditions, our revenue streams are relatively secure.

Our geographical diversification strategy is aligned with the ongoing expansion by OEMs into growth economies and the consolidation of their existing presence in established markets. As OEMs have sought to establish presence in growth markets and to grow outside of their home markets, we have adapted our geographical diversification strategy to focus less on our presence in Western Europe, which is well established, and more on these growing markets.

While we continue to pursue a measured strategy of geographical diversification, the basis of our technological expertise continues to be Western Europe. Our acquisition of ThyssenKrupp Metal Forming, while having the effect of returning weight back to our Western European sales contribution, brought us important technical expertise, particularly with regard to chassis design and development.

Suppliers

We purchase various manufactured components and raw materials for use in our manufacturing processes. All of these components and raw materials are available from numerous sources. We employ just-in-time manufacturing and sourcing systems enabling us to meet customer requirements for faster deliveries while minimizing our need to carry significant inventory levels.

The primary raw material used in our business is steel, which in recent years represented approximately 50% of our sales. The majority of our steel is typically purchased through OEM re-sale programs, under which an OEM customer negotiates directly with the steel suppliers the price of the steel that we use to manufacture components for that OEM. Such negotiated steel price is passed through to the OEM customer in the sale price of the automotive component. The remainder of our steel purchasing requirements are typically met through contracts with steel suppliers that we negotiate. Historically, we have negotiated with our OEM customers to pass through the increase or decrease in the steel price, eliminating significant volatility in our cost base relating to volatility in steel prices. Due to our strong relationships with OEMs and the large steel volumes we acquire in the market place, we expect to be able negotiate competitive steel contracts from suppliers and to pass through cost increases to our customers, thus stabilizing the effect on our results.

Competitive landscape

Overview

We develop, manufacture and market different components, modules and system solutions included in the vehicle's body and structural system. The body and structural market consists of various product groups and is therefore split into many sub-markets. Consequently, our competitive position differs among the various sub- markets. Broadly speaking, we are one of the few players in body and structural parts to offer OEMs a truly global manufacturing footprint. Our key competitors with a similar global offering are Benteler, Magna International, Inc. (Cosma division) ("Magna") and, to a somewhat lesser extent, Tower International LLC ("Tower").

The market positions stated below are based on management's assessment.

Competitive landscape for Body-in-White

The competitive landscape for Body-in-White varies significantly by region. Western and Eastern Europe, North America and South America are relatively highly consolidated, while the Asian market is highly fragmented. We believe that we are the clear market leader among individual suppliers in Western and Eastern Europe combined. Our main competitors in Western and Eastern Europe are Benteler, Magna, Magnetto-Unipres and Kirchhoff. In the North American market, we are within the top four individual players, with Magna being the market leader, and Benteler and Martinrea being the other key competitors. In South America, we are the market leader, with Aethra, Delga, Magnetto-Unipres and Tower International being our key competitors. In this region, local players tend to be strong competitors; however, we believe that we differentiate our offering through superior technological know-how. In Asia, it is difficult to estimate our regional market position with any accuracy, as competitive dynamics can vary significantly by country. In Japan and Korea, a significant proportion of parts are outsourced to companies that traditionally have close links to domestic OEMs, with local OEMs sometimes being the only major customer of the respective suppliers. In China, domestic OEMs still mostly work with domestic suppliers in body and structural components; therefore, our exposure to the Chinese market is primarily through supplying foreign OEMs.

Competitive landscape for chassis

Market concentration dynamics for chassis are similar to Body-in-White, with Western and Eastern Europe, North America and South America being somewhat highly consolidated, while the Asian market remains fragmented. We believe that we are number two in the market by individual suppliers in Western and Eastern Europe combined, and in South America, with Benteler being the market leader in Western and Eastern Europe and Magna being the market leader in South America. The North American market in particular exhibits very high concentration, with Benteler, Magna, Martinrea, Metalsa and Tower International holding substantial market shares. We do not have a significant presence in chassis in North America. In the Asian market, domestic suppliers such as Hyundai Mobis and Yorozu have significant market shares, with Benteler, Magna and Tower International being the leading international competitors. Our presence in the Asian market is still relatively small and is focused on working with foreign OEMs in the region. The local trends in Chassis are similar to those described for Body-in-White in Asia,

Competitive landscape for hinges and mechanisms

We believe that we are the clear market leader by individual suppliers in Western and Eastern Europe combined, and in South America; a significantly higher market share than any of our competitors. Our key competitors in Western and Eastern Europe are ISE Automotive Group and Multimatic Inc. ("Multimatic"). We do not have any individual significant competitors in South America, and compete against a range of players with substantially lower market shares in the region; including AISIN SEIKI Co. Ltd. (“AISIN”), Flex-N-Gate Plastics Group (“Flex”), Midway Products and Mitsui Kinzoku AC. We are relatively small players in North America and medium-sized players in Asia, where it is difficult to estimate our market position with any accuracy.

Key customer criteria for purchasing decisions

We believe that our customers choose between different suppliers based largely on the following criteria:

- Price competitiveness
- Product quality
- Ability to manage complex projects
- R&D competencies
- Process technology competencies
- Tooling competencies across the value chain
- Breadth of geographical manufacturing footprint
- Financial stability
- Partnership in consolidation/rationalization of the global automotive supplier base

We principally compete for new business both at the beginning of the development of new models and upon the redesign of existing models. Once a supplier has been designated to supply parts for a new program, an OEM usually will continue to purchase those parts from the designated producer for the life of the program, although not necessarily for a redesign. OEMs typically rigorously evaluate suppliers based on many criteria such as quality, price/cost competitiveness, system and product performance, reliability and timeliness of delivery, new product and technology development capability, excellence and flexibility in operations, degree of global and local presence, effectiveness of customer service and overall management capability.

We believe that we compete effectively with other leading suppliers in our market. The strength and breadth of our program management and engineering capabilities, as well as our geographic, customer and product diversification, provide the necessary scale to be cost and quality competitive. We follow manufacturing practices designed to improve efficiency and quality so that we can deliver quality components and systems to our customers in the quantities and at the times ordered.

Although there are many players in the global automotive industry, in the areas of the industry in which we operate, there are very few global competitors, as the financial and logistical constraints inherent in establishing and maintaining a true global presence are quite high. Our major competitors include Benteler, Magna and Tower in Body-in-White and Chassis and Flex, AISIN and Multimatic in Mechanisms. We compete with other companies with respect to certain of our products and in particular geographic markets. The number of our competitors has decreased in recent years and we believe will continue to decline due to continued supplier consolidation and the recent economic downturn. We expect that OEMs will continue to be increasingly focused on the financial strength and viability of their supply base. We believe that such scrutiny of suppliers will result in additional contraction in the supplier base and may force combinations of some suppliers.

Property, Plant and Equipment

Our registered address is in the industrial park of Lebario S/N 48220 in Abadiño, Spain.

We have an extensive global footprint and our products are manufactured at 93 plants in 20 countries, with one additional plant under construction as of December 31, 2014. Our plants are strategically positioned to serve our global customer base locally and to create logistical cost-efficiencies. The following table sets forth selected information regarding our top 20 production facilities by size.

Manufacturing Plant	Country	Land Surface (m^2)	Owned/Leased	Date Opened	Date Acquired (if applicable)
Gestamp Mason	USA	254,952	Owned	1998	2004
Gestamp South Carolina	USA	250,000	Owned	2007	2009
Gestamp Bielefeld	Germany	205,500	Owned	1983	2011
Gestamp Santa Isabel	Brazil	204,998	Owned	2011	NA
Gestamp Alabama (McCalla)	USA	178,466	Leased	2004	2004
Gestamp Le Theil	France	172,000	Owned	1964	2011
Gestamp Llanelli	UK	153,000	Owned	1961	2011
Gestamp Severstal Vsevolozhsk	Russia	149,850	Owned	2009	NA
Gestamp Severstal Kaluga	Russia	149,250	Leased	2010	NA
Gestamp Paraná	Brazil	135,783	Owned	1999	NA
Gestamp Baires Escobar	Argentina	129,507	Owned	2006	NA
Edscha Hengersberg Real State.	Germany	118,136	Owned	1963	2010
Sungwoo Gestamp Hitech	India	114,591	Owned	2009	2009
Gestamp Ludwigsfelde	Germany	113,000	Owned	1991	2011
Gestamp Automotive India	India	107,500	Leased	2009	NA
Gestamp Shenyang	China	103,669	Leased	2012	NA
Gestamp Griwe Haynrode	Germany	100,889	Owned	1991	2000
Gestamp Kunshan	China	100,800	Leased	2008	NA
Gestamp Hungary	Hungary	100,000	Owned	1999	2003
Gestamp Taubate	Brazil	93,000	Owned	1996	1999

Of our 94 production facilities, 56 are acquired sites, 31 are greenfield sites, six are acquired sites which have subsequently been substantially re-developed and one site is currently under construction. Of the 56 sites which we have acquired, 12 were acquired as part of our acquisition of Edscha and 15 were acquired as part of our acquisition of ThyssenKrupp. Of our 12 R&D centers, three were acquired as part of our acquisition of Edscha and two were acquired as part of our acquisition of ThyssenKrupp.

The following table sets forth the total number of our production facilities and our R&D centers, by region:

Region	Production Facilities	R&D Centers
Western Europe	46	8
Eastern Europe	15(1)	—
North America	11	1
South America	9	1
Asia	13	2
TOTAL	**94**	**12**

(1) Includes one under construction

Environmental

We have a strong commitment to environmental issues and the impact of our operations on the environment, including with respect to climate change. We are also committed to maintaining high standards of health and safety, both environmental and general.

As manufacturers of automotive components, the impacts generated by us have to be taken into account throughout the life cycle of the vehicle and not only during the manufacturing phase of our parts. For this reason we are committed to adapting and using the best techniques available for our installations, as well as to include environmental aspects in the design and operation of them.

Over the past five years, we have had no material environmental issues, actions, claims or liabilities and are currently not aware of any such issues, actions, claims or liabilities.

In Gestamp it is a requirement that each center has an environmental management certificate that ensures legislative compliance, minimization of contamination and the continued improvement in processes. The majority of our plants are compliant with ISO 14.000 and some also have the European EMAS quality standards.

At corporate level we also have an Environmental Indicator that enables us to monitor the main environmental aspects of all of our production centers. This document considers baseline consumptions (of energy, water, principle raw materials and stocked products), CO_2 emissions and waste management.

Health and Safety

In terms of Health and Safety we are aware of the risks in our business and have a policy that ensures that both our employees and those from other companies working on our premises have a safe and healthy working environment.

According to this policy, we use the same criteria when assessing the performance of any company in terms of Health and Safety and no difference is established between the companies operating in the countries in which we are present.

By means of our own indicator which we call GHSI (Gestamp Health and Safety Index) we carry out a quarterly inspection to monitor working conditions and the degree of implementation of management systems. This inspection allows us to identify the improvements implemented and to prepare new plans of action.

There is also a system of audits which verifies that these improvements meet with the criteria established in standards, thereby assuring reliability and comparability among the companies.

Proceedings

We are from time to time involved in legal proceedings, claims or investigations that are incidental to the conduct of our business. We vigorously defend ourselves against these claims. In future periods, we could be subject to cash costs or non-cash charges to earnings if any of these matters is resolved on unfavorable terms. However, although the ultimate outcome of any legal matter cannot be predicted with certainty, based on current information, including our assessment of the merits of the particular claims, we do not expect that our pending legal proceedings or claims will have a material adverse impact on our future consolidated financial condition, results of operations or cash flows. As of the date of this Annual Report, the material proceedings to which we are a party have an aggregate estimated potential liability of € €39.7 million, of which approximately €27.6 million relates to contingent liabilities associated with tax audits in Brazil. We have not made any provisions with respect to these contingent tax liabilities in Brazil, because we believe there is a low probability that we may be required to recognize any liability associated with these tax events in Brazil.

.

Employees

Over the past decade, as our operations have grown, we have seen employee headcount grow commensurately. As of December 31, 2013, we had 31,746 employees globally, of which 45%, 14%, 12%, 13% and 16% were based in Western Europe, Eastern Europe, North America, South America and Asia, respectively.

Our strategy is to manage relations with our employees primarily on a plant level, with the "plant works council" being the forum for employee representation most favored by our employees. As a general rule, each plant has its own collective agreement. This policy allows us to benefit from a number of advantages:

- collective agreements are adapted to the specific circumstances and needs of each plant (for example different geographic areas within a country may have different average salary or cost of living allowances);

- collective agreements can be adapted to the economic performance and productivity of each plant; and

- workers identify themselves better with their own "plant works council" rather than with a country level one.

In addition to this strategy, we try to build open and trusting relations with Union representatives at regional level or country level, in order to allow a bi-directional communication channel to provide them with relevant information, but also to understand their real worries and concerns.

During the global economic crisis, we proactively managed our employee requirements while endeavoring to find constructive measures to manage and retain experienced professionals. Given the global nature of our business and operations, the measures implemented required an in-depth analysis of the legal framework of each jurisdiction in which we operate. Our extensive global footprint has also given us a tool to fight the impact of the global economic crisis as it has allowed for increased geographical mobility and provided us with the ability to temporarily balance our resources across different regions, supporting strategic projects with the most skilled and experienced workers.

Where the opportunities have arisen and it has been possible to do so, we have deployed under-utilized staffing resources from one area of our business to other areas experiencing increased staffing requirements. As a result, we have been able to leverage the know-how of our experienced professionals to ensure that the new plants are well supervised by a trained workforce, achieving the required quality standards, while also retaining key resources.

In addition, we have been able to maintain a streamlined temporary workforce which allows us to react to the evolving demands of our business, partially mitigating the negative effects of the global economic crisis in a short period of time.

Where necessary and where the legal and regulatory labor and employment framework in a jurisdiction allows, we have implemented measures such as temporary reduction of the workforce, early retirement programs (as a way to achieve cost reduction in the short term and to reduce the average age of the staff in the medium to long term) and "Substitute Contracts" which has proven to be an efficient way to manage costs and rejuvenate the workforce, while accommodating the aging population.

MANAGEMENT

Board of Directors

Our Board of Directors has the power and duty to manage our corporate affairs. The Board of Directors elects its President and can select one Vice President. Except for matters reserved by law and by the articles to the general shareholders' meeting, the Board of Directors is the highest decision making body of Gestamp Automoción.

The following table sets forth, as of the date of this Annual Report, the name and title of each member of the Board of Directors, together with their representatives (in the case of corporate directors), and is followed by a summary of biographical information of each director or representative (in the case of corporate directors), including their respective ages.

Name	Position
Francisco José Riberas Mera	President
Holding Gonvarri, S.L. *(represented by Juan María Riberas Mera)*	Secretary and Managing Director
Gestamp Bizkaia, S.A. *(represented by Francisco José Riberas Mera)*	Managing Director
Risteel Corporation, B.V. *(represented by Francisco López Peña)*	Director
Autotech Engineering, A.I.E. *(represented by Juan María Riberas Mera)*	Director
Angel Gamboa Llona	Director
ArcelorMittal Basque Holding, S.L. *(represented by Jean Martin Van der Hoeven)*	Director
ArcelorMittal Esperbras, S.L. *(represented by Geert Van Poelvoorde)*	Director
ArcelorMittal Gipuzkoa, S.L. *(represented by Gonzalo Urquijo Fdez de Araoz)*	Director

Francisco José Riberas Mera (50). President of Gestamp Automoción and its Managing Director, as legal representative of Gestamp Bizkaia, S.A., the entity appointed as managing director of Gestamp Automoción. He holds a "Licenciado en Derecho" (University Degree in Law) and "Licenciado en Ciencias Empresariales" (University Degree in Business), both from Comillas University—ICADE (Madrid). He promoted the setting up of Gestamp Automoción in 1997 and assumed the role of Chief Executive Officer. Mr. Francisco José Riberas was a member of the Board of Aceralia from 1998 to 2001. Prior to the establishment of Gestamp Automoción, he held various management positions in Gonvarri Group from 1989. He is a shareholder and director in other companies belonging to the Acek, Desarrollo y Gestión Industrial, S.L. group, through the Gonvarri, Gestamp Renewables and Immobiliaria Acek groups. He also holds a directorship position in CIE Automotive, S.A.

Juan María Riberas Mera (46). Secretary and Managing Director of Gestamp Automoción, as legal representative of Holding Gonvarri S.L., the entity appointed as secretary and managing director of Gestamp Automoción. He holds a "Licenciado en Derecho" (University Degree in Law) and "Licenciado en Ciencias Empresariales" (University Degree in Business), both from Comillas University—ICADE (Madrid). He joined Gonvarri Steel Industries in 1992 and he is currently its Chairman and CEO. He promoted Gestamp Renewables where he has been Chairman and CEO since its incorporation in 2007. He holds a shareholding position in the Immobiliaria Acek group. He also holds a directorship position in CIE Automotive, S.A.

Francisco López Peña (56). Chief Financial Officer of Gestamp Automoción. "Ingeniero Industrial" (University Degree in Civil Engineering) at Universidad Politécnica de Barcelona, and Master in Business Administration (MBA) at IESE (Barcelona). He joined Gestamp in 1998 as Corporate Development Director and he is a member of Gestamp Automoción's Board of Directors from 2009. Prior to joining Gestamp Automoción, he held various management positions in industrial mineral and textile sectors. He also holds a directorship position in CIE Automotive, S.A.

Angel Gamboa Llona (69). Member of Gestamp Automoción's Board of Directors since 1999. He holds a "Licenciado en Ciencias Empresariales" (University Degree in Business) from the Universidad País Vasco. He has been with the Gestamp group since its incorporation in 1997 when he joined as manager of the Bizkaia plant. In 2004, he became Director of the Gestamp North Europe Division. Prior to joining Gestamp Automoción, he held managing positions in other automotive stamping facilities.

Jean Martin Van der Hoeven (50). Vice President and Chief Marketing Officer of ArcelorMittal Flat Carbon Europe, S.A. Mr. Van Der Hoeven also serves as Board Manager of CLN Coils Lamiere Nastri S.p.A., as Board Member of Bamesa Çelik S.S.V.T.A.S., Borcelik SANAYII TICARET A.S. and a member of the Supervisory Board at ArcelorMittal Bremen GmbH & Eisenhüttenstadt GmbH.

Geert Van Poelvoorde (50), Executive Vice President of ArcelorMittal, Chief Executive Officer of ArcelorMittal Europe Flat Products and Europe Purchasing Platform. Mr.Van Poelvoorde started his career in 1989 as a project engineer at the Sidmar Gent hot strip mill, where he held several senior positions in the automation and process computer department. He moved to Stahlwerke Bremen in 1995 as senior project manager. Between 1998 and 2002 he headed a number of departments, and in 2003 he was appointed director of Stahlwerke Bremen, responsible for operations and engineering. In 2005 he returned to ArcelorMittal Gent to take up the position of chief operating officer primary. In 2008 he became chief executive officer (CEO) of ArcelorMittal Gent with direct responsibility for primary operations. He was appointed CEO of the Business Division North within Flat Carbon Europe in 2009 and since January 2014, chief executive officer, Flat Carbon Europe. Mr Van Poelvoorde graduated from the University of Ghent, Belgium, with a degree in civil engineering and electronics.

Gonzalo Urquijo Fdez de Araoz (52). President of the Board of Directors of ArcelorMittal Spain and Managing Director of Long products, Stainless steel, Tubes, China and Corporate Responsibility of ArcelorMittal, as well as managing director of the ArcelorMittal Foundation. Gonzalo Urquijo was previously senior executive vice president and chief financial officer of Arcelor. Before the creation of Arcelor in 2002, when he became executive vice president of the Operational Unit South of the Flat Carbon Steel sector, Mr.

Urquijo was CFO of Aceralia. Between 1984 and 1992 he held a variety of positions at Citibank and Crédit Agricole before joining Aristrain in 1992 as CFO, and later co-chief executive officer. Mr Urquijo graduated in economics and political science from Yale University, US, and holds an MBA from the Instituto de Empresa in Madrid, Spain.

Senior Management

Our senior management team is led by Francisco José Riberas Mera. The following table sets forth, as of the date of this Annual Report, the name and title of each member of the senior management team who does not also serve on the Board of Directors, and is followed by a summary of biographical information of each such member including their respective ages.

Name	Position
Jeff Wilson	Senior Manager
David Vázquez Pascual	General Counsel
Felipe de Frutos	Corporate Finance and Administration Manager
Richard Egües	Corporate Development and International Finance Manager

Jeff Wilson (55). Mr. Wilson holds a Master in Business Administration and a Bachelor in Science degree. Prior to joining Gestamp Automoción, he held various management roles with international automotive business including Oxford Automotive Corporation (President and Chief Operating Officer), Tower Automotive (NAFTA Group Business Group Director), Lear Corporation (Plant Operations Manager, Interior Systems Group) and O'Sullivan Corporation (Director of Automotive Operations, Gulfstream Division).

David Vázquez Pascual (50). Mr. Vázquez Pascual joined Gestamp Automoción in 2000 as General Counsel. He holds a "Licenciado en Derecho" (University Degree in Law) and a "Licenciado en Ciencias Empresariales" (University Degree in Business), both from Comillas University—ICADE (Madrid), and a Master in Business Administration (MBA) from the Madrid Business School. Prior to Gestamp Automoción, he held different roles in banking in Madrid and New York. He became sub-director of the MBA in Madrid Business School in 1990, assuming the direction in 1992. He became Director of the Department of Economics and Business Sciences of the Universidad Nebrija in 1994.

Felipe de Frutos (54). Mr. de Frutos joined Gestamp in 2000 as Finance and Administration Director. He holds a "Licenciado en Ciencias Económicas" (University Degree in Economics) at Universidad Autónoma de Madrid. Prior to joining Gestamp, he was appointed Administration Director of Agroman/Ferrovial in 1988. Previously he worked in Arthur Andersen as senior auditor in the manufacturing area (automotive sector, chemical, metallurgy and electric).

Richard Egües (48). Mr. Egües holds a Master in Business Administration, M.I.T. Sloan School of Management and Bachelor of Arts, Yale University. Prior to joining Gestamp Automoción he was CFO of a renewable energy business in Spain. Before that he held corporate banking and corporate finance advisory positions with banking institutions in New York, Frankfurt and Madrid.

Compensation

In 2014, the members of our Board of Directors received no remuneration from us or any of our group companies, nor were they granted any loans, advances, pension or life insurance benefits. In 2014, our Parent Company, Acek, Desarrollo y Gestión Industrial, S.L., received a total remuneration of €0.7 million as compensation for membership of the board of certain of our group companies. Further, in 2014 the total remuneration for the members of our senior management and other key employees amounted to €2.7 million. We made no contributions to pension plans on their behalf.

SHAREHOLDERS AND CERTAIN TRANSACTIONS

As of the date of this Annual Report, our issued share capital consists of 4,795,953 ordinary shares with a par value of €60.1 each. Each ordinary share carries the right to receive dividends and to receive notice of and vote at any general meeting of shareholders.

Our controlling shareholders are Acek, Desarrollo y Gestión Industrial, S.L. ("Acek Desarrollo"), which holds directly and indirectly 65% of our ordinary shares and ArcelorMittal S.A., which indirectly holds the remaining 35% of our ordinary shares. Acek, Desarrollo y Gestión Industrial, S.L. was formerly named Corporación Gestamp S.L. before the change of its legal name was adopted in the Extraordinary and Universal General Shareholders' Meeting on February 5, 2015. Acek Desarrollo carries out commercial and financial transactions with the companies of Grupo Acek, Desarrollo y Gestión Industrial under the terms and conditions established among the parties on an arm's length basis. Intra-Group transfer prices are duly documented as stipulated by the prevailing legislation.

Terms and conditions of transactions with related parties

Transactions in the ordinary course

We enter into a significant number of transactions on a regular basis and in the ordinary course of business with companies forming part of the Gonvarri group primarily related to the purchase of steel blanks and coils for a consideration of approximately €730 million annually.

We also enter into transactions in the ordinary course of business with Acek Desarrollo, its shareholders and subsidiaries, including lease and license agreements, professional and other services and the sale of goods. During 2014 we purchased from Inmobiliaria Acek S.L. (in which Acek Desarrollo holds a 66.6% shareholding), for a total consideration of €25 million, the plant in Vigo and part of the plant in Bizkaia, both of which up to that point we had been leasing from Inmobiliaria Acek S.L.; we continue to lease the offices located at Alfonso XII Street in Madrid and part of the offices located at Ombú Street in Madrid from Inmobiliaria Acek S.L. for an aggregate annual payment of approximately €2.5 million.

In addition to the above, and according to our business needs from time to time, we charter an airplane from Air Executive, which is a fully owned subsidiary of Acek Desarrollo. The total amount paid to Air Executive for the charter of the airplane amounts to approximately €1.3 million annually.

We sell our scrap steel to Gescrap S.L. (in which Acek Desarrollo holds a 50% shareholding) and to Reimasa Scrap AIE (in which Acek Desarrollo holds a 40% shareholding) for a consideration of approximately €113 million annually.

We expect to continue in the future to enter into these types of transactions with the Gonvarri group and with Acek Desarrollo and its subsidiaries.

Sale of Trademark

In January 2013, Acek Desarrollo sold to Gestamp Automoción the Gestamp trade mark for the automotive category to Gestamp Automoción. The consideration for the sale was €31.0 million to be paid within 20 years by annual installments.

EIB loan and ICO loans

On June 27, 2011, our Parent Company, Acek Desarrollo entered into a €125.0 million loan agreement with the European Investment Bank and on November 17, 2011 our Parent Company, Acek Desarrollo entered into a €50.0 million loan agreement with Instituto de Crédito Oficial. We and certain Guarantors have given a guarantee in respect of these loans and we account for this liability as a contingent obligation in our financial statements. Acek Desarrollo drew down only €152.0 million and passed on €143.0 million of the combined loan proceeds to us.

In August 2014, we repaid €122.5 million of debt to Acek Desarrollo, the amount of the financing that our Parent Company had outstanding with the European Investment Bank and ICO, and simultaneously Acek Desarrollo repaid and canceled this financing.

Transactions with Directors

In 2014, Acek Desarrollo received a total remuneration of €0.7 million as compensation for membership of the board of certain of our group companies.

DESCRIPTION OF OTHER INDEBTEDNESS

The following section contains a summary of certain key terms of the Senior Facilities Agreement and the Intercreditor Agreement and certain other financing arrangements other than the notes. The section is intended to be a summary only and does not purport to be a complete or exhaustive description of the topics summarized. Terms not defined in the following section or otherwise defined in this Annual Report have the meanings given to them in the Senior Facilities Agreement.

Senior Facilities Agreement

Gestamp Automoción and Gestamp Funding are parties to a senior term and revolving facilities agreement dated April 19, 2013 (the "Senior Facilities Agreement") entered into between, among others, Gestamp Automoción as the company and original borrower, various subsidiaries of Gestamp Automoción (including Gestamp Funding) as original guarantors, the original lenders listed therein, Deutsche Bank AG, London Branch as agent ("Agent") and security agent.

Senior facilities

Committed facilities

The Senior Facilities Agreement currently provides for committed facilities of €850 million, split into:

- a five year amortizing euro term loan facility of €570 million ("Facility A"); and
- a five year multi-currency revolving credit facility of €280 million (the "Revolving Credit Facility").

Interest rates and fees

The interest rate on each loan under the Senior Facilities Agreement for each interest period is the rate per annum which is the aggregate of the applicable (a) margin (see below) and (b) LIBOR or, in relation to any loan in euro, EURIBOR.

There is a margin adjustment mechanism in the Senior Facilities Agreement pursuant to which the margin applicable to the Facility A and the Revolving Credit Facility will be adjusted upwards or downwards based on the ratio of Net Financial Indebtedness to Adjusted EBITDA in respect of any relevant testing period, as demonstrated in the compliance certificate required to be delivered with the annual audited and quarterly unaudited financial statements of the Group. While an event of default is continuing under the Senior Facilities Agreement, the applicable margin will be the highest margin applicable to each Senior Facility.

Pursuant to the Senior Facilities Agreement, Gestamp Automoción is obligated to pay certain fees, including a commitment fee in respect of the available but undrawn Revolving Facility commitments.

Guarantees

Pursuant to the terms of the Senior Facilities Agreement, Gestamp Automoción, the Issuer and certain subsidiaries of Gestamp Automoción (together with Gestamp Automoción and the Issuer, the "SFA Guarantors") guarantee all amounts due to the lenders and other finance parties under the Senior Facilities Agreement and related finance documents. The guarantees granted by the SFA Guarantors are subject to certain guarantee limitations which are set out in the Senior Facilities Agreement. These guarantee limitations primarily limit the scope of the guarantees granted by the SFA Guarantors to ensure that they comply with the laws of the jurisdictions in which the SFA Guarantors are incorporated.

In 2013, Gestamp Toledo, S.A., Gestamp Levante, S.A. and Edscha Burgos, S.A. had been converted from Sociedades Limitadas to Sociedades Anónimas in accordance with the requirements of the Senior Facilities Agreement and had acceded to the Senior Facilities Agreement as SFA Guarantors.

In 2014, Edscha Santander, S.A. has been converted from Sociedad Limitada to Sociedad Anónima in accordance with the requirements of the Senior Facilities Agreement and has acceded to Senior Facilities Agreement as SFA Guarantor.

Gestamp Automoción is required to ensure that each of its subsidiaries in which it holds at least 90 per cent of the ordinary shares, and which for the last financial year has (a) earnings before interest, tax, depreciation and amortization (i) calculated on the same basis as EBITDA, representing 2.50%. or more of the Group's EBITDA; and (ii) (calculated on the same basis as EBITDA but on an unconsolidated basis) greater than €10,000,000; or (b) which has net assets representing 2.5% or more of the Group's net assets (calculated on a consolidated basis) (a company meeting these criteria being a "Material Company"), accedes to the Senior Facilities Agreement as an additional SFA Guarantor as soon as possible after becoming a Material Company. The obligation to require such a Material Company to accede as a SFA Guarantor is subject to certain limitations specified in the Senior Facilities Agreement and does not apply to a Spanish company established as an *Agrupación de Interés Económico* or any subsidiary incorporated in any country located in North America or South America or in Japan, China, South Korea, India or Taiwan.

Any subsidiary of Gestamp Automoción that becomes a guarantor in respect of the notes is also required to accede to the Senior Facilities Agreement as a SFA Guarantor.

Security

Gestamp Automoción, Gestamp Servicios, S.A. (other than in relation to paragraph (e) below) and Gestamp Toledo, S.A. (other than in relation to paragraph (f) below) have granted Spanish law pledges (the "Initial Share Pledges") over all of the shares held by them in the following subsidiaries:

(a) Gestamp Metalbages, S.A.;

(b) Gestamp Bizkaia, S.A.;

(c) Gestamp Vigo, S.A.;

(d) Gestamp Palencia, S.A.;

(e) Gestamp Servicios, S.A.; and

(f) Gestamp Toledo, S.A.

(such Spanish law pledges together the "Senior Facilities and Senior Secured Notes Share Pledges").

The Senior Facilities and Senior Secured Notes Share Pledges secure obligations owed under the Senior Facilities Agreement and related finance documents and the notes. Simultaneously with entry into the Initial Share Pledges, the Gestamp Toledo Share Pledge and the Gestamp Servicios Share Pledge, Gestamp Automoción and where applicable, Gestamp Servicios, S.A. and Gestamp Toledo have granted Spanish law governed pledges (the "Existing Creditor Share Pledges") over the shares they hold in the Initial Share Security Subsidiaries and Gestamp Toledo as security for amounts owed in respect of the Designated Existing Indebtedness. The Senior Facilities Agreement also permits Gestamp Automoción and its subsidiaries to grant pledges (the "Future Creditor Share Pledges" and together with the Senior Facilities and Senior Secured Notes Share Pledges and the Existing Creditor Share Pledges, the "Transaction Security") over the shares it holds in the Share Security Subsidiaries as security for obligations that may in the future be owed by the Group to other creditors subject to satisfaction of certain conditions set out in the Indenture, the Senior Facilities Agreement and the Intercreditor Agreement (any such indebtedness being "Additional Senior Financing"). The security created by the Transaction Security will rank in the order described in the section titled "—Intercreditor Agreement" below.

Undertakings

The Senior Facilities Agreement contains certain negative undertakings that, subject to certain customary and other agreed exceptions, limit the ability of each obligor (and in certain cases, members of the Group) to, among other things:

- incur or allow to remain outstanding financial indebtedness;
- be a creditor in respect of financial indebtedness;
- create or permit to subsist any security over any of its assets;
- sell, lease, transfer or otherwise dispose of its assets;
- issue or allow to remain outstanding any guarantee in respect of any liability or obligation owed to any person;
- declare or pay any dividend or other payment or distribution of any kind on or in respect of any of its shares; and
- make acquisitions of companies, businesses or undertakings.

In addition to the undertakings listed above, the Senior Facilities Agreement contains a number of other customary positive and negative undertakings.

Financial covenants

On December 10, 2014, Gestamp Automoción Group agreed with the syndicate banks participating in the Senior Facilities Agreement an amendment to the financial covenants, so at the closing of 2014, these covenants require the Group to ensure that:

- the ratio of EBITDA to Financial Expenses is not lower 4.00:1.00 on each testing date; and
- the ratio of Net Financial Indebtedness to Adjusted EBITDA is not higher than 3.50:1.00 on each testing date.

Maturity

Loans drawn under Facility A were required to be repaid in semi-annual instalments, starting from the date that was 12 months after the date of the Senior Facilities Agreement, in accordance with an amortization schedule set out in the Senior Facilities Agreement. On April 17, 2015 Gestamp Automoción Group agreed with the syndicate banks participating in the Senior Facilities Agreement an amendment to the Senior Facilities Agreement which, among other things, modified the installment payment schedule and extended the date of the final repayment installment to March 11, 2020. Each loan under the Revolving Credit Facility is required to be repaid on the last day of each interest period, provided however that Revolving Credit Facility loans may be redrawn subject to the terms and conditions set out in the Senior Facilities Agreement. All outstanding loans under the Revolving Credit Facility and any outstanding letters of credit are required to be repaid in full on March 11, 2020 as per the terms of the aforementioned amendment to the Senior Facilities Agreement.

Prepayments

Subject to certain conditions, Gestamp Automoción or the other borrowers under the Senior Facilities Agreement may voluntarily cancel any available commitments under, or voluntarily prepay any outstanding utilizations of, the Senior Facilities by giving 3 business days' prior notice to the Agent. Any Facility A loans that are prepaid may not be reborrowed and the relevant commitments will be cancelled. Any Revolving Credit

Facility utilizations that are prepaid may (subject to the terms of the Senior Facilities Agreement) be reborrowed.

Subject to certain exceptions and/or thresholds, mandatory prepayments of amounts outstanding under the Senior Facilities are required to be made upon the disposal of certain categories of assets, recovery of insurance claim proceeds or a flotation (which does not cause a change of control of Gestamp Automoción).

A change of control of Gestamp Automoción will trigger a 30 day consultation period with the lenders under the Senior Facilities Agreement. At the end of such consultation period, each lender who does not wish to continue being a lender under the Senior Facilities Agreement may request prepayment of all amounts owed to it. Any lender who makes such a request must be prepaid within five business days and all of such lender's commitments will be cancelled. The Senior Facilities will be automatically cancelled and be immediately repayable upon a sale of all or substantially all of the assets of the Group to a third party.

"change of control" for these purposes means Grupo Acek Desarrollo, Arcelor Mittal Group and their respective affiliates ceasing to directly or indirectly (a) have the power to (i) cast, or control the casting of, at least 50.01% of the votes that may be cast in a general meeting of Gestamp Automoción; (ii) appoint or remove all, or the majority of the directors or equivalent officers of Gestamp Automoción; or (iii) give directions with respect to the operating and financial policies of Gestamp Automoción with which the directors or equivalent officers are obliged to comply; or (b) hold beneficially at least 50.01% of the issued share capital of Gestamp Automoción with voting rights.

Events of default

The Senior Facilities Agreement contains events of default customary for financings of this nature (with customary and agreed thresholds and carve-outs), the occurrence of any of which will allow the lenders under the Senior Facilities Agreement to cancel available commitments under the Senior Facilities, declare all amounts owed under the Senior Facilities Agreement to be due upon demand and/or demand immediate repayment of all amounts owed under the Senior Facilities Agreement.

Intercreditor Agreement

Gestamp Automoción, Gestamp Funding, the Subsidiary Guarantors, the Trustee, the Agent, the Security Agent, the lenders under the Senior Facilities Agreement and certain other parties have entered into the Intercreditor Agreement to establish the relative rights of certain of the Group's creditors including creditors under the Senior Facilities Agreement, the Indenture, the Designated Existing Indebtedness and any Additional Senior Financings.

The Intercreditor Agreement sets out:

- the ranking of the indebtedness under the Senior Facilities Agreement, the notes, the Designated Existing Indebtedness and any Additional Senior Financing (together the "Senior Secured Debt" and the creditors to whom the Senior Secured Debt is owed being the "Senior Secured Creditors");

- the ranking of the security created pursuant to the Transaction Security;

- the procedure for enforcement of the Transaction Security and any guarantee granted in favour of the Senior Secured Creditors and the allocation of proceeds resulting from such enforcement;

- the types of disposals permitted under distressed and non-distressed scenarios and the Security Agent's authority to release the Transaction Security and guarantees granted in favour of the Senior Secured Creditors in case of a distressed and non-distressed disposal;

- the terms pursuant to which intra-Group debt and certain debt owed to Acek Desarrollo and other equity investors ("Equity Investor Liabilities") will be subordinated; and

- turnover provisions.

The following description is a summary of certain provisions contained in the Intercreditor Agreement. It does not restate the Intercreditor Agreement in its entirety.

Priority of debts

The Intercreditor Agreement provides that all liabilities owed under the Senior Facilities Agreement, the notes, the Designated Existing Indebtedness and the Additional Senior Financing (including in each case, any liabilities owed pursuant to any guarantees given in respect of such debt) will rank *pari passu* and without any preference between them and in priority to any intra-Group debt and Equity Investor Liabilities.

Ranking of security

The Intercreditor Agreement provides that the Transaction Security shall rank and secure the Senior Secured Debt as follows:

(a) first, security created pursuant to the Senior Facilities and Senior Secured Notes Share Pledges which security shall secure indebtedness under the Senior Facilities Agreement and indebtedness in respect of the notes *pari passu* and without any preference between them;

(b) second, security created pursuant to the Existing Creditor Share Pledges which security shall secure the Designated Existing Indebtedness *pari passu* and without any preference between the different facilities; and

(c) thereafter, security created pursuant to the Future Creditor Share Pledges and any security created pursuant to share pledges granted in favour of lenders of ancillary facilities entered into under the Senior Facilities Agreement after the date of the Initial Share Pledges (each such facility a “Subsequent Ancillary Facility”) in the order of priority in which they are entered into in respect of indebtedness under any Additional Senior Financing and Subsequent Ancillary Facility.

Notwithstanding the order of ranking set out above, the date of execution or order the Transaction Security documents are entered into, or the ranking under applicable law, it is agreed that the Transaction Security shall rank and secure the Senior Secured Debt *pari passu* without preference between the different categories of Senior Secured Debt.

Enforcement and application of proceeds

The Intercreditor Agreement sets forth procedures for enforcement of the Transaction Security. Subject to the Transaction Security having become enforceable, Senior Secured Creditors whose Senior Credit Participations aggregate more than 50% of the total Senior Credit Participations (the “Instructing Group”) are entitled to direct the Security Agent to enforce or refrain from enforcing the Transaction Security, as they see fit. The Security Agent may refrain from enforcing the Transaction Security unless otherwise instructed by Instructing Group. For these purposes, “Senior Credit Participations” means at any time in relation to a Senior Secured Creditor, the aggregate amount owed to such Senior Secured Creditor.

The proceeds of enforcement of the Transaction Security or any guarantees granted in respect of the Senior Secured Debt and all other amounts paid to the Security Agent under the Intercreditor Agreement shall be applied in the following order:

- first, in payment on a *pari passu* and *pro rata* basis any sums (including fees, costs, expenses and liabilities) owing to (i) the Security Agent or any receiver, delegate, attorney or agent appointed under the Transaction Security documents or the Intercreditor Agreement; (ii) the Agent or any creditor representative in its capacity as such (but not bilateral lenders) in respect of any Additional Senior Financing; and (iii) the Trustee;

- second, on a *pari passu* and *pro rata* basis to the (i) Agent on its own behalf and on behalf of the creditors under the Senior Facilities Agreement; (ii) the Trustee on its own behalf and on behalf of the noteholders; (iii) each creditor in respect of the Designated Existing Indebtedness; and (iv) any creditor representative in respect of an Additional Senior Financing on its own behalf and on behalf of the creditors under such Additional Senior Financing, for application towards the discharge of amounts owed under the Senior Facilities Agreement (in accordance with the terms thereof), the notes (in accordance with the Indenture), the Designated Existing Indebtedness (on a *pro rata* basis) and any Additional Senior Financing (on a *pro rata* basis);

- third, if none of the debtors is under any further actual or contingent liability under any of the Senior Secured Debt documents, in payment to any person the Security Agent is obliged to pay in priority to any debtor; and

- fourth, in payment or distribution to the relevant debtors.

Distressed and non-distressed disposals

The Security Agent is authorised (without the requirement to obtain any further consent or authorisation from any Senior Secured Creditor) to release from the Transaction Security any asset that is the subject of a disposal permitted by the Senior Secured Debt documents and the Transaction Security documents and which is not a Distressed Disposal. A Distressed Disposal means a disposal effected (i) by way of enforcement of the Transaction Security; (ii) at the request of the Instructing Group in circumstances where the Transaction Security has become enforceable; or (iii) by a debtor to a third party (not being a member of the Group) after any of the Senior Secured Debt has been accelerated.

If to the extent permitted by applicable law a Distressed Disposal is being effected or the shares of the Share Security Subsidiaries are being appropriated by the Security Agent, the Security Agent is authorised (without the requirement to obtain any further consent or authorisation from any Senior Secured Creditor or other relevant party): (i) to release the Transaction Security or any other claim over any asset subject to the Distressed Disposal or appropriation; and (ii) if the asset subject to the Distressed Disposal or appropriation is the shares of a Group company, to release such Group Company and/or its subsidiaries from any liabilities under borrowings and/or guarantees under the Senior Secured Debt documents, Intra-Group debt documents or documents evidencing Equity Investor Liabilities.

Intra-Group debt

Pursuant to the Intercreditor Agreement, Gestamp Automoción and its subsidiaries party thereto that are creditors in respect of intra-Group debt have agreed to subordinate intra-Group debt to the Senior Secured Debt.

Neither Gestamp Automoción nor any of its subsidiaries that are creditors in respect of Intra-Group debt may accept the benefit of any security, guarantee, indemnity or other assurance against loss in respect of intra-Group debt unless such action is permitted under the Senior Secured Debt documents. Neither Gestamp Automoción nor any other subsidiary may make any payment, prepayment, repayment or otherwise acquire or discharge any intra-Group debt if acceleration action has been taken in respect of any of the Senior Secured Debt unless the Instructing Group consent or such action is undertaken to facilitate repayment or prepayment of the Senior Secured Debt.

Equity Investor Liabilities

Pursuant to the Intercreditor Agreement, Acek Desarrollo and future equity investors party thereto have agreed to subordinate the Equity Investor Liabilities to the Senior Secured Debt. Gestamp Automoción and other debtors may make payments in respect of the Equity Investor Liabilities provided that such payments are permitted under the terms of the Senior Secured Debt documents and the documents evidencing the Equity Investor Liabilities. No equity investor may accept the benefit of any security, guarantee, indemnity or other assurance against loss in respect of Equity Investor Liabilities prior to the first date on which all of the Senior Secured Debt has been discharged.

Turnover

If any creditor party to the Intercreditor Agreement (including the Agent, Security Agent, Trustee, Senior Secured Creditors, creditors in respect of intra-Group debt and creditors in respect of Equity Investor Liabilities) receives or recovers a payment (whether by way of direct payment, set-off or otherwise) except as permitted pursuant to the terms of the Intercreditor Agreement, such creditor shall hold such payment in trust for the Security Agent and promptly pay over such amounts to the Security Agent for application in accordance with the provision described above under "Enforcement and application of proceeds".

Other Debt Facilities

The following is a brief description of certain of our other significant interest bearing loans and borrowings ("Other Debt Facilities").

Banc of America loan

On March 21, 2012 we entered into a €60.0 million facility agreement with Banc of America Securities Limited as arranger and as initial lender ("Banc of America loan"). The purpose of the Banc of America loan is financing general corporate purposes. This facility has a scheduled termination date of March 21, 2017. The lenders thereunder may, at their option, terminate this facility early, from March 21, 2015.

IKB loans

The four IKB loans ("IKB loans") refer to (i) the following two facility agreements, each dated June 29, 2011 and in respect of each of which, on June 30, 2011, Gestamp Automoción, S.A. gave a guarantee, and each of which terminate on June 30, 2021 (a) the €12.5 million loan agreement between, among others, Gestamp Griwe Westerburg GmbH (formerly named: GRIWE Innovative Umformtechnik GmbH) (with Gestamp Griwe Haynrode GmbH (formerly named: GRIWE System Produktions-GmbH) as well as Gestamp Griwe Hot Stamping GmbH (formerly named: GRIWE Werkzeug Produktions GmbH) as co-debtors) and IKB Deutsche Industriebank AG, (b) the €9.2 million loan agreement between, among others, Gestamp Griwe Hot Stamping GmbH (formerly named: GRIWE Werkzeug Produktions GmbH) (and Gestamp Griwe Haynrode GmbH (formerly named: GRIWE System Produktions-GmbH) as well as Gestamp Griwe Westerburg GmbH (formerly named: GRIWE Innovative Umformtechnik GmbH) as co-debtors) and IKB Deutsche Industriebank AG, (ii) the €7.5 million loan agreement between, among others, Gestamp Griwe Hot Stamping GmbH (formerly named: GRIWE Werkzeug Produktions GmbH) (and Gestamp Griwe Haynrode GmbH (formerly named: GRIWE System Produktions-GmbH) as well as Gestamp Griwe Westerburg GmbH (formerly named: GRIWE Innovative Umformtechnik GmbH) as co-debtors) and IKB Deutsche Industriebank AG, (iii) the up to €25 million loan agreement entered into between, among others, GMF Holding GmbH (and Gestamp Umformtechnik GmbH (formerly named: GMF Umformtechnik GmbH) as co-debtor) and IKB Deutsche Industriebank AG dated on July 16, 2012 maturing on September 30, 2020.

The 2007 loan is secured by among other things pledges of certain real estate assets of the borrowers. Under all loans, IKB has certain rights to be granted (additional) security (under certain circumstances) in particular by way of positive pledges (in the case of the 2011 loan) and/or negative pledges (in the case of the 2007 and 2012 loans). In addition, the 2011 loans contain cross default clauses. The three loans of 2012 and 2011 are subject to certain restrictive covenants such as restrictions on payments of dividends above 50% of distributable profits. The loan of 2012 contains furthermore restrictions such as on the sale, pledge or other disposal of shares held by the borrowers in companies held by them. The loan of 2007 contains certain financial covenants (i.e. equity capital rates and debt/equity ratio to be met). All loans contain certain termination rights.

GLOSSARY OF TECHNICAL TERMS

Unless otherwise defined in this Annual Report, the following industry terms and abbreviations when used in this Annual Report have the meaning ascribed to them below.

Abbreviation	Definitions
“Body-in-White”	Component parts and assemblies, such as hoods, roofs, doors, fenders and other high quality and high efficiency or “Class A” surfaces and assemblies.
“Cataphoretic painting”	A fully automated process of painting by immersion, which is based on the movement of charged particles in an electric field (paint) towards an oppositely charged pole (metallic surface to be painted). The main objective of the coating process is to protect the surfaces from corrosion, and its properties make it the ideal treatment for this purpose
“Chassis”	The internal framework of an automotive vehicle used in automobile manufacturing.
“Class A surfaces”	Freeform surfaces of high efficiency and quality with G2 (or even G3) curvature continuity to one another.
“Crash box”	Automotive vehicle part for crash energy absorption.
“Die”	Equipment used in the stamping and forming processes to cut or form raw material into a required shape using a press.
“EMAS”	European Union Eco-Management and Audit Scheme.
“EPA”	Environmental Protection Agency in the United States.
“EuroNCAP”	European New Car Assessment Program, established in 1997 and composed of seven European governments and motoring and consumer organizations to encourage safety improvements to new car design.
“GHG”	Greenhouse Gas.
“IIHS”	Insurance Institute for Highway Safety in the United States an independent, nonprofit scientific and educational organization established to reduce the losses from crashes on the roads.
“Mechanisms”	The moving parts and systems used in an automotive vehicle.
“MPa”	Megapascal, a measure of force per unit area.
“NEDC”	New European Driving Cycle, a test procedure for vehicle efficiency that consists of different drive cycles simulating city and highway conditions and serves as a uniform standard for measuring carbon dioxide emissions
“NVH”	Noise, vibration and harshness.

“OEMs”	Original equipment manufacturers, a manufacturer of products that are used as components in another company’s product.
“TMP”	Tailored Material Property, a specific press hardening process, which can be used to produce different strength levels for monolithic parts.
“TWB”	Tailored welded blank sheets made from individual steel sheets of different thickness, strength and coating which are joined together by laser welding.

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

Consolidated Financial Statements and Group Management Report for the year ended December 31, 2014

Translation of a report and consolidated financial statements originally issued in Spanish.
In the event of discrepancy, the Spanish-language version prevails

INDEPENDENT AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of GESTAMP AUTOMOCIÓN, S.A.:

Report on the consolidated financial statements.
We have audited the accompanying consolidated financial statements of GESTAMP AUTOMOCIÓN, S.A. (the parent company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position at December 31, 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto for the year then ended.

Directors' responsibility for the consolidated financial statements.
The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the consolidated equity and consolidated financial position and the consolidated results of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries, in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on the accompanying consolidated financial statements based on our audit. We conducted our audit in accordance with prevailing audit regulations in Spain. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of consolidated financial statements by the directors of the parent company in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries at December 31, 2014 and its consolidated results and consolidated cash flow for the year then ended, in accordance with IFRS, as adopted by the EU, and other provisions in the regulatory framework for financial information applicable in Spain.

Report on other legal and regulatory requirements
The accompanying consolidated 2014 management report contains such explanations as the directors of the parent company consider appropriate concerning the situation of the Group, the evolution of its business and other matters; however, it is not an integral part of the consolidated financial statements. We have checked that the accounting information included in the aforementioned consolidated management report agrees with the 2014 consolidated financial statements. Our work as auditors is limited to verifying the consolidated management report in accordance with the scope mentioned in this paragraph, and does not include the review of information other than that obtained from the accounting records of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries.

ERNST & YOUNG, S.L.

____
(Signed in the original)
José Juan de Frutos Martín

April 10, 2015

GESTAMP AUTOMOCIÓN AND SUBSIDIARIES

CONTENTS

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

AT DECEMBER 31, 2014, DECEMBER 31, 2013 AND JANUARY 1, 2013

(In thousands of euros)

ASSETS	Note	December 31, 2014	Restated December 31, 2013*	Restated January 1, 2013*
Non-current assets				
Intangible assets	8	311,591	275,959	205,757
Goodwill		114,384	116,018	125,805
Other intangible assets		197,207	159,941	79,952
Property, plant, and equipment	9	2,661,789	2,553,782	2,478,073
Land and buildings		962,088	847,540	860,429
Plant and other PP&E		1,448,898	1,222,631	1,190,252
PP&E under construction and prepayments		250,803	483,611	427,392
Financial assets	10	76,785	114,831	85,872
Investments in associates accounted for using the equity method		9,455	11,302	39,708
Loans and receivables		43,556	22,850	19,108
Derivatives in effective hedges		5,863	63,756	21,771
Other non-current financial assets		17,911	16,923	5,285
Deferred tax assets	21	248,340	200,470	174,775
Total non-current assets		**3,298,505**	**3,145,042**	**2,944,477**
Current assets				
Assets held for sale	26	-	27,381	-
Inventories	11	573,031	526,996	513,894
Raw materials and other consumables		258,238	227,312	237,512
Work in progress		149,071	126,487	116,207
Finished products and by-products		116,966	110,578	106,206
Prepayments to suppliers		48,756	62,619	53,969
Trade and other receivables	12	1,057,453	1,127,770	1,014,591
Trade receivables		852,106	920,792	834,372
Other receivables		26,749	22,339	32,253
Current income tax assets		32,143	39,410	37,280
Receivables from public authorities		146,455	145,229	110,686
Other current assets	12	18,343	11,767	8,922
Financial assets	10	75,877	57,587	46,778
Loans and receivables		18,319	16,017	16,118
Securities portfolio		-	-	19,431
Other current financial assets		57,558	41,570	11,229
Cash and cash equivalents	12	483,934	520,417	259,816
Total current assets		**2,208,638**	**2,271,918**	**1,844,001**
Total assets		**5,507,143**	**5,416,960**	**4,788,478**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

AT DECEMBER 31, 2014, DECEMBER 31, 2013 AND JANUARY 1,2013

(In thousands of euros)

EQUITY AND LIABILITIES	Note	December 31, 2014	Restated December 31, 2013*	Restated January 1, 2013*
EQUITY				
Capital and reserves attributable to equity holders of the parent				
Issued capital	13	288,237	288,237	288,237
Share premium	13	61,591	61,591	61,591
Retained earnings	14	1,087,326	1,019,461	945,355
Translation differences	15	(139,740)	(129,895)	(40,496)
Equity attributable to equity holders of the parent		**1,297,414**	**1,239,394**	**1,254,687**
Equity attributable to non-controlling interest	16	**418,825**	**425,450**	**344,537**
Total equity		**1,716,239**	**1,664,844**	**1,599,224**
Liabilities				
Non-current liabilities				
Deferred income	17	31,280	31,283	29,623
Provisions	18-19	131,226	135,020	168,054
Non trade liabilities	20	1,725,325	1,785,866	1,156,527
Interest-bearing loans and borrowings		1,482,300	1,479,024	927,001
Derivative financial instruments		47,404	96,960	60,546
Other non-current financial liabilities		195,621	209,882	168,980
Deferred tax liabilities	21	235,095	178,910	176,618
Other non-current liabilities		17	462	1,223
Total non-current liabilities		**2,122,943**	**2,131,541**	**1,532,045**
Current liabilities				
Non trade liabilities	20	454,465	512,092	696,505
Interest-bearing loans and borrowings		282,480	267,618	457,500
Other current financial liabilities		171,985	244,474	239,005
Trade and other payables	22	1,191,765	1,092,362	938,391
Trade accounts payable		945,612	836,936	737,652
Current tax liabilities		14,560	9,860	18,986
Other accounts payable		231,593	245,566	181,753
Provisions	18-19	19,091	13,648	15,641
Other current liabilities		2,640	2,473	6,672
Total current liabilities		**1,667,961**	**1,620,575**	**1,657,209**
Total liabilities		**3,790,904**	**3,752,116**	**3,189,254**
Total equity and liabilities		**5,507,143**	**5,416,960**	**4,788,478**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT
AT DECEMBER 31, 2014 AND DECEMBER 31, 2013
(In thousands of euros)

	Note	December 31, 2014	Restated December 31, 2013*
CONTINUING OPERATIONS			
OPERATING INCOME	23	6,411,331	6,001,270
Revenue		6,255,804	5,853,274
Other operating income		126,555	133,343
Changes in inventories	11	28,972	14,653
OPERATING EXPENSE	24	(6,073,861)	(5,699,271)
Raw materials and other consumables		(3,885,772)	(3,582,697)
Personnel expenses		(1,124,934)	(1,068,330)
Depreciation, amortization, and impairment losses		(318,995)	(306,651)
Other operating expenses		(744,160)	(741,593)
OPERATING PROFIT		**337,470**	**301,999**
Financial income	25	9,597	18,498
Financial expenses	25	(138,608)	(138,888)
Exchange gains (losses)		(7,575)	(31,634)
Share of profits from associates - equity method	10	(3,164)	(2,280)
Change in fair value of financial instruments		(7,047)	(130)
Impairment of and gains (losses) on sale of financial instruments		-	(12,310)
PROFIT BEFORE TAXES FROM CONTINUING OPERATIONS		**190,673**	**135,255**
Income tax expense	27	(60,290)	(29,601)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**130,383**	**105,654**
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations net of taxes	26	(1,573)	-
PROFIT FOR THE YEAR		**128,810**	**105,654**
Profit (loss) attributable to non-controlling interest	16	(3,108)	8,333
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**125,702**	**113,987**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AT DECEMBER 31, 2014 AND DECEMBER 31, 2013
(In thousands of euros)

	December 31, 2014	**Restated December 31, 2013***
PROFIT FOR THE YEAR	128,810	105,654
OTHER COMPREHENSIVE INCOME		
Other comprehensive income not to be reclassied to income in next years:		
Actuarial gains and losses	(12,939)	2,492
Other comprehensive income to be reclassied to income in next years:		
From cash flow hedges	(7,006)	(6,370)
Translation differences	(5,042)	(129,029)
TOTAL COMPREHENSIVE INCOME NET OF TAXES	**103,823**	**(27,253)**
Attributable to:		
- Parent company	95,912	20,710
- Non-controlling interest	7,911	(47,963)
	103,823	**(27,253)**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT DECEMBER 31, 2014 AND DECEMBER 31, 2013

(In thousand of euros)

	Issued capital (Note 13)	Share premium (Note 13)	Retained earnings (Note 14)	Translation differences (Note 15)	Total capital and reserves	Non-controlling interest (Note 16)	Total equity
AT JANUARY 1, 2013	**288,237**	**61,591**	**941,958**	**(40,705)**	**1,251,081**	**299,101**	**1,550,182**
Changes in accounting policies (Note 4.5)			3,397	209	3,606	45,436	49,042
AT JANUARY 1, 2013 Restated*	**288,237**	**61,591**	**945,355**	**(40,496)**	**1,254,687**	**344,537**	**1,599,224**
Profit for 2013			113,987		113,987	(8,333)	105,654
Fair value adjustments reserve (hedge)			(6,370)		(6,370)		(6,370)
Variation in translation differences				(89,399)	(89,399)	(39,630)	(129,029)
Actuarial gains and losses			2,492		2,492		2,492
Total comprehensive income for 2013			**110,109**	**(89,399)**	**20,710**	**(47,963)**	**(27,253)**
Dividends distributed by the Company			(51,029)		(51,029)		(51,029)
Dividends distributed by subsidiaries						(4,734)	(4,734)
Capital increase in Todlem, S.L.						2,822	2,822
Incorporation of companies (Edscha Aapico Automotive Co. Ltd.;Shanghai Edscha Machinery Co Ltd; Mursolar 21, S.L.)						42,259	42,259
Sale of subsidiaries (Araluce, S.A.)						3,290	3,290
Exit of non-controlling interest Gestamp Metal Forming Subgroup (Liberty)			(2,446)		(2,446)	(101,554)	(104,000)
Entry of non-controlling interest MITSUI and exit of non-controlling interest COFIDES (Note 2.a)			16,182		16,182	187,678	203,860
Transfers from retained earnings to non-controlling interest due to the change of shareholding in companies and others			1,590		1,590	(1,590)	-
Capital share increase due to the purchase of non-controlling interest (Autotech Engineering, AIE and Griwe Subgroup)						(5,609)	(5,609)
Other movements and adjustments from prior years			(300)		(300)	6,314	6,014
AT DECEMBER 31, 2013 Restated*	**288,237**	**61,591**	**1,019,461**	**(129,895)**	**1,239,394**	**425,450**	**1,664,844**
Profit for 2014			125,702		125,702	3,108	128,810
Fair value adjustments reserve (hedge)			(7,006)		(7,006)		(7,006)
Variation in translation differences				(9,845)	(9,845)	4,803	(5,042)
Actuarial gains and losses			(12,939)		(12,939)		(12,939)
Total comprehensive income for 2014			**105,757**	**(9,845)**	**95,912**	**7,911**	**103,823**
Dividends distributed by the Company			(33,922)		(33,922)		(33,922)
Dividends distributed by subsidiaries						(7,590)	(7,590)
Merge of subisidiaries including companies not previosly in consolidation scope			46		46		46
Capital increase in Todlem, S.L.						1,722	1,722
Increase in shareholding in companies previously under control			(4,603)		(4,603)	(8,439)	(13,042)
Transfers from retained earnings to non-controlling interest due to the change of shareholding in companies and others			1,439		1,439	(1,439)	-
Other movements and adjustments from prior years			(852)		(852)	1,210	358
AT DECEMBER 31, 2014	**288,237**	**61,591**	**1,087,326**	**(139,740)**	**1,297,414**	**418,825**	**1,716,239**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

AT DECEMBER 31, 2014 AND DECEMBER 31, 2013

(In thousands of euros)

	Note	December 31, 2014	Restated December 31, 2013*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before taxes and after non-controlling interest from continuing activities		**187,565**	**143,588**
Profit for the year from discontinued operations net of taxes		**(1,573)**	**-**
Profit for the year before taxes and after non-controlling interest		**185,992**	**143,588**
Adjustments to profit		**420,850**	**396,453**
Depreciation and amortization of intangible assets and PP&E	8-9	318,917	303,995
Impairment of intangible assets and PP&E	8-9	78	2,656
Impairment	11-12	(10,988)	(980)
Change in provisions	18	(9,862)	(30,453)
Grants released to income	17	(5,388)	(5,155)
Profit (loss) attributable to non-controlling interest	16	3,108	(8,333)
Profit from disposal of intangible assets and PP&E		1,379	(364)
Profit from disposal of financial instruments		-	12,310
Financial income	25	(9,597)	(18,498)
Financial expenses	25	138,608	138,888
Share of profits from associates - equity method	10	3,164	2,280
Exchange rate differences		(12,054)	(23)
Other income and expenses		3,485	130
Changes in working capital		**151,833**	**32,092**
(Increase)/Decrease in Inventories		(38,816)	(19,203)
(Increase)/Decrease in Trade and other receivables		84,503	(125,258)
(Increase)/Decrease in Other current assets		(6,576)	(2,863)
Increase/(Decrease) in Trade and other payables		120,195	183,615
Increase/(Decrease) in Other current liabilities		(7,473)	(4,199)
Other cash-flows from operating activities		**(193,198)**	**(205,049)**
Interest paid		(139,820)	(157,094)
Interest received		7,224	20,144
Proceeds (payments) of income tax		(60,602)	(68,099)
Cash flows from operating activities		**565,477**	**367,084**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments on investments		**(548,424)**	**(715,489)**
Group companies and associates		(28,811)	(11,802)
Intangible assets	8-20	(70,008)	(101,928)
Property, plant and equipment	9-20	(382,033)	(571,670)
Other financial assets		(67,572)	(30,089)
Proceeds from divestments		**100,823**	**59,014**
Group companies and associates		10,403	7,351
Intangible assets	8	1,086	25
Property, plant and equipment	9	12,481	43,154
Other financial assets		48,440	8,484
Assets held for sale		28,413	-
Cash flows from investing activities		**(447,601)**	**(656,475)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds and payments on equity instruments		**(6,535)**	**171,024**
Change in non-controlling interest	16	(11,320)	165,320
Grants, donations and legacies received	17	4,990	6,928
Translation differences in equity		(205)	(1,224)
Proceeds and payments on financial liabilities		**(130,869)**	**462,727**
Issue		131,676	1,698,123
Bonds and other securitites to trade		-	756,517
Interest-bearing loans and borrowings		100,083	809,105
Borrowings from Group companies and associates		21,803	111,253
Other borrowings		9,790	21,248
Repayment of		(262,545)	(1,235,396)
Interest-bearing loans and borrowings		(116,518)	(1,178,969)
Borrowings from Group companies and associates		(131,170)	(40,001)
Other borrowings		(14,857)	(16,426)
Payments on dividends and other equity instruments		**(41,512)**	**(55,763)**
Dividends	14-16	(41,512)	(55,763)
Cash flows from financing activities		**(178,916)**	**577,988**
Effect of changes in exchange rates		**24,557**	**(27,996)**
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS		**(36,483)**	**260,601**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2014

1. Activity and companies included in consolidation scope

GESTAMP AUTOMOCIÓN, S.A., (hereinafter, the "Company") was incorporated on December 22, 1997. Its registered address is currently in the Industrial Park of Lebario in Abadiano (Vizcaya).

Its corporate purpose is to provide advisory and financing services and a link with the automobile industry for all its subsidiaries.

On August 2, 2012 the Company registered the change of its legal name, from limited company to corporation, in the Commercial Register of Vizcaya.

The Company in turn belongs to a larger group, headed by its majority shareholder Acek, Desarrollo y Gestión Industrial, S.L. (formerly named Corporación Gestamp, S.L. The change of legal name was adopted in the Extraordinary and Universal General Shareholders' Meeting on February 5, 2015, being executed in a public deed on the same day). The Company carries out commercial and financial transactions with the companies of Grupo Acek, Desarrollo y Gestión Industrial under the terms and conditions established among the parties on an arm's length basis. Intra-Group transfer prices are duly documented as stipulated by the prevailing legislation.

The activities of the Company and its subsidiaries (the "Group") are focused on the design, development, and manufacturing of metal components for the automotive Industry via: stamping, tooling, assembly, welding, tailor welded blanks, and die cutting. The Group also includes other companies dedicated to services such as research and development of new technologies.

Most of the Group's business is conducted in the European Union; the Americas constitute the second most significant geographic market and Asia the third one (Note 23).

Group sales are concentrated across a limited number of customers due to the nature of the automotive Industry.

In 2014 the Group has adopted IFRS 10 and 11. The application of both IFRS is retrospective, as the standards require, and the comparative information of the previous year (2013) has been restated in the Consolidated Financial Statements. The impact of the application of these standards in 2013 is detailed in note 4.5.

2. Changes in consolidation scope and business combinations

(ii) 2.a Changes in consolidation scope

During 2014

In 2014, the companies GGM Puebla, S.A. de C.V y GGM Puebla de Servicios Laborales, S.A. de C.V., were incorporated into the Group consolidation scope. Both companies are consolidated by the full consolidation method into Gestión Global de Matricería, S.L. Subgroup, which is included into the Group Consolidation scope by the equity method.

On April 11, 2014 the company Sungwoo Gestamp Hitech Chennai Ltd was sold by the group company Gestamp Toledo S.A. In addition, the Griwe Subgroup has sold their investees Gestamp Sungwoo Hitech (Chennai) private Ltd and GS Hot Stamping Co. Ltd. The sold companies were being consolidated under equity method. The result of the operation is 526 thousand euros of losses, registered under the heading discontinued operations (note 26).

On April 11, 2014 the group company Gestamp Solblank Barcelona S.A. acquired 50% shareholding of the company Gestamp Automotive Chennai Private, Ltd., reaching a 100% of capital shareholding having already control before the capital increase. This increase in shareholding has led to a decrease in Reserves at fully consolidated entities, registered under the heading retained earnings amounting to 1,553 thousand euros.

On February 17, 2014, with effective date January 1, 2014, the company Edscha Holding GmbH, belonging to Edscha Subgroup, acquired 30% shareholding of Anhui Edscha Automotive Parts Co Ltd, company also belonging to Edscha Subgroup over which they already had 70% shareholding and had control. This increase in shareholding has led to a decrease in Reserves at fully consolidated entities, registered under the heading retained earnings amounting to 1,780 thousand euros.

Additionaly, in 2013 the Group acquiered 5% shareholding of Griwe Subgroup. The cost price has increased in the year 2014 due to the tax settlement arising in the acquisition amounting to 1,270 thousand of euros.

The total decrease in Retained earnings due to the increase in shareholding in Gestamp Automotive Chennai Private, Ltd.; Anhui Edscha Automotive Parts Co Ltd and the purchase price adjustment amounted to 4,603 thousand euros (note 14).

On February 7, 2014 the companies Gestamp Ingeniería Europa Sur S.L., Ocon Automated Systems S.L.U. and Ocon Industrielle Konzepte S.L.U. have merged, being Gestamp Ingeniería Europa Sur S.L. the absorbing company. Ocon Industrielle Konzepte S.L.U. was not included in consolidation scope since considered no significant, so the merge has led to an increase in Reserves at fully consolidated entities for 46 thousand euros (note 14).

On February 7, 2014 the company MB Pamplona S.A.U. was dissolved.

As mentioned under the heading changes in the consolidation during 2013, on December 18, 2013 Mursolar 21, S.L. acquired shareholding in subsidiaries Gestamp Autocomponents (Shenyang) Co. Ltd. and Gestamp Autocomponents (Dongguan) Co. Ltd. to other Group companies. This agreement is subject to approval from Chinese competence authorities.

In 2014, the requirements for the completion of the sale are fulfilled, therefore Mursolar, 21, S.L. has direct shareholding in both companies, recongnizing COFIDES, S.A. as an indirect non-controlling interest of the said entity.

On September 26, 2014 the company Sofedit España, S.A.U. has merged, being Gestamp Palencia, S.A., the absorbing company.

In 2014, the company Gestamp Sungwoo Stamping&Assemblies Private, Ltd changed the legal name into Gestamp Automotive Chennai Private, Ltd.

The contribution to Consolidated Balance Sheet and Income Statement from the new companies included in the consolidation scope in 2014 mentioned above is not significant.

<u>During 2013</u>

<u>Addition of non-controlling shareholder Mitsui & Co., Ltd. and exit of COFIDES, S.A.</u>

On June 28, 2013 the new non-controlling shareholder Mitsui & Co., Ltd. has directly or indirectly acquired 30% share of Brazilian, Mexican, Argentinian and North American subsidiaries. Previously, Gestamp Automoción Group acquired 35% share of Mexican subsidiaries to COFIDES, S.A., former non-controlling shareholder, according to agreement with Mitsui & Co. by which Gestamp Automoción Group must own 100% shareholding of subsidiaries where Mitsui & Co. will become non-controlling shareholder.

These changes in the consolidation scope could be summarized in the following steps:

1. On June 13, 2013 the subsidiary Gestamp Servicios, S.A. acquired 35% shareholding of the Mexican subsidiary Gestamp Cartera de México, S.A. de C.V. to COFIDES, S.A. The selling price was 67,500 thousand euros, fully paid on the spot.

2. On June 28, 2013 the subsidiary Gestamp 2016, S.L., not included in consolidation scope until now since considered not significant, carried out a capital increase of 83,997 thousand euros subscribed by the Company and some subsidiaries who contributed their shareholding in Argentinian subsidiaries.

   On the same date it was agreed to increase capital of Gestamp 2016, S.L. for 36,000 thousand euros, fully subscribed by Mitsui & Co., Ltd. and paid in cash, by so acquiring 30% shareholding. It was also agreed to change the legal name to Gestamp Holding Argentina, S.L.

3. On June 28, 2013 the subsidiary Gestamp 2015, S.L., not included in consolidation scope until now since considered not significant, carried out a capital increase of 193,664 thousand euros subscribed by some subsidiaries who contributed all their shareholding in Gestamp Cartera de México, S.A. de C.V.

   On the same date it was agreed to increase capital of Gestamp 2015, S.L. for 83,000 thousand euros, fully subscribed by Mitsui & Co., Ltd. and paid in cash, by so acquiring 30% shareholding. It was also agreed to change the legal name to Gestamp Holding México, S.L.

4. On June 28, 2013 the subsidiary Gestamp North America, Inc. carried out a capital increase with share premium of 205,016 thousand dollars, from which 205,015 thousand dollars corresponded to share premium. It was fully subscribed by the subsidiary Gestamp Aveiro, S.A and paid in cash.

   Next, the subsidiary Gestamp Alabama, LLc. carried out a capital increase of 205,016 thousand dollars fully subscribed by Gestamp North America, Inc. and paid in cash. Gestamp Alabama, LLc. assigned this payment received to partial cancellation of the loan received from Gestamp Aveiro, S.A.

   On the same date Gestamp North America, Inc. carried out a second capital increase with share premium of 111,137 thousand dollars, from which 111,137 thousand dollars corresponded to share premium and was fully subscribed by Mitsui & Co., Ltd. and paid in cash, by so acquiring 30% shareholding.

5. On June 28, 2013 the subsidiary Gestamp Brasil Industria de Autopeças, S.A. carried out a capital increase with share premium of 269,988 thousand Brazilian reais, from which 228,832

thousand reais corresponded to share premium and was fully subscribed by Mitsui & Co., Ltd. and paid in cash, by so acquiring 30% shareholding.

The exit of non-controlling shareholder COFIDES, S.A. and the addition of Mitsui & Co., Ltd. led to an increase of “Non-controlling interest” of 187,678 thousand euros at December 31, 2013 (the exit of COFIDES implied a decrease of 58,702 thousand euros and the addition of Mitsui & Co. Ltd. implied an increase of 246,380 thousand euros). In addition, the Translation differences corresponding to this operation implied a 9,201 thousand euros decrease in “Non-controlling interest”.

In addition, the exit of non-controlling shareholder COFIDES, S.A. and the addition of Mitsui & Co., Ltd. led to an increase of “Reserves at fully consolidated entities” of 16,182 thousand euros at December 31, 2013 (decrease due to the exit of COFIDES of 8,798 thousand euros; increase due to the addition of Mitsui & Co. Ltd. of 24,980 thousand euros) (Note 14).

Exit of non-controlling shareholder Liberty Hampshire Company

On September 2013 the company Gestamp Metalbages, S.A executed their purchase option to acquire 49.06% shareholding of the company GMF Holding, GmbH. to Tocqueville Capital Company B.V. (company belonging to Liberty Hampshire Company, LLc. group) for 104 million euros. This meant that Gestamp Metalbages, S.A. reached 100% shareholding in the mentioned company (Note 16).

The exit of non-controlling shareholder Liberty Hampshire Company led to a decrease of “Non-controlling interest” and “Reserves at fully consolidated entities” of 101,554 and 2,446 thousand euros respectively at December 31, 2013.

Other changes in consolidation scope

- The subsidiaries Gestamp Vigo, S.A. and Gestamp Cataforesis Vigo, S.L. have merged, being Gestamp Vigo, S.A. the absorbing company with effect since January 1, 2013.

- In 2013 the following companies have been incorporated into consolidation scope:
    - Gestamp Try Out Services, S.L.
    - Gestamp Puebla II, S.A. de C.V.
    - Autotech Engineering Deutschland, GmbH.
    - Autotech Engineering R&D Uk, Ltd.
    - Edscha Aapico Automotive, Co. Ltd.
    - Gestamp Funding Luxembourg, S.A.
    - Edscha Pha, Ltd.
    - Mursolar 21, S.L.

These companies, except Mursolar 21, S.L., have been created in 2013 and have been included in consolidation scope by full consolidation method.

The incorporated company Gestamp Funding Luxembourg, S.A. has been responsible of the bonds issue carried out by the Group in May (Note 20.a.1).

Mursolar 21, S.L. was acquired through a purchase agreement and valued at capital value. On December 18, 2013 Mursolar 21, S.L. acquired shareholding in subsidiaries Gestamp Autocomponents (Shenyang) Co. Ltd. and Gestamp Autocomponents (Dongguan) Co. Ltd. to other

Group companies. This agreement is subject to approval from Chinese competence authorities.

On December 20, 2013 Mursolar 21, S.L. carried out two capital increases where COFIDES, S.A. acquired 35% shareholding and so became non-controlling interest.

The subsidiary Edscha Holding GmbH acquired 5% shareholding of the subsidiary Shanghai Edscha Machinery Co., Ltd. with effect since January 1, 2013.

The contribution to Consolidated Balance Sheet and Income Statement from the new companies included in the consolidation scope in 2013 was 37,869 thousand euros in assets, 16,390 thousand euros in profit and 6,742 thousand euros in revenue at December 31, 2013.

- On December 23, 2013 the company Sofedit S.A.S. (company belonging to Gestamp Metal Forming Subgroup) sold 100% of their shareholding in Sofedit España S.A. to subsidiary Gestamp Palencia, S.A. As a consequence, Sofedit España S.A. exit from Gestamp Metal Forming Subgroup and entered directly in Gestamp Automoción consolidation scope.

- On December 16, 2013 the subsidiary Araluce, S.A. was sold.

- On December 9, 2013 the subsidiary ALHC, Llc. was dissolved.

In addition the following companies have changed their legal name:

Former legal name	New legal name
Estampaciones Martínez, S.A.	Gestamp Esmar, S.A.
Galvanizaciones Castellana, S.A.	Gestamp Galvanizados, S.A.
Gestamp Ingeniería Europa II, S.L.	Gestamp Ingeniería Europa Sur, S.L.
Gestamp Portugal, Lda.	Gestamp Cerveira, Lda.
MB Abrera, S.A.	Gestamp Abrera, S.A.
MB Aragón, S.A.	Gestamp Aragón, S.A.
MB Levante, S.L.	Gestamp Levante, S.L.
Metalbages, S.A.	Gestamp Metalbages, S.A.
Solblank, S.A.	Gestamp Solblank Barcelona, S.A.
Estampaciones Metálicas Vizcaya, S.A.	Gestamp Bizkaia, S.A.
Gestamp UK Limited	Gestamp Washington, UK Limited
Griwe Innovative Umformtechnik GmbH **	Gestamp Griwe Westerburg GmbH
Griwe System Produktions GmbH **	Gestamp Griwe Haynrode GmbH
Griwe Werkzeug Produktions GmbH **	Gestamp Griwe Hot Stamping GmbH
Prisma, S.A.S. *	Gestamp Prisma, S.A.S.
Tallent Automotive, Ltd. *	Gestamp Tallent Limited
Gestamp México, S.A. de C.V.	Gestamp Aguascalientes, S.A. de C.V.

* companies belonging to Gestamp Metal Forming Subgroup
** Companies belonging to Griwe Subgroup

(iii) 2.b Business combinations

There were no business combinations during the years 2014 and 2013.

3. Consolidation scope

The breakdown of companies included in the consolidation scope, as well as information on the consolidation method applied, location, activity, direct or indirect shareholdings and their auditors, is shown below:

December 31, 2014							
Company	**Address**	**Country**	**Direct shareholding**	**Indirect shareholding**	**Activity**	**Consolidation method**	**Auditors**
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio management	Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	75.00%	25.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	39.37%	60.63%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering AIE	Vizcaya	Spain	10.00%	90.00%	Research & Development and IT	Full	Ernst & Young
SCI de Tournan en Brie	Tournan	France	0.10%	99.90%	Real Estate	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailored blank welding	Full	Ernst & Young
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Argentina, S.A.	Buenos Aires	Argentina		70.00%	Portfolio management	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Administrative services	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain		60.00%	Die cutting production	Full	Ernst & Young
Gestamp Galvanizados, S.A.	Palencia	Spain	5.01%	94.99%	Component galvanazing	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	Dormant	Full	N/A
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young
Metalbages P-51, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Tavol Internacional SGPS, Lda.	Madeira	Portugal		100.00%	Dormant	Full	N/A
Griwe Subgroup	Westerburg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Labor services	Full	Ernst & Young
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico		70.00%	Portfolio management	Full	Ernst & Young
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Labor services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Portfolio management	Full	N/A
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio management	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Die cutting, tooling, and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administrative services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%	11.50%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain		100.00%	Tailored blank welding	Full	Ernst & Young
MB Aragón P21, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mör, KFT	Akai	Hungary		100.00%	Dormant	Full	N/A
Gestamp North America, INC	Michigan	USA		70.00%	Administrative services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden		100.00%	Portfolio management	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLc.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Plante & Moran, LLP/E&Y
Gestamp Alabama, LLc.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young

December 31, 2014							
Company	**Address**	**Country**	**Direct shareholding**	**Indirect shareholding**	**Activity**	**Consolidation method**	**Auditors**
Gestamp Finance Luxemburgo, S.A.	Luxembourg	Luxembourg		99.95%	Portfolio management	Full	Grant Thornton Lux Audit
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
S.G.F, S.A.	Brussels	Belgium		99.95%	Portfolio management	Full	Deloitte
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		76.00%	Engineering and mold design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		70.00%	Labor services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.
Gestamp Severstal Vsevolozhsk Llc	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		60.00%	Adjustment	Full	Ernst & Young
Gestamp Severstal Kaluga, LLc	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Sungwoo Gestamp Hitech Pune Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Chattanooga, Llc	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain	25.19%	52.34%	Portfolio management	Full	Ernst & Young
Gestamp South Carolina, Llc	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio management	Full	Ernst & Young
Edscha Subgroup (*)	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Global Tooling, S.L.	Vizcaya	Spain	60.00%		Engineering and mold design	Full	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		60.00%	Engineering and mold design	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, Llc.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Metal Forming Subgroup	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Essa Palau, S.A.	Barcelona	Spain		40.00%	Tooling and parts manufacturing	Equity method	Deloitte
Gestamp North Europe Services, S.L.	Vizcaya	Spain	99.97%	0.03%	Consultory services	Full	N/A
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		Manufacture and sale of machinery for cutting	Full	Ernst & Young
Bero Tools, S.L.	Guipúzcoa	Spain		92.00%	Portfolio management	Full	N/A
Diede Die Developments, S.L.	Vizcaya	Spain		79.84%	Die cutting production	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, Llc.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	N/A
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Denetciler Swon/KPMG
Gestamp Autocomponents (Dongguan), Co. Ltd.	Dongguan	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		60.00%	Die cutting production	Full	N/A
Gestión Global de Matricería, S.L.	Vizcaya	Spain	35.00%		Dormant	Equity method	N/A
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		35.00%	Die cutting production	Equity method (A)	IZE Auditores
IxCxT, S.A.	Vizcaya	Spain		35.00%	Die cutting production	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio management	Full	Ernst & Young
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		100.00%	Research & Development and IT	Full	Ernst & Young
Autotech Engineering R&D Uk limited	Durhan	United Kingdom		100.00%	Research & Development and IT	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio management	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio management	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio management	Full	Ernst & Young
GGM Puebla, S.A. de C.V.	Puebla	Mexico		35.00%	Tooling and parts manufacturing	Equity method (A)	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		35.00%	Labor services	Equity method (A)	N/A

(*****) The Edscha Subgroup indirect shareholding corresponds to the Gestamp Metalbages, S.A. and Gestamp Polska, SP. Z.O.O. direct shareholding in Edscha Holding GmbH., 67% and 33%, respectively.
(A) These companies are consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted in Gestamp Group for using the equity method.

December 31, 2013							
Company	**Address**	**Country**	**Direct shareholding**	**Indirect shareholding**	**Activity**	**Consolidation method**	**Auditors**
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio management	Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	75.00%	25.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	0.01%	99.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering AIE	Vizcaya	Spain	10.00%	90.00%	Research & Development and IT	Full	Ernst & Young
SCI de Tournan en Brie	Tournan	France	0.10%	99.90%	Real Estate	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailored blank welding	Full	Ernst & Young
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Argentina, S.A.	Buenos Aires	Argentina		70.00%	Portfolio management	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Administrative services	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain		60.00%	Die cutting production	Full	Ernst & Young
Gestamp Galvanizados, S.A.	Palencia	Spain	5.01%	94.99%	Component galvanazing	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	Dormant	Full	N/A
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young
Metalbages P-51, S.L.	Barcelona	Spain	5.31%	94.69%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Tavol Internacional SGPS, Lda.	Madeira	Portugal		100.00%	Dormant	Full	N/A
Griwe Subgroup	Westerburg	Germany		94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Labor services	Full	Ernst & Young
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico		70.00%	Portfolio management	Full	Ernst & Young
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Labor services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Portfolio management	Full	N/A
Todlem, S.L.	Barcelona	Spain		57.31%	Portfolio management	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Die cutting, tooling, and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administrative services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
MB Pamplona, S.A.	Navarra	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain		100.00%	Tailored blank welding	Full	Ernst & Young
MB Aragón P21, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mör, KFT	Akai	Hungary		100.00%	Dormant	Full	N/A
Gestamp North America, INC	Michigan	USA		70.00%	Administrative services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden		100.00%	Portfolio management	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLc.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Plante & Moran, LLP/E&Y
Gestamp Alabama, LLc.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young

December 31, 2013							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Finance Luxemburgo, S.A.	Luxembourg	Luxembourg		99.95%	Portfolio management	Full	Lux-Audit
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
S.G.F, S.A.	Brussels	Belgium		99.95%	Portfolio management	Full	Deloitte
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		76.00%	Engineering and mold design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		70.00%	Labor services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.
Gestamp Severstal Vsevolozhsk Llc	Saint Petersburg	Russia		57.31%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		60.00%	Adjustment	Full	Ernst & Young
Gestamp Severstal Kaluga, LLc	Kaluga	Russia		57.31%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Sungwoo Gestamp Hitech Pune Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Sungwoo Gestamp Hitech Chennai Ltd.	Chennai	India		50.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Chattanooga, Llc	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain		76.45%	Portfolio management	Full	Ernst & Young
Gestamp Sungwoo Hitech (Chennai) Private, Ltd.	Tamil Nadu	India		50.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
ALHC, Llc.	South Carolina	USA		70.00%	Portfolio management	Full	N/A
Gestamp South Carolina, Llc	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio management	Full	Ernst & Young
Edscha Subgroup (*)	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Global Tooling, S.L.	Vizcaya	Spain	60.00%		Engineering and mold design	Full	Ernst & Young
GS Hot-Stamping Co. Ltd.	Busan	South Korea		47.49%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		60.00%	Engineering and mold design	Full	Ernst & Young
Ocon Automated Systems S.L.	Barcelona	Spain		100.00%	Engineering and mold design	Full	N/A
Gestamp Vendas Novas Lda.	Évora	Portugal	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, Llc.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Metal Forming Subgroup	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Sungwoo Stampings & Assemblies Private Ltd.	Chennai	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Essa Palau, S.A.	Barcelona	Spain		40.00%	Tooling and parts manufacturing	Equity method	Deloitte
Gestamp North Europe Services, S.L.	Vizcaya	Spain	99.97%	0.03%	Consultory services	Full	N/A
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain		100.00%	Manufacture and sale of machinery for cutting	Full	Ernst & Young
Bero Tools, S.L.	Guipúzcoa	Spain		92.00%	Portfolio management	Full	N/A
Diede Die Developments, S.L.	Vizcaya	Spain		79.84%	Die cutting production	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, Llc.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	N/A
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Denetciler Swon/KPMG
Gestamp Autocomponents (Dongguan), Co. Ltd.	Dongguan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		60.00%	Die cutting production	Full	N/A
Gestión Global de Matricería, S.L.	Vizcaya	Spain	35.00%		Dormant	Equity method	N/A
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		35.00%	Die cutting production	Equity method (A)	IZE Auditores
IxCxT, S.A.	Vizcaya	Spain		35.00%	Die cutting production	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio management	Full	Lux-Audit
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		97.75%	Research & Development and IT	Full	Ernst & Young
Autotech Engineering R&D Uk limited	Durhan	United Kingdom		97.75%	Research & Development and IT	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio management	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio management	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio management	Full	Ernst & Young
Sofedit España, S.A.U.	Valladolid	Spain		100.00%	Portfolio management	Full	Ernst & Young

(*) The Edscha Subgroup indirect shareholding corresponds to the Gestamp Metalbages, S.A. and Gestamp Polska, SP. Z.O.O. direct shareholding in Edscha Holding GmbH., 67% and 33%, respectively.
(A) These companies are consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted in Gestamp Group for using the equity method.

The companies which hold the indirect investments indicated in the above table, corresponding to December 31, 2014 and December 31, 2013 are specified in Annex I.

The companies which compose the Griwe Subgroup at December 31, 2014 and December 31, 2013 are the following:

Company	Address	Country	Shareholding	Consolidation method
Gestamp Griwe Westerburg GmbH	Westerburg	Germany	Parent company	Full
Gestamp Griwe Hot Stamping GmbH	Haynrode	Germany	100.00%	Full
Gestamp Griwe Haynrode GmbH	Haynrode	Germany	100.00%	Full

The activity of these companies relates mainly to manufacturing automobile parts and components.

The companies which compose the Edscha Subgroup at December 31, 2014 and December 31, 2013, and the information about the consolidation method used, address and shareholding percentage (direct and indirect), are the following:

December 31, 2014						
Company	Address	Country	Direct shareholding	Indirect shareholding	% Direct shareholding Gestamp Automoción	Consolidation method
Edscha Holding GmbH	Remscheid	Germany	Parent company			Full
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany	100.00%			Full
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany	100.00%			Full
Edscha Engineering GmbH	Remscheid	Germany	100.00%			Full
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	94.90%		5.10%	Full
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	94.90%		5.10%	Full
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic	100.00%			Full
Edscha Hradec S.R.O.	Hradec	Czech Republic	100.00%			Full
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia	100.00%			Full
Gestamp 2008, S.L.	Villalonquéjar (Burgos)	Spain	60.00%			Full
Edscha Burgos, S.A.	Villalonquéjar (Burgos)	Spain	0.01%	59.99%		Full
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain		56.98%	5.03%	Full
Edscha Briey S.A.S.	Briey Cedex	France		56.98%		Full
Edscha Engineering France SAS	Les Ulis	France	100.00%			Full
Edscha do Brasil Ltda.	Sorocaba	Brazil		74.78%		Full
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan	100.00%			Full
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan	50.00%			Equity method
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		50.00%		Equity method (A)
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		50.00%		Equity method (A)
Edscha Automotive Technology Co., Ltd.	Shanghai	China	100.00%			Full
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China	55.00%			Full
Anhui Edscha Automotive Parts Co Ltda.	Anhui	China	100.00%			Full
Edscha Automotive Michigan, Inc	Lapeer	USA	100.00%			Full
Edscha Togliatti, Llc.	Togliatti	Russia	100.00%			Full
Edscha Automotive Components Co., Ltda.	Kunshan	China	100.00%			Full
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	75.00%		25.00%	Full
Edscha Kunststofftechnik GmbH	Remscheid	Germany	100.00%			Full
Edscha Pha, Ltd.	Seul	South Korea	50.00%			Full
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand	50.99%	0.01%		Full

(A) These companies are consolidated under full consolidation method in Jui Li Edscha Body Sistems Subgroup. This Subgroup is accounted in Edscha Subgroup for using the equity method.

December 31, 2013						
Company	Address	Country	Direct shareholding	Indirect shareholding	% Direct shareholding Gestamp Automoción	Consolidation method
Edscha Holding GmbH	Remscheid	Germany	Parent company			Full
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany	100.00%			Full
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany	100.00%			Full
Edscha Engineering GmbH	Remscheid	Germany	100.00%			Full
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	94.90%		5.10%	Full
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	94.90%		5.10%	Full
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic	100.00%			Full
Edscha Hradec S.R.O.	Hradec	Czech Republic	100.00%			Full
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia	100.00%			Full
Gestamp 2008, S.L.	Villalonquéjar (Burgos)	Spain	60.00%			Full
Edscha Burgos, S.A.	Villalonquéjar (Burgos)	Spain	0.01%	59.99%		Full
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain		56.98%	5.03%	Full
Edscha Briey S.A.S.	Briey Cedex	France		56.98%		Full
Edscha Engineering France SAS	Les Ulis	France	100.00%			Full
Edscha do Brasil Ltda.	Sorocaba	Brazil		56.99%		Full
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan	100.00%			Full
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan	50.00%			Equity method
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		50.00%		Equity method (A)
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		50.00%		Equity method (A)
Edscha Automotive Technology Co., Ltd.	Shanghai	China	100.00%			Full
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China	55.00%			Full
Anhui Edscha Automotive Parts Co Ltda.	Anhui	China	70.00%			Full
Edscha Automotive Michigan, Inc	Lapeer	USA	100.00%			Full
Edscha Togliatti, Llc.	Togliatti	Russia	100.00%			Full
Edscha Automotive Components Co., Ltda.	Kunshan	China	100.00%			Full
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	75.00%		25.00%	Full
Edscha Kunststofftechnik GmbH	Remscheid	Germany	100.00%			Full
Edscha Pha, Ltd.	Seul	South Korea	50.00%			Full
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand	50.99%	0.01%		Full

(A) These companies are consolidated under full consolidation method in Jui Li Edscha Body Sistems Subgroup. This Subgroup is accounted in Edscha Subgroup for using the equity method.

The companies which hold the indirect shareholding indicated in the above table at December 31, 2014 and December 31, 2013 are the following:

December 31, 2014		
Company	Company holding the indirect investment	% investment
Edscha Santander, S.L.	Gestamp 2008, S.L.	94.97%
Edscha Burgos, S.A.	Gestamp 2008, S.L.	99.99%
Edscha do Brasil, Ltda.	Edscha Santander, S.L.	58.63%
Edscha Briey, S.A.S	Edscha Santander, S.L.	100.00%
Edscha do Brasil, Ltda.	Edscha Engineering GmbH	41.37%
Jui Li Edscha Holding Co. Ltda.	Jui Li Edscha Body Systems Co Ltda.	100.00%
Jui Li Edscha Hainan Industry Enterprise Co Ltda.	Jui Li Edscha Holding Co. Ltda.	100.00%
Edscha Aapico Automotive, Co, Ltd.	Edscha Engineering GmbH	0.01%

December 31, 2013		
Company	Company holding the indirect investment	% investment
Edscha Santander, S.L.	Gestamp 2008, S.L.	94.97%
Edscha Burgos, S.A.	Gestamp 2008, S.L.	99.99%
Edscha do Brasil, Ltda.	Edscha Santander, S.L.	99.99%
Edscha Briey, S.A.S	Edscha Santander, S.L.	100.00%
Jui Li Edscha Holding Co. Ltda.	Jui Li Edscha Body Systems Co Ltda.	100.00%
Jui Li Edscha Hainan Industry Enterprise Co Ltda.	Jui Li Edscha Holding Co. Ltda.	100.00%
Edsha Aapico Automotive, Co. Ltd.	Edscha Engineering GmbH	0.01%

These companies are active primarily in the manufacturing of automotive components.

The companies which compose the Gestamp Metal Forming Subgroup at December 31, 2014 and December 31, 2013, and the information about the consolidation method used, address and shareholding percentage (direct and indirect), are the following:

December 31, 2014					
Company	Address	Country	Direct shareholding	Indirect shareholding	Consolidation method
GMF Holding GmbH	Remscheid	Germany	Parent company		Full
GMF Wuhan, Ltd	Wuhan	China	100.00%		Full
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany	100.00%		Full
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom	100.00%		Full
Sofedit, S.A.S	Le Theil sur Huisne	France	65.00%		Full
Gestamp Prisma, S.A.S	Usine de Messempré	France	100.00%		Full
Gestamp Tallent , Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Full
Gestamp Wroclaw Sp.z,o.o.	Wroclaw	Poland		65.00%	Full

December 31, 2013					
Company	Address	Country	Direct shareholding	Indirect shareholding	Consolidation method
GMF Holding GmbH	Remscheid	Germany	Parent company		Full
GMF Wuhan, Ltd	Wuhan	China	100.00%		Full
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany	100.00%		Full
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom	100.00%		Full
Sofedit, S.A.S	Le Theil sur Huisne	France	65.00%		Full
Gestamp Prisma, S.A.S	Usine de Messempré	France	100.00%		Full
Gestamp Tallent , Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Full
Sofedit Polska Sp.z,o.o.	Wroclaw	Poland		65.00%	Full

During the year 2013, the company Sofedit España, S.A.U. ceased to belong to the scope of Gestamp Metal Forming Subgroup being sold the entire interest in this company to the subsidiary Gestamp Palencia, S.A. (Note 2.a).

The companies which hold the indirect shareholding indicated in the above table at December 31, 2014 and December 31, 2013 are the following:

December 31, 2014		
Company	Company holding the indirect investment	% investment
Gestamp Tallent, Ltd.	Automotive Chassis Products, Plc	100.00%
Gestamp Wroclaw Sp.z,o.o.	Sofedit, S.A.S	100.00%

December 31, 2013		
Company	Company holding the indirect investment	% investment
Gestamp Tallent, Ltd.	Automotive Chassis Products, Plc	100.00%
Sofedit Polska Sp.z.o.o	Sofedit, S.A.S	100.00%

These companies are active primarily in the manufacturing of automotive components.

No significant subsidiaries have been excluded from the consolidation scope.

The closing of the financial year for the companies included in the consolidation scope at December 31, 2014 is December 31, with the exception of the subsidiaries Gestamp Services India Private, Ltd., Gestamp Automotive India Private, Ltd. and Gestamp Automotive Chennai Private Ltd., whose fiscal years close on March 31. However, an interim closing as at December, 31 has been prepared for the purpose of including these companies in the Consolidated Financial Statements.

4. Basis of presentation

4.1 True and fair view

The Consolidated Financial Statements for the period ended December 31, 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and enacted in European Commission legislation in effect on December 31, 2014.

The Consolidated Financial Statements have been prepared on the basis of the accounting records of each group company as of December 31, 2014 and December 31, 2013. Each company prepares its Financial Statements in accordance with the accounting principles and standards in force in the country in which it operates; the required adjustments and reclassifications have been made in consolidation in order to harmonize the policies and methods used and to adapt them to IFRS.

The figures contained in these Consolidated Financial Statements are expressed in thousands of euros, unless otherwise indicated.

4.2 Approval of the Financial Statements and proposal for the appropriation of profit

The individual 2014 Financial Statements of the Group companies will be presented for approval at their respective Annual General Meetings of shareholders within the deadlines established by the prevailing legislation. The Directors of the Company believe that no significant changes will be made to the 2014 Consolidated Financial Statements as a result of this process. The Gestamp Automoción Group's 2014 Consolidated Financial Statements will be authorized by the Board of Directors of the Company on April 8, 2015 for issue and submission to the Annual General Meeting where they are expected to be approved without modification.

The Company's Board of Directors will submit the following appropriation of profit proposal for the year ended December 31, 2014 for approval at the Annual General Meeting:

	Thousands of euros
Basis of appropriation	
As per income statement	(7,958)
Appropriation to:	
Losses to offset in future years	(7,958)

Restrictions on the distribution of dividends

The Company is obliged to transfer 10% of profit for the year to a legal reserve until this reserve reaches an amount at least equal to 20% of issued capital. Unless the balance of the reserve exceeds this amount, it cannot be distributed to shareholders.

Once the legal requirements have been met, dividends may only be distributed against profit for the year or against unrestricted reserves if the book value of equity is not lower than, or as a result of the dividend payment would not dip below, issued share capital. For this purpose, profit recognized directly in shareholders' equity cannot be directly or indirectly distributed. If prior years' losses have reduced the Company's book value of equity to below the amount of its issued share capital, profit must be allocated to offset these losses.

No may profits be distributed unless the amount of available reserves is at least equal to the amount of development expenses included among the assets on the Company's balance sheet.

4.3. Comparison of information

The Group's Financial Statements have been prepared in accordance with the new International Financial Reporting Standards as adopted by the European Union (IFRS-EU) that came into effect on January 1, 2014.

On December 31, 2014 the Group has adopted IFRS 10 and IFRS 11. The application of both IFRS is retrospective, as the standards require, and the comparative information of the previous year (2013) has been restated in the Consolidated Financial Statements (Note 4.5).

On December 26, 2013 the Group signed an agreement of intentions to sale the subsidiaries Gestamp Sungwoo Hitech (Chennai) Pvt. Ltd, Sungwoo Gestamp Hitech Chennai, Ltd and GS Hot-Stamping Co. Ltd. The sale has already occurred at December 31, 2014.

On December 31, 2013 the assets and liabilities of these companies were classified as held for sale. In addition, on December 31, 2014 the result of the sale of these companies is registered in the consolidated income statement as a loss amounting to 526 thousand euros (Note 26).

There have been no significant additions to consolidation scope at during year 2014.

During period ended December 31, 2013, there have been additions to the consolidation scope whose contribution to the Consolidated Financial Statements was significant and has been quantified in Note 2.a.

4.4 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the parent company and subsidiaries as per December 31, 2014.

The Group obtains control when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. In concrete the Group controls a subsidiary if and only if it has:

- Power over the subsidiary (rights that give the ability to direct the relevant activities of the subsidiary)
- Exposure, or rights, to variable returns from its involvement in the subsidiary
- The ability to use its power over the subsidiary to affect the amount of the investor's returns

When the Group does not hold the majority of voting rights or similar rights of the subsidiary, the Group considers all relevant facts and circumstances to assess the existence of control. This includes:

- Contractual agreements with other investors holding voting rights of the subsidiary
- Rights arisen from other contractual agreements
- Potential voting rights of the Group
- Power over relevant activities of the subsidiary

The Group reassesses the existence of control over an subsidiary when facts and circumstances indicate changes in one or more elements determining control (Note 6)

Subsidiaries are fully consolidated from the acquisition date, when the Group obtains control, and continue to be consolidated until the date when such control ceases. If the Group loses or relinquishes control of a subsidiary, the Consolidated Financial Statements include that subsidiary's results for the portion of the year during which the Group held control.

The financial statement of the subsidiaries have the same closing date as the parent company, except for the companies mentioned in Note 3. The said companies have an additional closing for the financial year for their inclusion to the Consolidated Financial Statements, being elaborated with the same accounting policies in a uniform and coherent procedure.

The profit of a subsidiary is attributed to non-controlling interest even if it means registering a receivable balance.

Changes in shareholding percentage that do not mean loss of control are reflected as an equity transaction. When the Group lose control of a subsidiary:

- Derecognizes assets (including goodwill) and liabilities of such subsidiary.
- Derecognizes carrying amount of non-controlling interests.
- Derecognizes the translation differences registered in Equity.
- Recognizes the fair value of the amount received for the operation.
- Recognizes the fair value of any retained investment.
- Recognizes any excess or deficit in the Consolidated Income Statement.
- Reclassifies the shareholding of the parent Company in the items previously registered in Other Comprehensive Income to profit or to retained earnings, as appropriate.

Subsidiaries

The full consolidation method is used for companies meeting the following requirements:

I. Companies in which the Company holds a direct or indirect interest of over 50%, which gives it more than half the voting rights on the entity's governing bodies.

II. Companies over which the Company has the ability to affect over their returns, by means of voting rights, making decisions over the relevant activities.

Joint ventures

Investments in joint ventures are consolidated using the equity method until the date on which the Group ceases to have joint control over the venture.

A joint venture is an arrangement whereby the parties have joint control of the rights to the net assets of the joint venture. Joint control is the contractual agreement to share control and it exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities. Those parties are called joint operators.

The joint operations where the Group acts as joint operator are consolidated under proportionally consolidation method.

Associates
Investments in which the Group has significant influence but not control have been consolidated under the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee but it does not imply control or joint control on those policies. Considerations to make in order to decide whether there is significant influence are similar to those made to decide whether there is control over an investee.

For the purposes of the preparation of the accompanying Consolidated Financial Statements, significant influence is deemed to exist in investments in which the Group, directly or indirectly, holds over 20% of the voting power, and in certain instances where the Group's holding is less than 20%, but significant influence can be clearly demonstrated.

Translation of the Financial Statements of foreign operations
The assets and liabilities and income statements of foreign operations included in the consolidation scope whose functional currency is different from the presentation currency are translated to euro using the closing foreign exchange rates method as follows:

- The assets, rights, and liabilities of foreign operations are translated at the exchange rate prevailing at the Consolidated Balance Sheet date.

- Income and expenses are translated using the average exchange rate, so long as that average is a reasonable approximation of the cumulative effect of the actual exchange rates prevailing at the transactions dates.

The differences between the net book value of equity of the foreign companies converted using historical exchange rates and including the net result from the Profit and Loss Account reflecting the above mentioned treatment of income and expenses in foreign currencies, and the net book value of equity resulting from the conversion of goods, rights and liabilities using the exchange rate prevailing at the Consolidated Balance Sheet date, are registered as "Translation differences", with the corresponding negative or positive sign, in the Equity in the Consolidated Balance Sheet (Note 15).

Exchange gains and losses due to the impact of changes in the functional currency relative to the euro on foreign currency borrowings considered permanent are taken directly to equity under "Translation differences", net of tax effect. The net amount of translation differences in 2014 is 20 million euros of negative translation differences (13.08 million euros of negative translation differences in 2013).

At December 31, 2014 and December 31, 2013 neither the Company nor the subsidiaries held equity units issued by the Company.

The effect of changes in foreign exchange rates, when presenting the Statement of Cash Flows by indirect method, has been calculated considering an average for the year of Cash and cash equivalents and applying the change of foreign exchange rates at closing of each year.

Transactions between companies included in the consolidation scope
The following transactions and balances were eliminated in consolidation:

- Reciprocal receivables/payables and expenses/income relating to intra-Group transactions.

- Income from the purchase and sale of property, plant, and equipment as well as unrealized gains on inventories, if the amount is significant.

- Intra-Group dividends and the debit balance corresponding to interim dividends recognized at the company that paid them.

Shareholders/non-controlling interest

The value of shareholders/non-controlling interest in the equity and profit (loss) for the year of consolidated subsidiaries consolidated by the full consolidation method is recognized in "Equity attributable to non-controlling interest" in the Equity in the Consolidated Balance Sheet and in "Profit (loss) attributable to non-controlling interest" in the Consolidated Income Statement and Consolidated Comprehensive Income Statement, respectively.

4.5 Changes in accounting policies

1. Standards and interpretations adopted by the European Union this financial year

IFRS 10 *Consolidated Financial Statements* and IFRS 11 *Joint Arrangements*

The Group has adopted IFRS 10 and IFRS 11 this year. The application of both standards has led to modify the accounting and consolidation methods of the following companies:

Company	Shareholding		Consolidation method	
	2014	2013	2014	2013
Beyçelik, A.S.	50.00%	50.00%	Full	Proportionally
Gestamp Automotive India Private Ltd	50.00%	50.00%	Full	Proportionally
Gestamp Automotive Chennai Private, Ltd.	100.00%	50.00%	Full	Proportionally
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	50.00%	50.00%	Full	Proportionally
Edscha Pha, Ltd	50.00%	50.00%	Full	Proportionally
Sungwoo Gestamp Hitech Pune Private, Ltd.	50.00%	50.00%	Equity method	Proportionally
Sungwoo Gestamp Hitech Chennai, Ltd.	0.00%	50.00%	Equity method	Proportionally
Gestamp Sungwoo Hitech (Chennai) Private, Ltd.	0.00%	50.00%	Equity method	Proportionally
GS Hot stamping Co, Ltd.	0.00%	47.49%	Equity method	Proportionally
Jui Li Edscha Body Systems Co., Ltd	50.00%	50.00%	Equity method	Proportionally
Jui Li Edscha Hainan Industry Enterprise Co., Ltd	50.00%	50.00%	Equity method	Proportionally
Jui Li Edscha Holding Co., Ltd	50.00%	50.00%	Equity method	Proportionally

The companies Sungwoo Gestamp Hitech Chennai Ltd., Gestamp Sungwoo Hitech (Chennai) Private Ltd and GS Hot Stamping Co Ltd., were sold in the second quarter of 2014 (note 2.a).

The issue of the new IFRS 10, with appliance in year 2014, change and broad the definition of control defined in the old IAS 27. The main change due to IFRS 10 is the control definition based on the ability to take decisions that affect to the relevant activities, which are the ones with more significance on the business returns.

At the date of first application of IFRS 10 (January 1, 2014) the Group has assessed their control in the entities mentioned above according to factors explained in note 6 (Significant accounting judgments, estimates, and assumptions). After this assessment it has been concluded that there is control over Beyçelik, A.S., Gestamp Automotive India Private, Ltd., Gestamp Automotive Chennai Private, Ltd. (regardless of the acquisition in year 2014 of the remaining 50% shareholding) GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi and Edscha Pha, Ltd. so according to IFRS 10 these companies come to be consolidated by full consolidation method.

The Group has decided to consider their interest in the companies Sungwoo Gestamp Hitech Pune Private, Ltd., Jui Li Edscha Body Systems Co, Ltd., Jui Li Edscha Hainan Industry Enterprise Co. Ltd and Jui Li Edscha Holding Co, Ltd as joint-venture according to IFRS 11 and these companies come to be consolidated by equity method.

The application of both IFRS is retrospective, as the standards require, and the comparative information of the previous year (2013) has been restated in the Consolidated Financial Statements.

The effect of the application of IFRS 10 and 11 in the Consolidated Financial Statements is the following:

Impact on profit:

	2013	2012
CONTINUED OPERATIONS		
OPERATING INCOME	62,386	78,650
OPERATING EXPENSE	(51,813)	(65,642)
OPERATING PROFIT	**10,573**	**13,008**
Financial income	(755)	(938)
Financial expenses	(1,555)	(99)
Exchange gain (losses)	(10,957)	285
Share of profits from associates-equity method	(2,195)	(617)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	**(4,889)**	**11,639**
Income tax expense	3,062	(54)
PROFIT FOR THE YEAR	**(1,827)**	**11,585**
Non-controlling interest	2,745	(10,143)
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**918**	**1,442**

Impact on equity:

	2013	2012
Non-current assets		
Intangible assets	(445)	(9,359)
Property, plant and equipment	67,306	46,661
Financial assets	14,143	25,066
Deferred tax assets	5,530	475
Total non-current assets	**86,534**	**62,843**
Current assets		
Non-current assets held for sale	(41,879)	-
Inventories	15,900	17,940
Trade and other receivables	33,099	10,748
Other current assets	425	191
Financial assets	6,224	(6,617)
Cash and cash equivalents	10,221	12,250
Total current assets	**23,990**	**34,512**
Total assets	**110,524**	**97,355**
Non-current liabilities		
Deferred income	171	143
Provisions	954	832
Non trade liabilities	80,386	37,384
Deferred tax liabilities	2,286	426
Other non-current liabilities	-	(65)
Total non-current liabilities	**83,797**	**38,720**
Current liabilities		
Liabilities associated with assets held for sale	(44,125)	-
Non trade liabilities	4,189	(4,700)
Trade and other payables	34,202	13,770
Provisions	454	522
Other current liabilities	1	1
Total current liabilities	**(5,279)**	**9,593**
Total liabilities	**78,518**	**48,313**
IMPACT ON EQUITY	**32,006**	**49,042**
Attributable to:		
Equity holders of the parent	5,748	3,606
Non-controlling interest	26,258	45,436

Impact on cash flow

	2013
Net cash-flow from operating activities	(6,494)
Net cash-flow from investing activities	3,000
Net cash-flow from financing activities	32,949
Effect on changes in exchange rates	(31,484)
Net increase in cash and cash equivalents	**(2,029)**

IFRS 12 *Disclosure of Interests in Other Entities*

IFRS 12 establishes the disclosure requirements relating to interest held in subsidiaries, joint arrangements, associates, and structured entities. The requirements stipulated by IFRS 12 are more detailed than earlier requirements relating to subsidiaries. For example, when a subsidiary is controlled with less than half of the voting rights. Although the Group has subsidiaries with significant external partners, there are no unconsolidated structured entities. The disclosures required by IFRS 12 are provided in Notes 30 and 31.

2. Standards and interpretations issued by the IASB but not applicable in 2014

IFRS 15 *Revenue From Contracts With Customers*

IFRS 15 was published in May of 2014 and establishes a new five-step model framework applicable to revenue from customer contracts. Under IFRS 15, the amount of revenue recognized reflects the consideration to which the entity expects to be entitled in exchange for those goods or services provided to a customer. The principles of IFRS 15 introduce a more structured approach to measuring and recognizing revenue.

This new standard is applicable to all entities and supersedes all prior standards on revenue recognition. IFRS 15 must be applied retroactively either totally or in part for the years beginning on January 01, 2017; early application is also permitted. The Group is currently assessing the impact of IFRS 15 and plans to adopt it by the abovementioned date.

Amendments to IAS 1 *Disclosure Initiative*

The Group is analyzing the proposed amendments and thus expects to apply the following recommendations in its 2015 financial statements:

- Eliminate immaterial information.
- Structure the notes so that the most relevant matters are described at the beginning of the notes to the financial statements.
- Eliminate disclosures included in the accounting policies that are included in the standards, including only Group-specific matters.

The Group's consolidated financial statements are not expected to be affected by the remaining amendments.

4.6 Going concern

The Group’s management has drawn up these Financial Statements on a going concern basis given its judgment that there are no uncertainties regarding its ability to continue as a going concern.

The Group has sufficient financing in place to fund its operations on an ongoing basis with 84% of its bank financing as of December 31, 2014 (2013: 85%) maturing over periods longer than twelve months.

At December 31, 2014 the Group had 560 million euros (2013: 578 million euros) of total available liquidity, comprised of 484 million euros in cash and cash equivalents (2013: 520 million euros) and 76 million euros in current financial assets (2013: 58 million euros). In addition, the Group has at December 31, 2014 undrawn credit facilities amounting to 267 million euros (2013: 197 million euros).

5. Summary of significant accounting policies

5.1 Foreign currency transactions

Functional and presentation currency

Line items included in the financial statements of each entity are valued using the functional currency of the primary economic environment in which it operates.

The Consolidated Annual Financial Statements are presented in thousands of euros, as the Euro is the Group's presentation currency and the functional currency of the parent company.

Transactions in foreign currency different to the functional currency of each company

Transactions in foreign currencies different to the functional currency of each company are translated to the Group's functional currency at the exchange rate prevailing at the date of the transaction. Exchange gains and losses arising on the settlement of these transactions or on translating foreign currency denominated monetary assets and liabilities at closing rates are recognized in the Consolidated Income Statement.

5.2 Property, plant and equipment

Property, plant, and equipment is carried at either acquisition, transition cost to IFRS (January 1, 2007), or production cost, including all the costs and expenses directly related with assets acquired until ready for use, less accumulated depreciation and any impairment losses. Land is not depreciated and is presented net of any impairment charges.

Acquisition cost includes:

- Purchase Price.
- Discounts for prompt payment, which are deducted from the asset's carrying value.
- Directly attributable costs incurred to ready the asset for use.

Prior to the IFRS transition date (January 1, 2007), certain Group companies revalued certain items of property, plant, and equipment as permitted under applicable legislation (Royal Decree-Law 7/1996, Basque regional law 6/1996 and several international laws). The amount of these revaluations is considered part of the cost of the assets as provided for under IAS 1.

At the transition date to EU-IFRSs (January 1, 2007), Property, plant and equipment was measured at fair value at the said date, based on the appraisals of an independent expert, which generated a revaluation of Group assets (Note 9).

The carrying value of Property, plant, and equipment acquired by means of a business combination is measured by its fair value at the moment of its incorporation into the Group (Note 5.3) being it consider as its cost value.

Specific spare parts: certain major parts of some items of plant and equipment may require replacement at irregular intervals. The cost of these parts is capitalized when the part is replaced and depreciated over their estimated useful lives. The net carrying amount of replaced parts is retired with a charge to income when the replacement occurs.

Ordinary repair or maintenance work is not capitalized.

An item of Property, plant, and equipment is retired upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on retirement of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is included in the Consolidated Income Statement in the year the asset is retired.

As permitted under revised IAS 23, borrowing costs directly attributable to the acquisition or development of a qualifying asset - an asset that takes more than one year to be ready for its intended use - are capitalized as part of the cost of the respective assets.

Annual depreciation is calculated using the straight-line method based on the estimated useful lives of the various assets.

The estimated useful lives of the various asset categories are:

	Years of estimated useful life
Buildings	17 to 50
Plant and machinery	3 to 15
Other plant, tools and furniture	2 to 10
Other PP&E items	4 to 10

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted prospectively if revised expectations differ significantly from previous estimates.

5.3 Business combinations and goodwill

Business combinations

Business combinations are accounted for using the acquisition method. The acquisition cost is the sum of the total consideration transferred, measured at fair value at the acquisition date, and the amount of non-controlling interest of the acquired company, if any.

For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets.

Acquisition costs incurred are registered under the heading “Other operating expenses” in the Consolidated Income Statement.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date, included the separation of implicit derivatives financial instruments of the main contracts of the acquired company.

Goodwill

Goodwill acquired in a business combination is initially measured, at the time of acquisition, at cost, that is, the excess of the total consideration paid for the business combination over the Company’s interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities of the acquired business.

For companies whose functional currency is different from the presentation currency, the value of the goodwill recognized is updated using the rate of exchange prevailing at the Consolidated Balance Sheet date, recognizing in Translation differences the differences between beginning and ending balances, according to IAS 21, considered to be belonging to the acquired business assets.

If the Company's interest in the net fair value of the identifiable acquired assets, assumed liabilities, and contingent liabilities exceeds the cost of the business combination, the Company reconsiders the identification and measurement of the assets, liabilities, and contingent liabilities of the acquired company, as well as the measurement of the cost of the business combination (even non-monetary). The Company recognizes any excess that continues to exist after this reconsideration in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units or groups of cash-generating units expected to benefit from the business combination's synergies, irrespective of any other Group assets or liabilities assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit or groups of cash-generating units to which the goodwill relates. If the recoverable amount of the cash-generating unit or group of cash-generating units is less than the carrying amount, the Group recognizes an impairment loss (Note 5.7).

5.4 Investment in associates and jointly controlled entities

The Group has several participations in jointly controlled entities, business over which the Group exercises joint control, where contractual agreements exist. The contracts require that the agreement between the parties with respect the operating and financial decisions be unanimous.

The Group has also participations in associates, business over which the Group has significant influence.

Participations in associates and jointly controlled entities are accounted for using the equity method.

According to this method, the investment in an associate or a jointly controlled entity is initially recorded at cost. From the acquisition date on, the carrying amount of the investment is adjusted to reflect the changes of the investor's share of the net assets of the associate and the jointly controlled entity. The goodwill related to the associate or jointly controlled entity is included in the carrying amount of the investment and it is not amortised and no impairment test related is done.

The share of the Group in profits of operations of the associate or joint venture is reflected in the Consolidated Income Statement. When there has been a change recognized directly in equity by the associate or joint venture, the Group recognizes its share of this change, when applicable, in the statement of changes in equity. Non-realized gains or losses resulting from transactions between the Group and the associate or joint venture corresponding to the share of the Group in the associate or joint venture are eliminated.
The share of the Group in profits of the associate or joint venture is reflected directly in the Consolidated Income Statement and it represents profit after taxes and non-controlling interests.

The financial statements of the associate and the joint venture are prepared for the same period than the Group; the required adjustments and reclassifications have been made in consolidation in order to harmonize the policies and methods used by the Group.

After using the equity method, the Group decides if impairment losses on the investment in the associate or joint venture have to be recognised. At closing date the Group consider if there are evidences of impairment of the investment in the associate or joint venture. If so, the impairment is calculated as the difference between the recoverable amount and the carrying amount of the associate or joint venture and the amount of such impairment is recognized in "Share of profits from associates- equity method " in the Consolidated Income Statement.

When the significant influence of the Group in the associate or joint venture ceases, the Group recognises the investment at its fair value. Any difference between the carrying amount of the associate or joint venture in the moment of loss of significant influence and the fair value of the investment plus the income for sale is recognized in the Consolidated Income Statement.

5.5 Other intangible assets

Other intangible assets acquired by the Group are measured at cost less accumulated amortization and any accumulated impairment losses.

An intangible asset is recognized only if it is probable that it will generate future benefits for the Group and that its cost can be reliably measured.

Research and development costs

Research costs are expensed as incurred.

Development expenditure is capitalized when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete and its ability to use or sell the resulting asset;
- its ability to use or sell the intangible asset;
- the economic and commercial profitability of the project is reasonably ensured;
- the availability of adequate technical and financial resources to complete and to use or sell the resulting asset; and
- its ability to measure reliably the expenditure during development.

Capitalized development costs are amortized over the period of expected future benefits.

Concessions, patents, licenses, trademarks, et al.

These intangible assets are initially measured at acquisition cost. They are assessed as having a finite useful life and are accordingly carried at cost net of accumulated amortization. Amortization is calculated using the straight-line method, based on the estimated useful life, in all instances less than 5 years.

Software

Software is measured at acquisition cost.

Software acquired from third parties and capitalized is amortized over its useful life, which in no instance will exceed 5 years.

IT maintenance costs are expensed as incurred.

5.6 Financial assets

Financial assets are initially measured at fair value plus any directly attributable transaction costs, except financial assets at fair value through profit and loss where transaction cost are registered in Consolidated Income Statement.

The Group classifies its financial assets, current and non-current, into the following categories:

- Financial assets at fair value through profit and loss (held for trading).
- Held-to-maturity investments.
- Loans and receivables.
- Available-for-sale financial assets.
- Investments in associates accounted for using the equity method.

Classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets upon initial recognition and reassesses this designation at each year end.

Financial assets at fair value through profit and loss

These are financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments, except those designated as hedging instruments in an effective hedge.

They are classified as non-current assets and are carried on the balance sheet at fair value. Changes in value of these assets are recognized in the Consolidated Income Statement as Financial gains or losses.

Fair value is the market price at the Consolidated Balance Sheet date.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Group has the positive intention and ability to hold them to maturity.

They are classified as non-current, except for those maturing in less than 12 months from the balance sheet date. They are carried at amortized cost using the effective interest method, less any impairment charges.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current, except for those maturing in more than 12 months from the balance sheet date.

They are carried at amortized cost using the effective interest method, less any impairment charges.

Available-for-sale financial assets

There are financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. They are classified as non-current unless management plans to dispose of them within 12 months from the balance sheet date.

They are measured at fair value at the balance sheet date. Unrealized gains or losses are recognized in Retained earnings until the investment is retired or impaired, at which time the cumulative gain or loss recorded in equity is recognized in the Consolidated Income Statement.

Investments in associates accounted for using the equity method

Investments in associates or joint ventures, companies in which the Group has significant influence, are accounted for using the equity method (Note 5.4).

Derecognition of financial instruments

The Group retires a transferred financial asset from the Consolidated Balance Sheet when it has transferred its rights to receive cash flows from the asset or, retaining these rights, when the Group has assumed a contractual obligation to pay the cash flows to a third party, and the Group has transferred substantially all the risks and rewards of ownership of the asset.

If the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity does not retire the transferred asset from its balance sheet and recognizes a financial liability for the consideration received. This financial liability is subsequently measured at amortized cost. The transferred financial asset continues to be measured using the same criteria as prior to the transfer. In subsequent periods, the Group recognizes any income on the transferred asset and any expense incurred on the financial liability in the Consolidated Income Statement. Such income and expense are not offset.

5.7 Impairment of assets

Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount as either the group of assets' or cash-generating unit's fair value less costs to sell, or its value in use, whichever is higher.

A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash inflows from other assets.

When the carrying amount of a group of assets or CGU exceeds its recoverable amount, an impairment loss is recognized and its carrying amount is decreased to its recoverable amount.

Impairment losses with respect to CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units and, then, to proportionally reduce the carrying amount of the assets of the CGU unless that, based on a review of the individual assets, it is considered that their fair value less costs to sell is higher than their carrying amount.

When assessing value in use, estimated future cash-flows are discounted at present value by using a pre-tax discount rate that reflects current market valuations of money and risks of the asset. For calculating the fair value of the asset less costs to sell, recent transactions are considered and if they cannot be identified, a proper valuation method is used. These calculations are based on several considerations, market prices and other available indicators of the fair value.

The calculation of impairment is based on detailed budgets and previsions individually prepared for each CGU to which the asset is allocated. Those budgets and previsions refer to a five-year period and for longer periods a long-term growing rate is calculated and used for estimating cash-flows after the fifth year.

The impairment losses from continued operations, including impairment of inventories, are registered in the Consolidated Income Statement in the expenses related to the function of the impaired asset.

For all assets except goodwill, an assessment is made every year to see if there is evidence that the impairment registered in previous years has been reduced or has disappeared. In such case, the Group estimates the recoverable value of the asset or the CGU.

A previously recognized impairment loss is reversed, with the reversal recognized in the income statement, if there has been a change in the assumptions used to determine the asset's recoverable amount. The restated recoverable amount of the asset cannot exceed the carrying amount that would have been determined had no impairment loss been recognized.

The following assets present specific characteristics when assessing their impairment:

<u>Consolidation goodwill</u>

At year end as well as when there is evidence that goodwill may be impaired, an impairment test of goodwill is carried out.

The impairment test for the goodwill assesses the recoverable value of each CGU allocated to it. If the recoverable value of the CGU is lower than their carrying amount, an impairment loss is registered.

Goodwill impairment losses cannot be reversed in future periods.

Intangible assets

The Group has implemented annual procedures to test intangible assets with indefinite useful life for impairment. This assessment is carried out for each of the CGUs or groups of CGUs, as well as when there is evidence that intangible assets may be impaired.

Impairment of financial assets

The reduction in the fair value of available-for-sale financial assets that has been recognized directly in equity when there is objective evidence of impairment must be recognized in the Consolidated Income Statement for the year. The cumulative loss recognized in the income statement is measured as the difference between the acquisition cost and current fair value.

Once that an equity investment classified as available-for-sale has been impaired, any increase in value is registered in "Other comprehensive income" with no effect on the profit or loss for the year.

In the case of debt instruments classified as available-for-sale assets, if the fair value of an impaired debt instrument subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the income statement, the impairment loss is reversed through the income statement.

The recoverable amount of held-to-maturity investments and loans and receivables carried at amortized cost is calculated as the present value of the expected future cash flows discounted at the original effective interest rate. The carrying amount of the asset is reduced through use of an allowance account and the amount of the loss is recognized in the Consolidated Income Statement. Current investments are not discounted to present value.

Impairment losses on loans and receivables carried at amortized cost are reversed if the subsequent increase in the recoverable amount can be objectively related to an event occurring after the impairment loss was recognized.

5.8 Assets and liabilities held for sale and discontinued operations

Assets and liabilities included in a disposal group whose recovery is expected through sale and not through continued use are included in this category.

Discontinued operations are reflected in the Consolidated Income Statement separately from the revenue and expenses from continued operations. They are reflected in a line as profit after taxes from discontinued operations.

In 2013 Gestamp Sungwoo Hitech (Chennai) Pvt., Ltd., Sungwoo Gestamp Hitech Chennai, Ltd. and GS Hot-Stamping Co. Ltd were expected to be sold so their assets and liabilities were classified as held for sale. Nevertheless, due to the entry into force of IFRS 10, 11 and 12, these entities were considered as associtates maintaining the classification as helf for sale. The amount correspond to non-current assets held for sale of the estimated sale value of these entities at December 31, 2013 (Note 26). At December 31, 2014 these companies have already been sold (Note 2.a) and the result of the sale is registered as Profit for the year from discontinued operations net of taxes (under the heading Discontinued operations) for 526 thousand euros of losses (Note 26).

In addition, the profit from these associated entities until the sale, amounted to 1,047 thousand euros of losses (Note 26), also registered as Profit for the year from discontinued operations net of taxes (under the heading Discontinued operations).

5.9 Trade and other receivables

Accounts receivable from customers are measured in the accompanying Consolidated Balance Sheet at nominal value.

Discounted bills pending maturity at year end are included in the accompanying consolidated balance sheets under "Trade receivables," with a balancing entry in "Interest-bearing loans and borrowings". The balances transferred to banks as Non-Recourse Factoring are not included in "Trade receivables" since all risks related to them have been transferred to the bank (Note 12.a))

The Group recognizes impairment allowances on balances past-due over certain periods, or when other circumstances warrant their classification as impaired.

5.10 Inventories

Inventories are valued at the lower of acquisition or production cost and net realizable value.

Cost includes all expenses derived from the acquisition and transformation of inventories, including any other expenses incurred to bring them to their present condition and location.

Inventories have been valued using the average weighted cost method.

When inventories are deemed impaired, their initially recognized value is written down to net realizable value (selling price less estimated costs of completion and sale).

5.11 Tools made to customer order

A construction contract is a contract specifically negotiated with a customer for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognized by reference to the stage of completion of the contract activity at the balance sheet date (Note 5.18).

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized to the extent that contract costs incurred are expected to be recoverable.

Based on its experience and Group estimates, with rare exceptions, management does not expect to incur losses, which have not been recognized on these Financial Statements, on the definitive settlement of the tool manufacture contracts in progress at December 31, 2014.

In the exceptional cases where there are contract costs that may not be recovered, no revenue is recognized and all amounts of such costs are recognized as an expense immediately.

Customer advances received reflect billing milestones and not necessarily the stage of completion of the contract.

Tools-in-progress measured using the stage of completion method are recognized under "Trade receivables" net of customer advances with a balancing entry to "Revenue from tool sales".

5.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are subject to an insignificant risk of changes in value. An investment is considered a cash equivalent when it has a maturity of three months or less from the date of acquisition or establishment.

5.13 Government grants

Government grants are recognized at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, it is recognized as "Deferred Income" in the Consolidated Balance Sheet and released to income over the expected useful life of the related asset.

When the grant relates to expense items, it is recognized directly in the Consolidated Income Statement as income.

5.14 Financial liabilities (trade and other payables and borrowings)

Financial liabilities are initially recognized at fair value less attributable to transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, measured as the difference between their cost and redemption value, using the effective interest rate method.

Liabilities maturing in less than 12 months from the Consolidated Balance Sheet date are classified as current, while those with longer maturity periods are classified as non-current.

A financial liability is retired when the obligation under the liability is discharged, cancelled or expires.

5.15 Provisions and contingent liabilities

Provisions are recognized when the Group has a present obligation (legal or implicit) as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each Consolidated Balance Sheet date and adjusted to reflect the current best estimate of the liability.

Headcount restructuring provisions are stated at the amount of expenses expected to arise from the restructuring and any other expenses not associated with the entity's day-to-day business.

Headcount restructuring provisions are only recognized when there is a formal plan identifying the affected business, the main locations affected, the employees to receive redundancy payments, the outlays to be incurred, when it will be implemented, and when the entity has raised a valid expectation that it will carry out the restructuring and those affected have been informed.

The provisions are determined by discounting expected future cash outlays using the pre-tax market rate and, where appropriate, the risks specific to the liability. This method is only applied if the effects are significant. When discounting is used, the increase in the provision due to the passage of time is recognized as a financial expense.

Contingent liabilities are potential obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Group, as well as present obligations arising from past events, the amount of which cannot be reliably estimated or whose settlement may not require an outflow of resources. The information regarding these contingent liabilities are only broken down but not accounted.

5.16 Employee benefits

The Group has assumed pension commitments for some companies belonging to the Edscha and the Gestamp Metal Forming Subgroups located in Germany and France.

The group classifies its pension commitments depending on their nature in defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which the company pays fixed contributions into a separate entity (insurance company or pension plan), and will have no legal or constructive obligation to pay further contributions if the separate company does not carry out its assumed commitments. Defined benefit plans are post-employments benefit plans other than defined contribution plans.

Defined contribution plans

The Group carries out predetermined contributions into a separate entity (insurance company or pension plan), and will have no legal or implicit obligation to pay further contributions if the separate company does not have enough assets to attend employee benefits related to their services rendered in current and previous years.

The contributions made to defined contribution plans are recognized in profit and loss according to accrual principle.

Defined benefit plans

For defined benefit plans, the cost of providing these benefits is determined separately for each plan using the projected unit credit method. The actuarial gains and losses are recognized in OCI (Other Comprehensive Income) when incurred. In subsequent years, these actuarial gains and losses are registered as equity, and are not reclassified in profit and loss.

The amounts to be recognized in profit and loss are:

- Current service cost.
- Any past service cost and gains or losses upon payment.
- Net interest on the net defined benefit liability (asset), that is determined by applying the discount rate to the net defined benefit liability (asset).

The past service costs will be recognized as expenses at the earlier of the following dates (i) in the period when the plan is amended or curtailment occurs (ii) when the Group recognizes related restructuring costs or benefits of termination.

The net defined benefit liability (asset) is the deficit or surplus, detailed below, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The rate used to discount post-employment benefit obligations shall be determined by reference to market yields at the end of the reporting period on high quality corporate bonds.

The deficit or surplus is:

- The present value of the defined benefit obligation.
- Less the fair value of plan assets (if any).

Plan assets comprise assets held by a long-term employee benefit fund, and qualifying insurance policies. These assets are not available to the reporting entity´s own creditors and cannot be returned to the reporting entity. Fair value is based on market price and in case of stock market values, it corresponds to published prices.

Indemnities

Indemnities to pay to employees dismissed through no fault of their own are calculated based on years of service. Any expenses incurred for indemnities are charged to the Consolidated Income Statement as soon as they are known.

5.17 Leases

Leases in which all the risks and benefits associated with ownership of the asset are substantially transferred are classified as finance leases.

Assets acquired under financial lease arrangements are recognized, based on their nature, at the lower of the fair value of the leased item and the present value of the minimum lease payments at the outset of the lease term. A financial liability is recognized for the same amount. Lease payments are apportioned between finance charges and reduction of the lease liability. Leased assets are depreciated, impaired, and retired using the same criteria applied to assets of a similar nature.

Leases where the lessor substantially retains all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the Consolidated Income Statement on a straight line basis over the lease term.

5.18 Revenue and expense recognition

Revenue and expenses are recognized when products are delivered or services are provided, regardless of when actual payment or collection occurs.

Revenue is recognized at fair value of the balancing entry, defining fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Revenue includes:

- Sale of goods: Revenue from the sale of goods is recognized when the following conditions have been met:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- the amount of revenue can be measured reliably;

- it is probable that the economic benefits associated with the transaction will flow to the Group.

- the costs incurred or to be incurred in respect of the transaction can be reliably measured.

- Manufacture of tools for third party sale and rendering of services: revenue arising from the manufacture of tools for sale to third parties and the rendering of services are recognized by reference to the stage of completion of the transaction at the reporting date - stage of completion method (Note 5.11).

- Interest, royalties, and dividends: interest revenue is recognized as interest accrues taking into account the effective return of the asset (using the effective interest method, i.e., the rate that makes discounted future cash receipts through the expected life of the financial instrument equal to the initial carrying amount of the asset).

  Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement.

  Dividends are recognized when the shareholder's right to receive payment is established.

Expenses are recognized when there is a decrease in the value of an asset or an increase in the value of a liability that can be measured reliably, and they are recognized during the period in which they are incurred.

5.19 Income tax

The income tax recognized in the Consolidated Income Statement includes current and deferred income tax.

Income tax expense is recognized in the Consolidated Income Statement except for current income tax relating to line items in shareholders' equity, which is recognized in equity and not in the income statement.
Current tax
Current tax expense is the amount of income taxes payable in respect of the taxable profit for the year and is calculated based on net profit for the year before deducting tax expense (accounting profit), increased or decreased, as appropriate, by permanent and temporary differences between accounting and taxable profit as provided for in prevailing tax legislation.

Tax credits
The carry forward of unused tax credits and tax losses is recognized as a reduction in tax expense in the year in which they are applied or offset, unless there is reasonable doubt as to their

realization, in which case they are not capitalized and are considered as a decrease in income tax expense in the year in which they are applied or offset.

Temporary differences

Deferred tax liabilities: a deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and which, at the time of the transaction, affects neither the accounting nor the fiscal result.

Deferred tax assets: a deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither the accounting nor the fiscal result.

5.20 Derivative financial instruments and hedging instruments

The Company has arranged cash flow (interest rate) hedges through entities that operate on organized markets. These instruments are used to hedge exposure to fluctuations in floating interest rates on a portion of the bank loans granted to the Company and on a portion of expected future borrowings.

These financial derivatives hedging cash flow are initially recognized in the Consolidated Balance Sheet at acquisition cost and, subsequently, they are marked to market.

Any gains or losses arising from changes in the market value of derivatives in respect of the ineffective portion of an effective hedge are taken directly to the Consolidated Income Statement, while gains or losses on the effective portion are recognized in “Effective hedges” within “Retained earnings” with respect to cash flow hedges, and in “Translation differences” with respect to net foreign investment hedges. The cumulative gain or loss recognized in equity is taken to the Consolidated Income Statement when the hedged item affects profit or loss or in the year of disposal of the item.

Derivatives are recognized as assets when the fair value is positive and as liabilities when the fair value is negative.

In addition, the Group a has debt instrument (US dollar bonds issuance), to cover the exposure to foreign currency risk of its subsidiaries investments which functional currency is US dollar (Note 20.b.5).

Hedges of net investments in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, shall be accounted for similarly to cash flow hedges
The ineffective portion of the bonds exchange differences shall be recognized in Consolidated Income Statement and the effective portion in Translation differences (Consolidated Net Equity). The accumulated loss or gain is transfered to the Consolidated Income Statement when the investment of the foreign operation is derecongnized.

5.21 Related parties

The Group considers its direct and indirect shareholders, its associated companies, its directors and its officers as Related Parties.

Companies belonging to the majority shareholder of the Company are also considered related parties.

5.22 Environment

Expenses relating to decontamination and restoration work in polluted areas, as well as the elimination of waste and other expenses incurred to comply with the environmental protection legislation, are registered in the year they are incurred, unless they correspond to the acquisition cost of assets to be used over an extended period. In this case, they are recognized in the corresponding heading under “Property, plant, and equipment” and are depreciated using the same criteria described in Note 5.2 above.

Estimable amounts of contingent liabilities for environmental issues, if any, would be provisioned as a liability in Consolidated Balance Sheet.

6. Significant accounting judgments, estimates, and assumptions

The preparation of the accompanying Consolidated Financial Statements under IFRS requires management to make judgments, estimates, and assumptions that affect:

- The reported amounts of assets and liabilities.
- The disclosure of contingent assets and liabilities at the reporting date.
- The reported amounts of revenue and expenses throughout the year.

The key estimates and assumptions that have a significant impact on the accompanying Consolidated Financial Statements are as follows:

- The valuation of assets and goodwill for the purposes of determining any impairment losses.
- Specifically in relation to the assumptions used to determinate cash flows at the CGUs, management used the most conservative scenarios so that adjustments to carrying amounts in this regard are considered unlikely (Notes 5.7 and 8.a)).
- Cash flow discount rates and growth rates (Note 8.a)).
- The likelihood and quantification of indeterminate and contingent liabilities (Notes 5.15 and 18).
- Determination of the discount rate, future salary increases, mortality rates and future pension increases (Note 19.b)).
- Change on the useful life estimations, mainly in press lines, which impact on the result is an amortization decrease of aproximatelly 10 million euros.
- Calculation of income tax expense and recognition of deferred tax assets: the correct measurement of income tax expense depends on a number of factors, including timing estimates in relation to the application of deferred tax assets and the accrual of income tax

payments. The actual timing of payments and collections could differ from these estimates as a result of changes in tax regulations or in planned/future transactions with an impact on the tax base of the Group's assets (Notes 21 and 27).

Although these estimates have been made based on the best information available regarding the facts analyzed at the reporting date, events may occur in the future that require adjustments to be made prospectively in subsequent years to reflect the effect of the revised estimates. Nevertheless, management does not expect any such adjustments to have a material impact on its future Consolidated Financial Statements.

Additionally and as result of the application of IFRS 10 (Note 4.5), the Group´s Management has elavuated the situation of the companies with a shareholding of 50% according to the new control definition. The conclusion is that the Group has control over some of the companies.

The conclusion for the subsidiary Beyçelik, A.S., (the most significant) is based on the following judgements:

1. The automotive manufacturers demand to the suppliers certain quality standars and a broad geographic presence for the global supply negotiations.

2. The relevant activities for this sector suppliers are:

    a. Continuous investment in technological Research and Development to meet the clients' requirements.

    b. Global negociations for the components type-approval, as well as the pricing management.

    c. Activities aim to get excellence in quality of the components.

All the activities mentioned above are directly provided by the Group. The owners of the remaining shareholding do not have the authority.

3. The subsidiary company depends technologicaly on the Group. Research and development activities are fully provided by the Group and the know-how is provided to the subsidiary in accordance with the shareholders' agreement subscribed.

4. In order to certificate the excellence, the automotive manufacturer supplier must be certificated as "Tier 1 supplier" (high quality supplier). The subsidiary would not have this certification by its own.

7. Changes in significant accounting policies and estimates and restatement of errors

Changes in accounting estimates:
The effect of a change in an accounting estimate is recognized prospectively in the same Consolidated Income Statement heading in which the associated income or expense was recognized under the former estimate.

Changes in significant accounting policies and restatement of errors:

Changes in accounting policies and restatement of errors are recognized to the extent they are significant: the cumulative effect of the change at the beginning of the period is recognized by restating "Retained earnings" while the period-specific effect of the change is recognized in Consolidated Profit and Loss for the year. In these instances, the prior year's balances are also restated to maintain comparability of information.

8. Intangible assets

a) Goodwill

The change in goodwill in 2013 and 2014 is as follows:

	Thousands of euros				
Company	At January 01, 2013	Additions	Decreases	Currency translation differences	At December 31, 2013 Restated*
Gestamp Metalbages, S.A.	15,622				15,622
Gestamp Levante, S.L.	6,944				6,944
Gestamp Aveiro, S.A.	7,395				7,395
Griwe Subgroup	6,466				6,466
Gestamp HardTech, AB	44,604			(1,368)	43,236
Gestamp Brasil Industria de Autopeças, S.A.	13,228			(2,221)	11,007
Beyçelik, A.S.	30,489			(6,177)	24,312
Gestamp Services India Private, Ltd.	12			(1)	11
Gestamp Severstal Vsevolozhsk, Llc	188			(20)	168
Adral, matricería y pta. a punto, S.L.	857				857
	125,805	-	-	(9,787)	116,018

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, corresponding to the company Sungwoo Gestamp Hitech Pune Private Ltd, refer note 4.5.

	Thousands of euros				
Company	At December 31, 2013	Additions	Decreases	Currency translation differences	At December 31, 2014
Gestamp Metalbages, S.A.	15,622				15,622
Gestamp Levante, S.L.	6,944				6,944
Gestamp Aveiro, S.A.	7,395				7,395
Griwe Subgroup	6,466				6,466
Gestamp HardTech, AB	43,236			(2,709)	40,527
Gestamp Brasil Industria de Autopeças, S.A.	11,007			103	11,110
Beyçelik, A.S.	24,312			1,035	25,347
Gestamp Services India Private, Ltd.	11			1	12
Gestamp Severstal Vsevolozhsk, Llc	168			(64)	104
Adral, matricería y pta. a punto, S.L.	857				857
	116,018	-	-	(1,634)	114,384

Currency translation differences in 2013 and 2014 correspond to the adjustments to the goodwill of companies whose functional currency is different from the Euro, translated at the exchange rate prevailing at the Consolidated Balance Sheet date, according to IAS 21 (Note 5.3).

Impairment test of Goodwill

The Group has implemented annual procedures to test goodwill for impairment. This assessment is carried out for each of the CGUs or groups of CGUs to which goodwill has been allocated.

The CGU recoverable value at December 31, 2014 has been determined by the assessment of value in use, using cash flow projections covering a five-year period and based on the future business evolution. The cash flows beyond the five-year period has been extrapolated using a growth rate of 1% for 2014 and 2013. This hypothesis can be considered cautious compared with the rest of the long term average growth rates of the automotive sector. Pre-tax discount rate for cash flow projections for each CGU in 2014 and 2013 are the followings:

	Pre-tax discount rate	
CGU	**2014**	**2013**
Gestamp HardTech, AB	10.24%	10.14%
Beycelik, A.S.	17.65%	16.07%
Gestamp Metalbages, S.A.	10.51%	11.07%

The value in use is higher than the net value for all the CGUs.

According to the estimates and projections available to management, the expected future cash flows attributable to the various CGUs or groups of CGUs to which goodwill is assigned indicate that the carrying amount of all the goodwill recognized at December 31, 2014 and 2013 is at least equal to the corresponding recoverable amounts.

Sensitivity analysis to changes in key assumptions

The Company's management subjects its goodwill valuations to a sensitivity analysis, varying key inputs such as the discount and terminal growth rates used, to ensure that potential changes in these estimates do not reduce recoverable amounts to below carrying amounts.

- ✓ Although a 50 basis points increase in the discount rate used would reduce value in use, in no case would this be reduced to below the carrying amount of goodwill.

- ✓ Assuming a rate of perpetual growth of 0.5% would similarly result in a decline in value in use, albeit in no instance to below the carrying amount of goodwill.

b) Other intangible assets

The breakdown and change in the various items comprising "Other intangible assets" are shown below:

	Thousands of euros						
Cost	**At January 01, 2013**	**Changes in consolidation scope**	**Additions**	**Disposals**	**Currency translation differences**	**Other movements**	**At December 31, 2013 Restated***
R&D expenses	99,497		46,847	(1,077)	(1,115)	(442)	143,710
Concessions	1,298		8,422		(16)	6,574	16,278
Patents, licenses & trademark	5,031		32,328	(11)	(45)	(1,825)	35,478
Goodwill	2,202				(118)	(235)	1,849
Transfer fees	1,362				(13)	(1,097)	252
Software	74,164	(548)	9,722	(95)	(1,742)	2,874	84,375
Prepayments	1,576		5,417	(40)	(131)	(429)	6,393
Total cost	185,130	(548)	102,736	(1,223)	(3,180)	5,420	288,335
Amortization and impairment							
R&D expenses	(46,596)		(16,819)	905	567	329	(61,614)
Concessions	(423)		(232)		9	(325)	(971)
Patents, licenses & trademark	(3,122)		(306)	11	27	102	(3,288)
Transfer fees	(1,156)		(89)	126	12	951	(156)
Software	(53,426)	491	(7,293)	160	882	(1,712)	(60,898)
Total accumulated amortization	(104,723)	491	(24,739)	1,202	1,497	(656)	(126,927)
Impairment of Intangible assets	(455)		(1,258)		3	243	(1,467)
Net carrying amount	79,952	(57)	76,740	(21)	(1,680)	5,007	159,941

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The net value of the changes in consolidation scope corresponds to the sale to third parties of the company Araluce, S.A. (57 thousand euros) (Note 2.a).

Additions in R&D expenses correspond mainly to the companies Autotech Engineering AIE, Edscha Automotive Hengersberg GmbH, Edscha Automotive Hauzengberg GmbH and Edscha Automotive Kamenice S.R.O. regarding development and design costs of portfolio projects, as well as the application of new technologies and the introduction of new materials related with the business.

Additions in Concessions correspond mainly to the Company Gestamp Autocomponents (Shenyang), Co. Ltd. According to Chinese legislation, companies cannot have the ownership of the land where located, but only the right of use. This addition has been registered in the year 2013, when the contract was formalized with the corresponding institutions.

Additions in Patents, licenses and trademark correspond mainly to the acquisition of trademark *Gestamp* for automotive classes by the Company to Acek, Desarrollo y Gestión Industrial, S.L. in January 2013.

Additions in Software corresponded mainly to software licenses renewal and to costs of SAP development and implementation in subsidiaries.

Other movements mainly reflect adjustments from previous years, as well as reclassifications between intangible assets and PP&E.

	Thousands of euros					
Cost	**At December 31, 2013**	**Additions**	**Disposals**	**Currency translation differences**	**Other movements**	**At December 31, 2014**
R&D expenses	143,710	46,721	(2,001)	1,500	(9,826)	180,104
Concessions	16,278	464		1,674	(1,093)	17,323
Patents, licenses & trademark	35,478	1,096	(104)	351	(302)	36,519
Goodwill	1,849			(104)	85	1,830
Transfer fees	252			(7)	(126)	119
Software	84,375	12,670	(1,932)	732	9,438	105,283
Prepayments	6,393	9,057	(4)	(259)	(6,261)	8,926
Total cost	288,335	70,008	(4,041)	3,887	(8,085)	350,104
Amortization and impairment						
R&D expenses	(61,614)	(19,199)	1,836	(1,151)	3,480	(76,648)
Concessions	(971)	(359)		(129)	245	(1,214)
Patents, licenses & trademark	(3,288)	(550)	100	29		(3,709)
Transfer fees	(156)	59		7	58	(32)
Software	(60,898)	(8,871)	1,019	(671)	(557)	(69,978)
Total accumulated amortization	(126,927)	(28,920)	2,955	(1,915)	3,226	(151,581)
Impairment of Intangible assets	(1,467)	1		(27)	177	(1,316)
Net carrying amount	159,941	41,089	(1,086)	1,945	(4,682)	197,207

Additions in R&D expenses correspond mainly to the companies Autotech Engineering AIE and Edscha Automotive Technology Co. Ltd. regarding development and design costs of portfolio projects, as well as the application of new technologies and the introduction of new materials related with the business.

Additions in Software corresponded mainly to software licenses renewal and to costs of SAP development and implementation in subsidiaries.

Other movements mainly reflect a reclassification for 4,277 thousand euros from R&D expenses to Machinery, after an accurate study on the nature of these items, as well as adjustments from previous years.

9. Property, plant and equipment

The breakdown and change in various items comprising "Property, plant and equipment" are shown below:

	Thousands of euros						
Cost	At January 01, 2013	Changes in consolidation scope	Additions	Disposals	Currency translation differences	Other movements	At December 31, 2013 Restated*
Land and buildings	1,136,944	(14,527)	20,393	(11,025)	(36,949)	54,499	1,149,335
Plant and other PP&E	3,482,050	(23,096)	112,527	(125,200)	(125,471)	254,718	3,575,528
PP&E under construction and prepayments	427,392	(10)	401,765	(7,616)	(32,031)	(305,889)	483,611
Total cost	5,046,386	(37,633)	534,685	(143,841)	(194,451)	3,328	5,208,474
Depreciation and impairment							
Land and buildings	(276,084)	3,392	(34,867)	748	7,793	(2,539)	(301,557)
Plant and other PP&E	(2,282,136)	22,514	(244,389)	93,907	65,032	4,992	(2,340,080)
Accumulated depreciation	(2,558,220)	25,906	(279,256)	94,655	72,825	2,453	(2,641,637)
Impairment of PP&E	(10,093)		(1,398)	53	447	(2,064)	(13,055)
Net book value	2,478,073	(11,727)	254,031	(49,133)	(121,179)	3,717	2,553,782

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The net value of the Changes to consolidation scope corresponds to the sale to third parties of the company Araluce, S.A. (11,727 thousand euros) (Note 2.a).

Cost value of the property, plant and equipment additions at December 31, 2013 correspond, mainly, to investments in plants and production lines as well as to replacement of capital expenditure to maintain existing activities. The breakdown of investments by countries is as follows:

	Thousands of euros restated*
Spain	95,929
China	88,320
USA	61,705
Brazil	50,285
United Kingdom	44,611
Russia	41,373
Germany	39,448
Mexico	28,347
France	21,872
Turkey	12,480
India	8,432
Czech Republic	8,016
Hungary	7,377
Other	26,490
TOTAL	**534,685**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The net value of Disposals corresponds, mainly, to sales to third parties outside the Group carried out by the companies Gestamp Puebla, S.A de C.V. (17,086 thousand euros), Gestamp Aguascalientes, S.A. de C.V. (7,188 thousand euros) and Gestamp Tallent Ltd (12,370 thousand euros), being the result of these sales not significant; as well as to the dismantlement of production lines and disposal of fully amortized items out of use.

Other movements mainly reflect differences relating to prior years as well as reclassifications between PP&E and intangible assets.

The breakdown by country of translation differences arising in 2013 is the following:

	Thousands of euros restated*
Brazil	(31,216)
India	(10,090)
Russia	(17,428)
Argentina	(20,231)
USA	(10,117)
Turkey	(16,105)
Czech Republic	(4,091)
United Kingdom	(3,154)
Mexico	(4,526)
China	(2,042)
Other countries	(2,179)
TOTAL	(121,179)

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

	Thousands of euros					
Cost	**At December 31, 2013**	**Additions**	**Disposals**	**Currency translation differences**	**Other movements**	**At December 31, 2014**
Land and buildings	1,149,335	31,361	(143)	5	119,076	1,299,634
Plant and other PP&E	3,575,528	109,062	(35,289)	35,955	361,697	4,046,953
PP&E under construction and prepayments	483,611	272,888	(31,486)	1,830	(476,040)	250,803
Total cost	5,208,474	413,311	(66,918)	37,790	4,733	5,597,390
Depreciation and impairment						
Land and buildings	(301,557)	(36,303)	141	(1,244)	1,589	(337,374)
Plant and other PP&E	(2,340,080)	(254,245)	31,555	(20,809)	(5,889)	(2,589,468)
Accumulated depreciation	(2,641,637)	(290,548)	31,696	(22,053)	(4,300)	(2,926,842)
Impairment of PP&E	(13,055)	(79)	549	(342)	4,168	(8,759)
Net book value	2,553,782	122,684	(34,673)	15,395	4,601	2,661,789

Cost value of the property, plant and equipment additions at December 31, 2014 correspond, mainly, to investments in plants and production lines as well as to replacement of capital expenditure to maintain existing activities. The breakdown of investments by countries is as follows:

	Thousands of euros
Spain	79,278
China	71,853
United Kingdom	52,406
USA	43,520
Germany	38,925
Mexico	30,482
Brazil	19,567
Czech Republic	14,591
Russia	10,550
France	10,310
Turkey	7,923
South Korea	6,218
Other	27,688
TOTAL	**413,311**

The net value of Disposals corresponds, mainly, to the dismantlement of production lines and disposal of fully amortized items out of use.

Cost value of the PP&E under construction disposals correspond, mainly, to the sell of PP&E under construction of Gestamp Bizkaia, S.A.

The net value of Other movements mainly reflect adjustments relating to prior years as well as the reclassification from R&D expenses to Machinery for 4,277 thousand euros (note 8).

The breakdown by country of translation differences arising at December 31, 2014 is the following:

	Thousands of euros
Argentina	(7,152)
China	23,329
USA	37,752
India	6,365
United Kingdom	15,682
Russia	(63,906)
Turkey	2,843
Other countries	482
TOTAL	15,395

The asset revaluation effect that was carried out at 2007 as a result of the IFRSs transition is as follows:

	Thousands of euros	
	2014	**2013 Restated***
Initial cost	266,567	266,567
Fair value	563,300	563,300
Revaluation	296,733	296,733
Accumulated depreciation	(36,839)	(32,274)
Deferred tax liabilities	(69,599)	(77,335)

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 financial statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The breakdown of PP&E located outside Spain, by country, is as follows:

	Thousands of euros	
Country	**Net carrying amount 2014**	**Net carrying amount 2013 Restated***
PORTUGAL	35,576	37,263
FRANCE	89,185	100,061
GERMANY	251,019	251,416
BRAZIL	212,901	200,758
ARGENTINA	48,342	54,975
MEXICO	117,051	94,398
UNITED KINGDOM	188,967	146,828
HUNGARY	24,403	23,182
POLAND	38,733	40,030
SWEDEN	31,456	33,510
USA	357,285	309,738
CHINA	316,010	250,382
INDIA	70,517	62,592
SOUTH KOREA	44,091	39,723
TURKEY	80,607	75,775
RUSSIA	111,975	183,198
CZECH REPUBLIC	67,978	60,034
JAPAN	93	100
SLOVAKIA	3,743	3,998
THAILAND	357	752
	2,090,289	1,968,713

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 financial statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The breakdown of assets acquired under finance lease agreements at December 31, 2014 and December 31, 2013 are as follows:

December 31, 2014	Asset cost (thousands of euros)	Lease term	Installments paid	Present value of lease obligations (Thousands of euros) Short term	Long term	Purchase option value
Edscha subgroup						
Software	34	4 years	14	9	11	-
Gestamp Metal Forming subgroup						
Other fixtures	297	5 years	122	59	136	-
Loire Sociedad Anónima Franco Española						
Machinery	400	5 years	375	25	-	5
Beyçelik, A.S.						
Machinery	200	5.16 years	163	51	70	-
Machinery	10,773	4.75 years	7,920	2,959	3,377	1
Machinery	1,004	5 years	452	215	508	-
Machinery	623	4.5 years	80	120	359	-
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi						
Machinery	110	3 years	79	32	-	-
Gestamp West Virginia Llc.						
Machinery (November 2012)	12,397	20 years	831	46	12,351	-
Machinery (December 2012)	8,264	20 years	522	-	8,264	-
				3,516	**25,076**	

December 31, 2013 Restated*	Asset cost (thousands of euros)	Lease term	Installments paid	Present value of lease obligations (Thousands of euros) Short term	Long term	Purchase option value
Edscha subgroup						
Furniture	4	5 years	4			
Furniture	24	4 years	27			
Furniture	2	4 years	2			
Furniture	2	4 years	2			
Furniture	2	4 years	2			
Furniture	3	4 years	3			
Machinery	19	4 years	15	4	-	-
Software	34	4 years	6	8	20	-
Gestamp Metal Forming subgroup						
Other fixtures	65	4.4 years	70	3	-	-
Other fixtures	49	3.5 years	51	1	-	-
Other fixtures	122	4 years	122	11	-	-
Other fixtures	17	3.16 years	16	2	-	-
Other fixtures	76	3.33 years	78	5	-	-
Other fixtures	297	5 years	55	56	195	-
Loire Sociedad Anónima Franco Española						
Machinery	400	5 years	316	56	28	5
Beyçelik, A.S.						
Machinery	192	5.16 years	104	46	120	-
Machinery	10,332	4.75 years	4,706	2,814	6,328	1
Machinery	956	5 years	202	204	722	-
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi						
Machinery	106	3 years	40	22	45	-
Gestamp West Virginia Llc.						
Machinery	10,913	20 years	374	-	10,913	-
Machinery	7,275	20 years	221	-	7,275	-
				3,232	**25,646**	

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, corresponding to the company Beyçelik A.S., refer note 4.5.

At December 31, 2014 and December 31, 2013 the company Gestamp West Virginia, Llc. has no recorded lease obligations in the short term as principal amortization will start from year 2016 on the contract of December 2012.

At December 31, 2013 the company Gestamp West Virginia, Llc. has no recorded lease obligation in the short term as principal amortization will start from year 2015 on for both contracts.

The fees paid in 2013 and 2014 by the company Gestamp West Virginia, Llc. relate entirely to interest amortization.

The amounts contained in the table above are affected by the application of different exchange rates in the conversion process of the financial statements at the exchange rate prevailing at the date of the transaction for companies whose functional currency is different from the presentation currency.

Pledged property, plant and equipment to secure bank loans, in rem guarantees and others

At December 31, 2014 the Griwe Subgroup has pledged items of property, plant, and equipment to secure bank loans received in the outstanding amount of 2,619 thousand euros (December 31, 2013: 3,938 thousand euros). The net carrying amount of these assets at December 31, 2014 was 7,441 thousand euros (December 31, 2013: 7,970 thousand euros).

10. Financial assets

The breakdown of the Group's financial assets at December 31, 2014 and December 31, 2013 by category and maturity, expressed in thousands of euros, is as follows:

	Thousands of euros							
	Investments accounted for using the equity method		Loans and receivables		Derivative financial instruments		Other financial assets	
Item	2014	2013	2014	2013	2014	2013	2014	2013
Non-current financial assets	**9,455**	**11,302**	**43,556**	**22,850**	**5,863**	**63,756**	**17,911**	**16,923**
Investments accounted for using the equity method	9,455	11,302						
Held-to-maturity investments							3,125	3,095
Loans and receivables			43,556	22,850			14,786	13,828
Derivative financial instruments (Note 20.b.4)					5,863	63,756		
Current financial assets	**-**	**-**	**18,319**	**16,017**	**-**	**-**	**57,558**	**41,570**
Loans and receivables			18,319	16,017			57,558	41,570
Total financial assets	**9,455**	**11,302**	**61,875**	**38,867**	**5,863**	**63,756**	**75,469**	**58,493**

a) Non-current financial assets

The movements of non-current financial assets at December 31, 2014 and December 31, 2013 is as follows:

	Thousands of euros			
	Investments accounted for using the equity method	**Loans and receivables**	**Derivative financial instruments**	**Other financial assets**
Balance at January 1, 2013	39,708	19,108	21,771	5,285
Additions	4,615	6,506		12,018
Disposals		(1,419)		(285)
Changes in valuations of financial derivatives (a)			41,985	
Transfers	(27,381)			
Other movements				(25)
Share of profit	(2,280)			
Translation differences	(3,360)	(1,345)		(70)
Balance at December 31, 2013 Restated*	11,302	22,850	63,756	16,923
Additions	875	28,312		2,429
Disposals		(6,657)		(1,534)
Changes in valuations of financial derivatives (a)			(57,893)	
Transfers		(1,298)		11
Other movements		23		(43)
Share of profit	(3,164)			
Translation differences	442	326		125
Balance at December 31, 2014	9,455	43,556	5,863	17,911

a.1) Investments accounted for using the equity method

Additions in 2013 correspond to the capital increase in company Sungwoo Gestamp Hitech Pune Private, Ltd. which was 50% subscribed by the subsidiary Gestamp Cerveira, Lda.

Transfers in 2013 correspond to the reclassification of the assets and liabilities of subsidiaries Gestamp Sungwoo Hitech (Chennai) Pvt, Ltd., Sungwoo Gestamp Hitech Chennai, Ltd., and GS Hot-Stamping Co. Ltd. as held for sale (Note 26).

Additions in 2014 correspond to the capital increase in the company Gestión Global de Matricería, S.L. for 2,500 thousand euros and 35% subscribed by the Company.

“Share of profit” represents the Group’s share of the profit recorded by each company.

a.2) Non-current loans and receivables

Additions in 2013 correspond mainly to the loan granted to Shrenik Industries Pvt Ltd. by the company Gestamp Automotive India Pvt Ltd., which amounted t 2,590 thousand euros and the increase due to Federal Brazilian Tax receivables of the group company Gestamp Brasil Industria de Autopeças, S.A., amounted 3,877 thousand euros.

Additions in 2014 mainly correspond to:

- ✓ Loan granted to Gestión Global de Matricería, S.L. amounting to 24,628 thousand euros for financing the investment of tangible assets and working capital. The loan earns an interest of 3.25% with sole maturity date at December 2016.
- ✓ Increase of long term Federal Brazilian Tax receivables of the subsidiary Gestamp Brasil Industria de Autopeças, S.A., with maturity date between 2015 and 2017.
- ✓ Increase of credit position of the Argentinian public administrations with Gestamp Baires, S.A. due to the local tax Ganancia Mínima Presunta (GMP).

Disposals in 2014 correspond mainly to the early paid out of the loan granted to Shrenik Industries Pvt Ltd. and GS Hot Stamping, Co, Ltd., amounting to 2,590 thousand euros and 3,553 thousand euros respectively.

Transfers in 2014 correspond mainly to the transfer to short term of the part of the loan granted to Esymo Metal, S.L. with maturity date 2015 (heading b.1)).

a.3) Derivatives financial instruments

Change in valuation of financial instruments at December 31, 2014 and December 31, 2013 correspond to the change of the present value of implicit derivatives, mainly, to evolution of the exchange rates applicable to sales and purchases prices in certain customer and suppliers contracts (Note 20.b.4).

a.4) Other non-current financial assets

Additions in 2013 correspond mainly to several deposits as guarantee for operating leases amounting to 7,401 thousand euros of the subsidiaries Gestamp Aguascalientes, S.A. de C.V. , Gestamp Puebla, S.A. de C.V. and Gestamp Puebla II, S.A. de C.V., and the price adjustment due to Araluce, S.A. sale amounting to 4,500 thousand euros which depends on their revenue in 2015 and 2016.

Additions in 2014 mainly include labor legal deposits amounting to 991 thousand euros and deposits as guarantee for operating leases amounting to 989 thousand euros.

Disposals in 2014 mainly include the ruturn of several legal deposits amounting to 833 thousand euros, as deposits as guarantee for opertating leases amounting to 408 thousand euros.

b) Current financial assets

The movements of current financial assets at December 31, 2014 and December 31, 2013 is as follows:

	Thousands of euros	
	Loans and receivables	**Other financial assets**
Balance at January 1, 2013	16,118	11,229
Additions	4,857	22,906
Disposals	(4,497)	(6,610)
Transfers		18,663
Translation differences	(461)	(4,618)
Balance at December 31, 2013 Restated*	16,017	41,570
Additions	4,254	53,847
Disposals	(3,928)	(1,610)
Transfers	978	(38,210)
Other movements	4	
Translation differences	994	1,961
Balance at December 31, 2014	18,319	57,558

b.1) Current loans and receivables

Additions in 2013 mainly include a loan granted by Gestamp Baires, S.A. to Gonvarri Argentina, S.A. on February 22, 2013 amounting to 4,441 thousand euros. The loan earns an interest of 17.5%. The maturity date is February 11, 2014.

Disposals in 2013 mainly include full repayment of the loan granted by Gestamp Automoción, S.A. to Risteel Corporation, B.V. amounting to 3,725 thousand euros.

Additions in 2014 mainly correspond to the loan granted to Essa Palau, S.A. by Gestamp Metalbages, S.A., amounting to 3,000 thousand euros. The loan earns an interest referenced to 3-month Euribor plus a 3% spread.

Disposals in 2014 mainly correspond to the partial cancellation of the loan granted to Gonvarri Argentina, S.A. by Gestamp Baires, S.A., amounting to 3,612 thousand euros.

Transfers in 2014 correspond to the short-term maturity of the loan granted to Esymo Metal, S.L.

b.2) Other current financial investments

Additions in 2013 mainly include increases in fixed-income bank deposits available in current account, amounting to 20,546 thousand euros of the subsidiary Gestamp Brasil Industria de Autopeças, S.A. The return of these deposits is referenced to CDI interbank index.

Disposals in 2013 mainly include decreases in bank deposits which are due of the subsidiaries Gestamp Sungwoo Stampings and Assemblies Pvt. Ltd. and Gestamp Baires, S.A. amounting to 4,403 and 1,930 thousand euros respectively.

Transfers in 2013 mainly include bank deposits of the companies Gestamp Automotive India Pvt. Ltd. and Gestamp Brasil Industria de Autopeças, S.A. amounting to 13,828 thousand euros and 5,499 thousand euros respectively that were recorded as current securities portfolio in 2012.

Additions in 2014 mainly include bank deposits of the subsidiaries Gestamp Automotive India Private, Ltd. and Gestamp Brasil Industria de Autopeças, S.A. amounting to 27,727 and 24,806 thousand euros, respectively.
Transfers in 2014 mainly include bank deposits movements of the subsidiary Gestamp Brasil Industria de Autopeças, S.A. due to the following items:

- ✓ Transfer under the heading Cash and Cash equivalents amounting to 45,070 thousand euros due to a maturity of no more than three months. (Note 12.f))

- ✓ Transfer from the heading Cash and Cash equivalents amounting to 5,315 thousand euros due to a maturity of more than three months.

11. <u>Inventories</u>

The breakdown of inventories at December 31, 2014 and December 31, 2013 is as follows:

	Thousands of euros	
	2014	2013 Restated*
Commercial inventories	10,619	10,018
Raw materials	155,706	149,360
Parts and subassemblies	48,961	33,474
Spare parts	52,440	46,812
Packaging materials	2,620	2,501
Total cost of raw materials and other consumables	270,346	242,165
Work in progress	155,109	134,872
Finished products	124,776	120,526
Byproducts, waste, and recovered materials	31	20
Prepayments to suppliers	48,756	62,619
Total cost of inventories	599,018	560,202
Impairment of raw materials	(6,360)	(8,263)
Impairment of other consumables	(5,748)	(6,590)
Impairment of work in progress	(6,038)	(8,385)
Impairment of finished products	(7,841)	(9,968)
Total impairment	(25,987)	(33,206)
Total inventories	573,031	526,996

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The breakdowns of purchases used in production and changes in inventories are as follows:

			2014 movements			
	2014	2013	Impairment	Reversal of impairment	Changes in inventories	Total change in inventories
Raw materials and other consumables	270,346	242,165	-	-	28,181	28,181
Impairment of raw materials and other consumables	(12,108)	(14,853)	(2,538)	5,283	-	2,745
Consumption (Note 24.a)	**258,238**	**227,312**	**(2,538)**	**5,283**	**28,181**	**30,926**

			2014 movements			
	2014	2013	Impairment	Reversal of impairment	Changes in inventories	Total change in inventories
Work in progress	155,109	134,872	-	-	20,237	20,237
Finished products and byproducts	124,807	120,546	-	-	4,261	4,261
Impairment of finished products and work in progress	(13,879)	(18,353)	(1,181)	5,655	-	4,474
Changes in inventories (see Income Statement)	**266,037**	**237,065**	**(1,181)**	**5,655**	**24,498**	**28,972**

The inventories are not encumbered at December 31, 2014 and December 31, 2013.

12. Trade and other receivables/ Other current assets/ Cash and cash equivalents

a) Trade receivables

	Thousands of euros	
	2014	2013 Restated*
Trade receivables	684,845	704,399
Trade bills receivable	75,554	36,132
Accounts receivable, tools	79,803	167,414
Doubtful debts	368	1,512
Impairment losses	(5,225)	(8,994)
Trade receivables from Group companies (Note 29)	16,761	20,329
	852,106	920,792

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

As indicated in Note 1, Group sales, as well as trade receivable balances, are concentrated across a limited number of customers due to the nature of the automotive Industry. In general, trade receivable balances have high credit quality so overdue balances have little significance.

The movement of the impairment provision at December 31, 2014 consists of a reversal of 702 thousand euros (December 31, 2013: increase of 1,562 thousand euros) (Note 24.c) as well as written-off balances and translation differences.

The receivables balances not yet due transferred by the Group as non-recourse factoring to Spanish, German, British and Polish banks, that have been eliminated in the Consolidated Financial Statements amounted to 150,701 thousand euros and to 85,896 thousand euros at December 31, 2014 and December 31, 2013 respectively.

The expense of transferring non-due receivables balances at December 31, 2014 according to the non-recourse factoring contract amounted to 1,819 thousand euros (December 31, 2013: 2,023 thousand euros).

b) Other receivables

	Thousands of euros	
	2014	**2013 Restated***
Debtors	23,997	20,607
Remuneration advances	2,608	1,502
Short-term loans to employees	144	230
	26,749	22,339

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

c) Current income tax assets

This line item amounted to 32,143 thousand euros at December 31, 2014 (December 31, 2013 Restated*: 39,410 thousand euros) and reflects the receivables balances related to corporate tax refund of the Company and group companies.

* The 2013 figures are restated and does not agree with the corresponding figure in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

d) Public authorities

	Thousands of euros	
	2014	2013 Restated*
Sundry receivables from Public Authorities	146,493	144,997
VAT refund	116,479	134,154
Receivable grants	5,334	2,362
Corporate tax refund (a)	19,924	
Other	4,756	8,481
Receivables from Social Security	(38)	232
	146,455	145,229

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

(a) This balance position reflects the withholdings and installment payments corresponding to 2013 that at December 31, 2014 are still pending to be refund from the Public Administration after the corporate income tax assessment. The most significant outstanding balance amounting to 17,125 thousand euros corresponds to the Company being pending to refund by Diputación Foral de Vizcaya Tax Administration. The due date of the collection period without interest accrued is January 25, 2015.

e) Other current assets

This line item, which at December 31, 2014 amounted to 18,343 thousand euros (December 31, 2013 restated*: 11,767 thousand euros), mainly reflects insurance premiums, maintenance and repair contracts, rentals and software licenses paid for during the year but for which the expense will accrue the following year.

* The 2013 figures are restated and does not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

f) Cash and cash equivalents

	Thousands of euros	
	2014	2013 Restated*
Cash	213,430	342,105
Cash equivalents	270,504	178,312
	483,934	520,417

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

Cash equivalents correspond to surplus cash investments maturing in less than three months.
The breakdown by currencies and interest rates at December 31, 2014 and December 31, 2013 is the following:

	2014		
Company	**Thousands of euros**	**Source currency**	**Interest rate range**
Gestamp Automoción SA	222,000	Euros	0.62%
Gestamp Baires S.A.	3,165	Argentine pesos	14.67%
Gestamp Metal Forming Subgroup	269	Renmimbi yuan	0.35%
Gestamp Brasil Industria de Autopeças, S.A.	45,070	Brazilian reais	100% CDI
	270,504		

Company	2013 Restated* Thousands of euros	Source currency	Interest rate range
Gestamp Brasil Industria de Autopeças, S.A.	15	Brazilian reais	10.00%
Gestamp Baires, S.A	6,277	Argentine pesos	11.38%-19.58%
Gestamp Severstal Kaluga, Llc.	3,819	Russian rubles	5%-6.30%
Gestamp Automotive India Private, Ltd.	7,888	Indian rupees	7.25%-9.10%
Gestamp Sungwoo Stampings & Assemblies Pvt Ltd.	236	Indian rupees	7.00%
Edscha subgroup	47	Euros	0.5%-1%
Edscha subgroup	1	Renmimbi yuan	2%-3%
Gestamp Automoción, S.A.	80,000	Euros	0.30%-1.15%
Gestamp Servicios, S.A.	80,029	US dollar	1.00%
	178,312		

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The amounts included in this heading of the attached Consolidated Balance Sheet are not encumbered.

13. Issued capital and share premium

The “Issued capital” and “Share premium” at December 31, 2014 and December 31, 2013 are as follows:

ITEM	December 31, 2014	December 31, 2013
No. of shares	4,795,953	4,795,953
Par value	60.10	60.10
	Thousands of euros	
Issued capital:		
Issued capital (par value)	288,237	288,237
	288,237	**288,237**
Share premium	**61,591**	**61,591**
Total issued capital + share premium	**349,828**	**349,828**

a) Share capital

At December 31, 2014 the Company’s share capital is represented by 4,795,953 registered shares (At December 31, 2013: 4,795,953 equity units) indivisible and accumulable with a par value of 60.10 euros each, fully subscribed and paid in, and all carrying the same rights and obligations.

The shareholder structure at December 31, 2014 and December 31, 2013 is as follows:

Shareholders	shareholding
Acek Desarrollo y Gestión Industrial, S.L.	54.25%
ArcelorMittal Spain Holding, S.L.	24.18%
ArcelorMittal Basque Holding, S.L.	10.82%
Risteel Corporation, B.V.	10.75%

There are no bylaw restrictions on the transfer of the registered shares and they are not listed.

b) Share premium

The share premium of the Company amounts to 61,591 thousand euros at December 31, 2014 and December 31, 2013.

The amended Spanish Corporate Enterprises Act expressly permits the use of paid-in surplus capital to increase share capital balance, corresponding to an unrestricted reserve.

14. Retained earnings

The changes in “Retained earnings” in 2013 and 2014 were as follows:

	RETAINED EARNING AT DECEMBER 31, 2014 AND DECEMBER 21, 2013 (thousand of euros)							
	Legal reserve	Goodwill reserves	Unrestricted reserves	Reserves at fully consolidated entities	Reserves at associates	Profit for the year	Effective hedges	Total
AT JANUARY 1, 2013	**33,131**	**2,171**	**213,700**	**548,781**	**(2,489)**	**170,141**	**(23,477)**	**941,958**
Changes in accounting policies (Note 4.5)				(4,105)	6,060	1,442		3,397
AT JANUARY 1, 2013 Restated*	**33,131**	**2,171**	**213,700**	**544,676**	**3,571**	**171,583**	**(23,477)**	**945,355**
Profit for 2013						113,987		113,987
Fair value adjustments reserve (hedge)							(6,370)	(6,370)
Actuarial gains and losses				2,492				2,492
Appropiation of 2012 profits	5,620	571	33,164	132,563	(335)	(171,583)		
Dividends distributed by the Company			(51,029)					(51,029)
Dividends distributed by subsidiaries			2,898	(2,898)				
Exit of non-controling interest Gestamp Metal Forming Subgroup (Liberty)				(2,446)				(2,446)
Entry of non-controlling interest MITSUI and exit of non-controlling interest COFIDES (Note 2.a)				16,182				16,182
Interest from participative loans			(12,895)	12,895				
Transfers from retained earnings to non-controlling interests due to the change of shareholding in companies and others				1,625	(35)			1,590
Other movements and adjustements from prior years				(318)	18			(300)
AT DECEMBER 31, 2013 Restated*	**38,751**	**2,742**	**185,838**	**704,771**	**3,219**	**113,987**	**(29,847)**	**1,019,461**
Profit for 2014						125,702		125,702
Fair value adjustments reserve (hedge)							(7,006)	(7,006)
Actuarial gains and losses				(12,939)				(12,939)
Appropiation of 2013 profits	6,500	571	52,574	56,622	(2,280)	(113,987)		
Dividends distributed by the Company			(33,922)					(33,922)
Dividends distributed by subsidiaries			556	(556)				
Merge of subisidiaries including companies not previosly in consolidation scope				46				46
Transfer from reserves under equity method to reserves under full consolidation method because of sale of companies				7,112	(7,112)			
Interest from participative loans			29,527	(29,527)				
Increase in shareholding in companies previously under control				(4,603)				(4,603)
Transfers from retained earnings to non-controlling interests due to the change of shareholding in companies and others				1,439				1,439
Other movements and adjustments from prior years				(842)	(10)			(852)
AT DECEMBER 31, 2014	**45,251**	**3,313**	**234,573**	**721,523**	**(6,183)**	**125,702**	**(36,853)**	**1,087,326**

*Some figures included do not match with those from 2013 Consolidated Financial Statements and they reflect adjustments detailed in Note 4.5

14.1 Legal reserve of the Company

The Legal Reserve of the Company amounted to 45,251 thousand euros at December 31, 2014 (38,751 thousand euros at December 31, 2013).

The Company is obliged to transfer 10% of profit for the year to a legal reserve until this reserve is equivalent to at least 20% of issued capital. This reserve is not distributable to shareholders and may only be used to offset losses if no other reserves are available.

14.2 Goodwill reserve

The Company is required to set aside a non-distributable reserve equal to the amount of goodwill on its balance sheet which amounts to 11,415 thousand euros at December 31, 2014 and December 31, 2013. The amount of profit designated for this purpose must represent at least 5% of goodwill. If no profits are available or profits should prove to be insufficient, freely distributable reserves must be used for this purpose. The amount of the goodwill reserve amounted to 3,313 thousand euros at December 31, 2014 (2,742 thousand euros at December 31, 2013) of which 571 thousand euros were provisioned in 2014 (December 31, 2013: 571 thousand euros).

14.3 Unrestricted Company reserves

At December 31, 2014 the Company's unrestricted reserves amounting to 234,573 thousand euros, correspond to those derived from the individual financial statements of the Company amounting to 307,691 thousand euros (December 31, 2013: 283,683 thousand euros) less the adjustments generated in the consolidation process for an amount of 73,118 thousand euros that mainly correspond to:

- The difference between the carrying amount of Gestamp Brasil Industria de Autopeças, S.A., Gestamp Global Tooling, S.L. and Matricerías Deusto, S.A. and the consolidated value of the said companies, which amounted to 63,656 thousand euros, has been reversed in the consolidation process.

- The remaining amount of 9,462 thousand euros mainly corresponded to the elimination of the margins registered by the Company as per its individual financial statements, and were related to intercompany purchase-sale transactions of financial participations, as well as to the reverse of the goodwills arisen in the merger processes between Group companies.

14.4 Availability of reserves at fully consolidated companies

Reserves held by companies consolidated under the full consolidation method are subject to a number of restrictions as to their availability depending on whether they are legal reserves, revaluation reserves, or other special reserves.

The restrictions regarding the reserves mentioned above are the following:

a) <u>Revaluation reserve. Regional Law 6/1996</u>

In accordance with prevailing regional legislation, this reserve can be used to offset losses, increase share capital or be transferred to non-distributable reserves.

The balance at December 31, 2014 and December 31, 2013 amounted to 4,884 thousand euros.

b) Revaluation/ Restatement reserve RDL 7/96, of June 7, of Gestamp Toledo, S.L.

The balance of this reserve may be used tax free to offset losses and increase share capital. From January 2007 on, the balance of this reserve may be taken to freely distributable reserves, provided that the capital gain has been realized and the corresponding amortization/ depreciation recorded, or the revaluated assets have been transferred or written off the general ledgers. If the balance of this account were used for any other purpose, it would be considered taxable.

The balance of this restricted reserve at December 31, 2014 and December 31, 2013 amounted to 383 thousand euros.

c) Reserve for productive investments. Regional Law 3/1996, of June 26

In accordance with prevailing regional legislation, this special reserve may only be applied to offset losses or increase share capital in 5 years since it is materialized in fixed assets.

The balance of this reserve at December 31, 2014 and December 31, 2013 was 26,398 thousand euros.

d) Legal reserves at subsidiaries

By virtue of prevailing legislation in the countries where these companies are located, legal reserves must reach a certain percentage of share capital, so that each year a percentage of profit is applied to offset losses or increase share capital.

The balance of these reserves at December 31, 2014 and December 31, 2013 was 65,557 thousand euros and 61,931 thousand euros respectively.

e) Fair value of property, plant and equipment

As a result of valuation of Property, plant, and equipment at fair value, the land and buildings of certain subsidiaries have been valued at their appraised values, and an increase in reserves has been registered in the amount of the difference between the said assets´ fair values and the net carrying amounts registered by each company.

The after-tax increase in reserves deriving from these revaluations amounts to 125 million euros at December 31, 2014 and 128 million euros at December 31, 2013.This increase of reserves is not distributable.

f) Restrictions related to capitalized development expenses and goodwill

Under prevailing legislation, dividend payments cannot result in an unrestricted reserve balance that is lower than the net carrying amount of development expenses and goodwill as per the individual financial statements of the Group’s Spanish companies prepared under prevailing Spanish GAAP.

15. Translation differences

The breakdown of this line item by company included in the consolidation scope is as follows:

Company	Thousands of euros 2014	2013 Restated*
ARGENTINA		
Gestamp Córdoba, S.A.	(19,874)	(18,046)
Gestamp Argentina, S.A.	2,273	2,338
Gestamp Baires, S.A.	(38,985)	(30,327)
BRAZIL		
Gestamp Brasil Industria de Autopeças, S.A.	17,276	13,166
Edscha do Brasil Ltda.	(747)	(1,037)
UNITED KINGDOM		
Gestamp Washington UK Limited	2,864	2,797
Autotech R&D UK Limited	79	(17)
Automotive Chassis Products Plc.	2,772	1,155
Gestamp Tallent , Ltd	7,005	5,531
POLAND		
Gestamp Polska, S.P., Zoo	(9,623)	(12,177)
Gestamp Wroclaw Sp.z,o.o.	(227)	(89)
HUNGARY		
Gestamp Hungaria KFT	(2,440)	(6,231)
Gestamp Mor	(1)	(1)
USA		
Gestamp Alabama, LLC	5,891	(16,399)
Gestamp Mason, LLc	(12,445)	977
Gestamp North America, INC	(18,109)	(3,405)
Gestamp Chattanooga LLc	(602)	(395)
Gestamp South Carolina, LLc.	1,537	(1,922)
Gestamp West Virginia, Llc	(1,118)	373
Edscha Automotive Michigan, Inc	1,544	62
SWEDEN		
Gestamp Sweden, AB	(2,203)	(405)
Gestamp HardTech AB	(1,031)	(1,523)
Gestamp Holding China AB	396	390
MEXICO		
Gestamp Aguascalientes, S.A. de CV	(6,485)	(6,589)
Gestamp MSL, S.A. de CV	(43)	(50)
Gestamp Cartera de México, S.A de CV	(2,044)	(1,573)
Gestamp Puebla, S.A. de CV	(11,200)	(12,403)
Mexicana Servicios Laborales, S.A. de CV	(12)	(24)
Gestamp Toluca, S.A. de CV	(3,571)	(3,550)
Gestamp Serv. Laborales de Toluca, S.A. de CV	23	10
Gestamp Puebla II, S.A. de CV	10	17
CHINA		
Gestamp Auto Components (Kunshan) Co., Ltd	8,803	5,676
Gestamp Auto Components (Shenyang) Co.,Ltd.	87	(517)
Gestamp Auto Components (Dongguan) Co.,Ltd.	243	(387)
GMF Wuhan, Ltd	9,037	647
Edscha Automotive Technology Co., Ltd.	34	18
Anhui Edscha Automotive Parts Co Ltda.	3,155	936
Shanghai Edscha Machinery Co., Ltd.	2,540	1,120
Edscha Automotive Components Co., Ltda.	950	(496)
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	281	100
INDIA		
Gestamp Services India Private, Ltd.	60	87
Gestamp Automotive India Private Ltd.	602	(4,441)
Gestamp Automotive Chennai Private, Ltd.	(92)	(556)
SOUTH KOREA		
Gestamp Kartek	2,764	82
Edscha Pha, Ltd.	88	(46)
TURKEY		
Beyçelik, A.S.	(20,156)	(22,015)
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	132	178
RUSSIA		
Gestamp Severstal Vsevolozhsk Llc	(9,587)	(256)
Gestamp Severstal Kaluga, Llc	(43,411)	(9,913)
Gestamp Togliatti, Llc.	(3,845)	(1,087)
Edscha Togliatti, Llc.	919	(81)
CZECH REPUBLIC		
Gestamp Louny, S.R.O.	(3,011)	(2,725)
Edscha Hradec S.R.O.	(27)	(25)
Edscha Automotive Kamenice S.R.O.	(2,991)	(2,596)
LUXEMBOURG		
Gestamp Funding Luxembourg, S.A.	24,502	(599)
SPAIN		
Gestamp Automoción, S.A.	(31,479)	1,141
Gestamp Bizkaia, S.A.	-	11
Gestamp Palencia, S.A.	-	292
Gestamp Toledo, S.L.	-	(3,859)
Gestamp Servicios, S.A.	9,161	(914)
Gestamp Global Tooling, S.L.	-	55
Gestamp Tool Hardening, S.L.	-	(56)
Loire SAFE	-	100
Gestamp Holding México, S.L.	(144)	-
Gestamp Metalbages, S.A.	3	-
OTHER		
Other	732	(422)
TOTAL	(139,740)	(129,895)

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

16. <u>Non-controlling interest</u>

The changes in “Equity attributable to non-controlling interest” by company in 2013 and 2014 were as follows:

Company	At January 1, 2013	Translation differences	Capital increase	Distribution of dividends	Transfer of fully consolidated reserves	Addition of MITSUI and exit of COFIDES	Exit of LIBERTY from GMF subgroup	Sale of company Araluce, S.A.	Other movements	Profit (loss)	At December 31, 2013 Restated*
	Thousands of euros										
Griwe Subgroup	2,281								(2,281)		-
Autotech Engineering, A.I.E.	2,718								(2,718)		-
Gestamp Finance Luxemburgo, S.A.	50	(88)								88	50
Todlem, S.L./ Gestamp Seversta Vsevolozhsk Llc./Gestamp Stadco Holding, S.L./Gestamp Severstal Kaluga, Llc.	32,540	(7,061)	2,822		459				83	(1,636)	27,207
Gestamp Holding Rusia, S.L.	24,470				1					1	24,472
Gestamp Auto Components (Kunshan) Co., Ltd/Gestamp Holding China, AB	15,743	(258)			5				1,103	2,807	19,400
Edscha Subgroup	27,381	(530)		(1,933)	845				(1,336)	(1,373)	25,313
Araluce, S.A.	7,393				(443)			(8,646)	1,696		-
Matricerias Deusto S.L.	8,641				(1,299)				3,471	(1,623)	9,190
Adral Matriceria y Pta. a punto , S.L.	4,509								(374)	1,159	5,294
Gestamp Tooling Services, AIE	(219)								(7)	(79)	(305)
Gestamp Global Tooling, S.L.	458				(107)			11,936	56	(4,560)	7,783
Gestamp Tool Hardening, S.L.	245								(95)	1,164	1,314
Bero Tools, S.L.	(6)										(6)
Die Diede Development, S.L.	(191)								(46)	(26)	(263)
Gestamp Metal Forming Subgroup	133,580	(4,974)			(27)		(101,554)			(6,796)	20,229
Gestamp Louny, S.R.O.	(9)	7			3				(1)		-
Gestamp Autocomponents (Dongguan) Co. Ltd.	(90)	13							77		-
Gestamp Try Out Services, S.L.	-									373	373
Gestamp Brasil Industria Autopeças, S.A.	-	(3,274)				52,850			(1)	(1,387)	48,188
Gestamp Holding Argentina, S.L. and Argentinian companies	-	(12,421)			12	29,216				(2,654)	14,153
Gestamp Holding México, S.L. and Mexican companies	50,831	(1,745)			(66)	34,363			(173)	6,718	89,928
Gestamp North America, INC and North American companies	-	(4,879)				71,249				2,032	68,402
Mursolar 21, S.L.	-									23	40,023
Beyçelik, A.S.	29,091	(3,534)		(2,801)					(22)	2,052	24,786
Gestamp Automotive India Private Ltd.	6,710	(689)								(247)	5,774
Gestamp sungwoo Stampings & Assemblies Private Ltd.	3,166	(236)							(11)	(1,751)	1,168
GMF Otomotiv Parçalari Sanayi ve Ticaret Ltd. Sirketi	(4,755)	39							311	(2,618)	(7,023)
	344,537	(39,630)	2,822	(4,734)	(617)	187,678	(101,554)	3,290	(268)	(8,333)	425,450

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The most significant movements in “Non-controlling interest” at December 31, 2013 correspond to:

- The additions to consolidation scope mainly correspond to Edscha Aapico Automotive Co.Ltd and Edscha Pha, Ltd. from Edscha subgroup.

- It is also included the incorporation of COFIDES, S.A. as non-controlling partner of the company Mursolar 21, S.L. (holding company of Gestamp Autocomponent (Shenyang) Co. Ltd. and Gestamp Autocomponents (Dongguan) Co. Ltd) on December 20, 2013 through two capital increases where COFIDES, S.A. acquired 35% shareholding (Note 2.a).

- The acquisition to COFIDES, S.A. of its entire shareholding in the Mexican companies and the entry of Mitsui & Co, Ltd. as a new non-controlling partner in the Argentinian, Mexican, North American and Brazilian companies, through capital increases representing 30% shareholding (Note 2.a).

- The acquisition to Tocqueville Capital Company B.V. (company belonging to Liberty Hampshire Company Llc. Group), non-controlling partner of GMF Holding, GmbH, of their shareholding in this company; as consequence the Group reaches 100% shareholding in the mentioned company (Note 2.a) according to agreement between the Group and Liberty granting a purchase option to the Group exercisable in 2013.

- Sale of shareholding in Araluce, S.A. to third parties. This company was indirectly shareholded by non-controlling partner Ekarpen SPE, S.A.

- “Other movements” in 2013 include the exit of non-controlling partners of the company Autotech Engineering, A.I.E. and of Griwe subgroup. They are also included profit (loss) adjustments attributable to non-controlling interests in 2012.

Company	Thousands of euros								
	At December 31, 2013	Translation differences	Capital increase	Distribution of dividends	Transfer of fully consolidated reserves	Increase in shareholding in companies previously under control	Other movements	Profit (loss)	At December 31, 2014
Gestamp Finance Luxemburgo, S.A.	50								50
Todlem, S.L./ Gestamp Seversta Vsevolozhsk Llc.//Gestamp Severstal Kaluga, Llc.	27,207	(13,784)	1,722		247		(130)	(19,108)	(3,846)
Gestamp Holding Rusia, S.L.	24,472				24			(3)	24,493
Gestamp Auto Components (Kunshan) Co., Ltd/Gestamp Holding China, AB	19,400	2,369					565	3,688	26,022
Edscha subgroup	25,313	1,221		(3,747)	1,337	(4,865)	13	(1,389)	17,883
Matricerias Deusto S.L.	9,190				185		271	(6,345)	3,301
Adral Matriceria y Pta. a punto , S.L.	5,294						(209)	1,435	6,520
Gestamp Tooling Services, AIE	(305)						(5)	(63)	(373)
Gestamp Global Tooling, S.L.	7,783						(45)	2,016	9,754
Gestamp Tool Hardening, S.L.	1,314						(312)	1,914	2,916
Bero Tools, S.L.	(6)								(6)
Die Diede Development, S.L.	(263)						(3)	(42)	(308)
Gestamp Metal Forming Subgroup	20,229	(74)					(178)	(2,156)	17,821
Gestamp Try Out Services, S.L.	373						(104)	475	744
Gestamp Brasil Industria Autopeças, S.A.	48,188	271					389	2,205	51,053
Gestamp Holding Argentina, S.L. and Argentinian companies	14,153	283					297	(2,309)	12,424
Gestamp Holding México, S.L. and Mexican companies	89,928	132		(1,086)			(67)	4,704	93,611
Gestamp North America, INC and North American companies	68,402	10,555						8,298	87,255
Mursolar 21, S.L./Gestamp A. Shenyang, Co. Ltd./Gestamp A. Dongguan, Co. Ltd.	40,023	981			(3,232)		(905)	(63)	36,804
Beyçelik, A.S.	24,786	1,458		(2,757)			(126)	6,426	29,787
Gestamp Automotive India Private Ltd.	5,774	725					(52)	3,743	10,190
Gestamp Automotive Chennai Private Ltd.	1,168	723				(3,574)	1,683		-
GMF Otomotiv Parçalari Sanayi ve Ticaret Ltd. Sirketi	(7,023)	(57)					128	(318)	(7,270)
	425,450	4,803	1,722	(7,590)	(1,439)	(8,439)	1,210	3,108	418,825

The most significant movements in "Non-controlling interest" at December 31, 2014 correspond to:

- Translation differences generated in 2014.
- Capital increase in Todlem, S.L.
- Distribution of dividends by the subsidiaries Anhui Edscha Automotive Parts Co. Ltda, Gestamp 2008, S.L., Beycelik A.S. and Gestamp Holding Mexico, S.L.
- The transfers of fully consolidated reserves correspond to:
  - the capital increases in Todlem, S.L. and Edscha do Brasil Ltda., not proportionately subscribed by its shareholders.
  - COFIDES, S.A., shareholding recognition in Gestamp Autocomponents (Shenyang) Co. Ltd. and Gestamp Autocomponents (Dongguan) Co. Ltd. as indirect non-controlling interest through the subsidiary Mursolar 21, S.L. (Note 2.a).
- Increase in shareholding in Anhui Edscha Automotive Parts Co. Ltda. and in Gestamp Automotive Chennai Private, Ltd., by acquisition of 30% and 50% shareholding respectively and by so acquiring 100% shareholding and consequently non-controlling interest are derecognized.
- "Other movements" in 2014 correspond to profit (loss) adjustments attributable to non-controlling interests in 2013.
- Profit from 2014 attributable to non-controlling interest.

The most significant non-controlling interests informed above, have protection rights regarding significant decisions about desinvestments, corporate restructuring, dividends distribution and amending of bylaws.

17. Deferred income

Deferred income includes grants relating to assets obtained by Group subsidiaries pending release to the Consolidated Income Statement.

The breakdown of this heading at December 31, 2013 and December 31, 2014 including the movements during the year is as follows:

	Thousands of euros						
Company	At January 1, 2013	Additions consolidation scope	Additions	Released income	Translation differences	Other movements	At December 31, 2013 Restated*
Gestamp Bizkaia, S.A.	2,242			(258)			1,984
Gestamp Vigo, S.A.	4,097			(1,178)		346	3,265
Gestamp Toledo, S.L.	2,783			(385)			2,398
Gestamp Palencia, S.A.	3,470			(356)			3,114
Gestamp Linares, S.A.	1,064			(92)			972
Gestamp Galvanizados, S.A.	99			(13)			86
Gestamp Puebla, S.A. de C.V.	245			(34)	(11)		200
Gestamp Aveiro, S.A.	332			(95)			237
Gestamp Navarra, S.A.	1,995			(246)			1,749
Gestamp Solblank Navarra, S.L.	65			(9)			56
Gestamp Aragón, S.A.	803			(109)			694
Gestamp Abrera, S.A.	1,402			(146)			1,256
Gestamp Metalbages, S.A.	141			(19)			122
Gestamp Solblank Barcelona, S.A.	135			(29)			106
Gestamp Washington UK, Ltd			341	(91)	(2)		248
Gestamp Levante, S.A.	724			(104)			620
Gestamp Hungaria KFT	248			(14)	(2)		232
Griwe Subgroup	3,224			(964)		(12)	2,248
Gestamp Cataforesis Vigo, S.A.	346					(345)	1
Gestamp Kartek Co, Ltd.	29			(7)	(1)		21
Gestamp Manufactoring Autochasis, S.L.	175			(19)			156
Adral, matriceria y pta. a punto, S.L.	192					(57)	135
Gestamp Esmar, S.A.	9			(3)			6
Beyçelik, A.S.	306		122		(62)	(23)	343
Edscha Subgroup	4,602		198	(95)	(19)	(499)	4,187
Gestamp Metal Forming Subgroup	130		6,729	(812)	(16)		6,031
Loire Sociedad Anónima Franco Española	343		31	(49)			325
Diede Die Developments, S.L.	422		34	(28)		63	491
Total	29,623		7,455	(5,155)	(113)	(527)	31,283

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

	Thousands of euros						
Company	At December 31, 2013	Additions consolidation scope	Additions	Released income	Translation differences	Other movements	At December 31, 2014
Gestamp Bizkaia, S.A.	1,984			(271)			1,713
Gestamp Vigo, S.A.	3,265			(881)			2,384
Gestamp Toledo, S.L.	2,398			(290)			2,108
Gestamp Palencia, S.A.	3,114			(358)			2,756
Gestamp Linares, S.A.	972			(58)			914
Gestamp Galvanizados, S.A.	86			(13)			73
Gestamp Puebla, S.A. de C.V.	200			(32)	1		169
Gestamp Aveiro, S.A.	237			(68)			169
Gestamp Navarra, S.A.	1,749			(194)			1,555
Gestamp Solblank Navarra, S.L.	56			(9)			47
Gestamp Aragón, S.A.	694			(94)		(9)	591
Gestamo Abrera, S.A.	1,256			(255)			1,001
Gestamp Metalbages, S.A.	122			(19)			103
Gestamp Solblank Barcelona, S.A.	106			(19)			87
Gestamp Washington UK, Ltd	248			(100)	13		161
Gestamp Levante, S.A.	620		2,927	(451)			3,096
Gestamp Hungaria KFT	232			(11)	(14)		207
Griwe Subgroup	2,249			(439)		2	1,812
Gestamp Kartek Co, Ltd.	21			(9)	2		14
Gestamp Manufactoring Autochasis, S.L.	156			(20)			136
Adral, matriceria y pta. a punto, S.L.	135					(37)	98
Gestamp Esmar, S.A.	6			(3)			3
Beyçelik, A.S.	343		104				447
Edscha Subgroup	4,187		1,793	(841)	14	(546)	4,607
Gestamp Metal Forming Subgroup	6,031		151	(812)	(5)		5,365
Loire Sociedad Anónima Franco Española	325		16	(69)	384		656
Diede Die Developments, S.L.	491			(72)		(39)	380
Gestamp Puebla II, S.A. de C.V.	-		628				628
Total	31,283		5,619	(5,388)	395	(629)	31,280

The additions recognized in 2013 and 2014 correspond to grants received from public authorities for investments in plant and equipment and job creation.

The Group companies have met all the requirements attaching to these grants to qualify as non-reimbursable grants.

18. Provisions

The breakdown of non-current and current provisions in 2014 and 2013 is as follows:

	Non-current		Current	
	2014	2013 Restated*	2014	2013 Restated*
Provisions for retributions to employees (Note 19)	79,517	60,449	7,014	5,265
Provisions for taxes	6,440	4,865	-	-
Provisions for dismantlement and retirement of tangible fixed assets	-	351	-	-
Other provisions	45,269	69,355	12,077	8,383
	131,226	135,020	19,091	13,648

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The changes in Provisions during 2014 and 2013 are as follows:

	Thousands of euros	
	Non-current	Current
Balance at January 1, 2013	168,054	15,641
Additions to scope	(87)	-
Increase in allowance	15,625	7,892
Decrease	(48,905)	(7,244)
Translation differences	(644)	(414)
Other movements	977	(2,227)
Balance at December 31, 2013 Restated*	135,020	13,648
Increase in allowance	36,260	6,314
Decrease	(32,303)	(14,858)
Translation differences	(223)	283
Other movements	(7,528)	13,704
Balance at December 31, 2014	131,226	19,091

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

This line item primarily reflects employee compensations and provisions recognized by certain Group companies to cover specific risks arising from their day-to-day businesses and potential liabilities relating to employee compensations and tax assessments which are currently being appealed, among other items.

<u>Non-current provisions</u>

In 2013 the additions to consolidation scope correspond to the exit of company Araluce, S.A. from consolidation scope (Note 2.a).

Increases of non-current provisions in 2014 and 2013 correspond mainly to post-retirement benefits, liabilities relating to differences in the interpretation of tax matters, and long term employee compensation.

Decreases of non-current provisions in 2014 and 2013 mainly reflect:

- Application of provisions relating to tax assessments.
- Application of provisions from onerous contracts of the Edscha Subgroup and Gestamp Vendas Novas Lda.
- Application of long term employee compensation provisions among others.

Changes of non-current provisions directly registered in the Consolidated Income Statement in 2014 mainly correspond to:

- Balance of 12,479 thousand euros under the heading “Other operating income” as provision surplus (2013: 10,647 thousand euros) (Note 23.b).
- Surplus provisions amounting to 3,558 thousand euros (2013: 2,550 thousand euros).
- The amount included in the rest of operating expenses is 19,317 thousand euros (2013: 24,812 thousand euros).

Current provisions

Additions to current provisions in 2014 correspond mainly to provisions of Gestamp Metal Forming (Wuhan), Ltd., Gestamp Umformtechnik, GmbH., Sofedit, S.A.S, Edscha Automotive Kamenice S.R.O., Edscha do Brasil, Ltd. and Shanghai Edscha Machinery Co. Ltd. to short-term employee compensation and to cover specific risks arising from day to day businesses.

Additions to current provisions in 2013 correspond mainly to provisions for obtaining customer projects of Gestamp Metal Forming (Wuhan), Ltd., to short-term employee compensation and other issues with customers of Sofedit S.A.S. and to customer guarantees of Edscha Automotive Kamenice S.R.O.

Decreases of current provisions in 2014 and 2013 correspond mainly to employee reestructuring installements, regularization of provisions related to resolved litigations and to short term employee compensation.

Other movements in current and non-current provisions in 2014 and 2013 are mainly related to prior year’s adjustments and reclassifications. In the first quarter of 2014, non-current provisions, were transferred to current amounting 14,500 thousand euros as it is deemed to be written off in less than 12 months.

19. Pensions and other post-employment obligations

The breakdown of the provision for employee benefits is as follows:

Item		Non-current		Current		Total	
		2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*
Employee benefits	a)	11,060	7,899	7,014	5,256	18,074	13,155
Post-employment benefits							
Defined benefit plans	b)	68,457	52,550	-	9	68,457	52,559
Total (Note 18)		79,517	60,449	7,014	5,265	86,531	65,714

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

a) Employee benefits

This line item includes provisions by some Group companies for seniority awards and other benefits for staying in the company (anniversary, retirement, awards, etc.).

b) Defined benefit plans

The Group has a number of defined benefit plans. The main defined benefit plans are located in Germany and France and correspond to companies belonging to Gestamp Metal Forming Subgroup and Edscha Subgroup as well as Autotech Engineering Deutchland, GmbH.,. Among these pension plans, there are partially supported plans by an investment fund and not supported plans by an investment fund.

The risks of the different defined benefit plans are those associated to pensions not supported by an external fund. Other risks of the defined benefit plans common to partially supported plans as well as to not supported plans are those related to demographic issues, such as mortality and longevity of employees, and those related to financial issues such as pension increase rate depending on inflation.

Assets and liabilities recognized in these Consolidated Financial Statements and corresponding to the said plan, by countries, are the following:

	Thousand of euros		
Item	**Germany**	**France**	**Total**
Present value of the defined benefit obligation	67,303	7,937	75,240
Fair value of plan assets and reimbursement rights	(4,410)	(2,373)	(6,783)
Value of defined benefit obligation at December 31, 2014	**62,893**	**5,564**	**68,457**

	Thousand of euros		
Item	**Germany**	**France**	**Total**
Present value of the defined benefit obligation	52,017	7,333	59,350
Fair value of plan assets and reimbursement rights	(4,338)	(2,453)	(6,791)
Value of defined benefit obligation at December 31, 2013	**47,679**	**4,880**	**52,559**

The changes in present value of the defined benefit obligations are the following:

	Thousand of euros		
	Germany	**France**	**Total**
Present value of the defined benefit obligation at January 1, 2013	**54,248**	**6,992**	**61,240**
Current service cost year 2013	2,386	417	2,803
Interest income or expense	1,555	209	1,764
Pension cost charged to profit and loss at 2013	3,941	626	4,567
Payments from the plan except any settlements	(2,040)	(267)	(2,307)
Actuarial gains and losses arising from changes in demographic assumptions	-	(24)	(24)
Actuarial gains and losses arising from changes in financial assumptions	(2,561)	6	(2,555)
Remeasurements of the net defined benefit liability	(2,561)	(18)	(2,579)
Effect of disposals	(611)	-	(611)
Other effects	(960)	-	(960)
Present value of the defined benefit obligation at December 31, 2013	**52,017**	**7,333**	**59,350**
Current service cost year 2014	2,489	424	2,913
Gains and losses arising from settlements	-	(143)	(143)
Interest income or expense	1,722	146	1,868
Pension cost charged to profit and loss at 2014	4,211	427	4,638
Payments from the plan except any settlements	(2,039)	(129)	(2,168)
Actuarial gains and losses arising from changes in financial assumptions	12,785	470	13,255
Actuarial gains and losses attributable to non-controlling interests	-	(164)	(164)
Tax effect	(253)	-	(253)
Remeasurements of the net defined benefit liability	12,532	306	12,838
Effect of disposals	14	-	14
Other effects	568	-	568
Present value of the defined benefit obligation at December 31, 2014	**67,303**	**7,937**	**75,240**

The changes in fair value of plan assets are the following:

	Thousand of euros		
	Germany	France	Total
Fair value of plan assets and reimbursement rights at January 1, 2013	**4,279**	**2,504**	**6,783**
Interest income or expense	128	75	203
Pension cost charged to profit and loss at 2013	128	75	203
Payments from the plan except any settlements	-	(267)	(267)
Return on plans assets, excluding amounts included in interest	-	(18)	(18)
Actuarial gains and losses arising from changes in demographic assumptions	(69)	-	(69)
Remeasurements of the net defined benefit liability	(69)	(18)	(87)
Contributions to the plan by the employer	-	159	159
Fair value of plan assets and reimbursement rights at December 31, 2013	**4,338**	**2,453**	**6,791**
Interest income or expense	148	74	222
Pension cost charged to profit and loss at 2014	148	74	222
Payments from the plan except any settlements	-	(129)	(129)
Return on plans assets, excluding amounts included in interest	-	(38)	(38)
Actuarial gains and losses arising from changes in financial assumptions	(76)	-	(76)
Actuarial gains and losses attributable to non-controlling interests	-	13	13
Remeasurements of the net defined benefit liability	(76)	(25)	(101)
Fair value of plan assets and reimbursement rights at December 31, 2014	**4,410**	**2,373**	**6,783**

The breakdown of the expense recognized in the Consolidated Income Statement regarding these plans is as follows:

	Thousand of euros			
	Germany		France	
Item	**2014**	**2013**	**2014**	**2013**
Current service cost	2,489	2,386	424	417
Gains and losses arising from settlements			(143)	
Net interest on the net defined benefit liability (asset)	1,574	1,427	72	134
Total expense recognised in profit or loss	**4,063**	**3,813**	**353**	**551**

The main categories of plan assets and their fair value are the following:

	Thousand of euros			
	Germany		France	
Item	**2014**	**2013**	**2014**	**2013**
Investments quoted in active markets				
Mixed investment funds in Europe	4,410	4,338		
Not quoted investments				
Investment funds in insurances			2,373	2,453
	4,410	**4,338**	**2,373**	**2,453**

The main hypotheses used for determining the defined benefit obligation are the following:

Item	Germany 2014	Germany 2013	France 2014	France 2013
Discount rate	1.8% - 2.6%	3.4%-3.5%	1.8%	3.0%
Expected rate of return on any plan assets	0%- 1.8%	3.0%	-	3.0%
Future salary increases rate	2.5%	2.5%	2.5%	2.5%
Future pension increases rate	1.5% - 2%	1.5%-2.5%	-	-
Inflation rate	2.0%	2.0%	-	2.0%
Mortality table	RT 2005 G	RT 2005 G	INSEE F 08-10	INSEE 07-09
Rates of employee turnover, disability and early retirement	Aon Hewitt Standard tables, RT 2005 G, 0.5%	RT 2005G 0.8%-0.5%	-	-
Proportion of plan members with dependants who will be eligible for benefits	100.0%	100.0%	-	-
Percentage of taxes payable by the plan on contributions relating to service before the reporting date or on benefits resulting from that service	0% -2%	-	-	45%
Retirement age	-	-	62-65 years	60-65 years

The sensitivity analysis of the value of post-retirement benefits obligations for the main hypotheses at December 31, 2014 and December 31, 2013 are as follows:

		Thousand of euros			
		2014			
		Germany		France	
Assumptions	Sensitivity	Increase	Decrease	Increase	Decrease
Discount rate					
Increase	0.25%				301
Decrease	0.25%			316	
Increase	0.5%		4,226		
Decrease	0.5%	4,696			
Future pension increases rate					
Increase	0.5%	2,011			
Decrease	0.5%		1,910		
Future salary increases rate					
Increase	0.5%			641	
Decrease	0.5%				583
Mortality rate					
Increase	1 year	1,368			

		Thousand of euros			
		2013			
		Germany		France	
Assumptions	Sensitivity	Increase	Decrease	Increase	Decrease
Discount rate					
Increase	0.5%				886
Decrease	0.5%			1,084	
Increase	1.0%		2,884		
Decrease	1.0%	3,208			
Future pension increases rate					
Increase	0.5%	1,404			
Decrease	0.5%		1,371		
Future salary increases rate					
Increase	0.5%			514	
Decrease	0.5%				469
Percentage of taxes payable by the plan on contributions relating to service before the reporting date or on benefits resulting from that service					
Increase	1.0%			51	
Decrease	1.0%				51

The expected future payments related to pension benefit at December 31, 2014 and December 31, 2013 are the following:

	Thousand of euros					
	2014			2013		
	Germany	France	Total	Germany	France	Total
Within the next 12 months	2,864	24	2,888	2,702	84	2,786
Between 2 and 5 years	10,426	1,649	12,075	9,940	1,900	11,840
Beyond 5 years	13,159	22,475	35,634	12,869	23,342	36,211
Total	**26,449**	**24,148**	**50,597**	**25,511**	**25,326**	**50,837**

20. Non-trade liabilities

The breakdown of non-trade liabilities at December 31, 2014 and December 31, 2013 classified by concepts is as follows:

		Non current			Current	
		2014	2013 Restated*		2014	2013 Restated*
Interest-bearing loans and borrowings	a.1)	1,482,300	1,479,024	a.2)	282,480	267,618
Derivative financial instruments	b.4)	47,404	96,960		-	-
Other financial liabilities		195,621	209,882		171,985	244,474
Financial leasing	b.1)	25,076	25,646	b.1)	3,516	3,232
Borrowings from Associated companies	b.2)	73,179	81,560	b.2)	51,159	128,898
Other financial liabilities	b.3)	97,366	102,676	b.3)	117,310	112,344
		1,725,325	1,785,866		454,465	512,092

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

a) *Interest-bearing loans and borrowings*

a.1) Non-current interest-bearing loans and borrowings

The breakdown by company and maturity date of non-current interest-bearing loans and borrowings is as follows:

	Thousands of euros						
	2014						2013 Restated*
	2016	2017	2018	2019	Beyond	Total	Total
In Euros	**113,470**	**245,706**	**264,530**	**9,817**	**499,990**	**1,133,513**	**1,170,060**
Gestamp Automoción,S.A.	84,854	232,374	253,102			570,330	595,716
Griwe Subgroup	3,520	2,712	2,712	2,712	4,068	15,724	20,001
Beyçelik, A.S.	18,810	4,213	2,187	446		25,656	29,149
Gestamp Metal Forming Subgroup	4,167	4,167	4,167	4,167	3,125	19,793	23,960
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	2,119	2,240	2,362	2,492		9,213	9,952
Gestamp Funding Luxembourg, S.A.					492,797	492,797	491,282
In foreign currency	**19,981**	**15,277**	**8,135**	**7,794**	**297,600**	**348,787**	**308,964**
Brazilian reais							
Gestamp Brasil Industria de Autopeças, S.A.	9,261	4,271	3,730	3,713	7,291	28,266	33,035
Edscha Subgroup	663					663	2,184
Indian rupees							
Gestamp Automotive Chennai Private Ltd.	527	9,647	3,154	3,154	3,942	20,424	14,998
Remimbi Yuan							
Gestamp Autocomponents (Shenyang), Co. Ltd.	6,561					6,561	-
Edscha Subgroup	1,508					1,508	-
Czech Crowns							
Edscha Subgroup	901	901	901	901		3,604	5,411
Korean wons							
Gestamp Kartek Co, Ltd	560	458	350	26	13	1,407	2,017
US Dollars							
Gestamp Funding Luxembourg, S.A.					286,354	286,354	251,319
	133,451	260,983	272,665	17,611	797,590	1,482,300	1,479,024

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidation Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The breakdown of maturity dates for the balances at December 31, 2013 is as follows:

Thousands of euros					
2013 Restated*					
2015	2016	2017	2018	Beyond	Total
85,815	104,591	235,220	290,626	762,772	1,479,024

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The guarantees granted are personal guarantees of the borrower, except for the loans granted to the Griwe Subgroup which are additionally secured by the property, plant, and equipment financed by these loans (Note 9), and the in rem guarantees and the guarantees related to the individual operations described in this Note.

The nominal interest rate on the loans at December 31, 2014 is as follows:

	Interest rate
• Loans denominated in euros	1.45% - 3.50%
• Loans denominated in Indian rupees	10.3% - 12.3%
• Loans denominated in Brazilian reais*	4.5% - 16.21%
• Loans denominated in Korean wons	3.6% - 4.0%

* The lower level of the band corresponds to loans received from BNDES, with a subsidised interest rate.

The average nominal interest rate on the loans at December 31, 2013, was as follows:

	Interest rate
• Loans denominated in euros	2.5% - 3.75%
• Loans denominated in Indian rupees	10.3% - 12.3%
• Loans denominated in Brazilian reais	4.5% - 13.0%
• Loans denominated in Korean wons	3.6% - 4.0%

Bond May 2013

On May 2013, the Group has completed an issuance of bonds through its subsidiary Gestamp Funding Luxemburgo, S.A. This issuance has been carried out in two stages, in the first stage bonds were issued amounting to 500 million euros at an interest rate of 5.875%, and in the second stage bonds were issued amounting 350 million dollars with 5.625% interest rate.

The amortized cost at December 31, 2014 at exchange rate of the said date is 789 million euros (December 31, 2013: 742 million euros).

Interests are payable every six months (November and May).

The maturity date of the bonds is May 31, 2020.

Certain Group companies, which together represent a significant portion of total consolidated assets and EBITDA, act as joint guarantors of the bonds. These companies are:

Gestamp Navarra, S.A.
Edscha Automotive Kamenice, S.R.O.
Edscha Engineering, GmbH.
Edscha Briey, S.A.S.
Edscha France Engineering , S.A.S.
Edscha Automotive Hauzenberg, GmbH
Edscha Hauzenberg Real Estate GmbH, & Co.
Edscha Hengersberg Real Estate GmbH, & Co.
Edscha Automotive Hengersberg, GmbH.
Edscha Holding, GmbH.
Edscha Hradec, S.r.o.
Edscha Velky Meder, S.r.o.
Gestamp Bizkaia, S.A.
Gestamp Galvanizados, S.A.
Gestamp Automoción,S.A.
Gestamp Aveiro, S.A.
Gestamp HardTech, AB
Gestamp Hungaria, KFT.
Gestamp Linares, S.A.
Gestamp Louny, S.r.o.
Gestamp Esmar, S.A.
Sofedit Polska, Sp. Z.o.o
Sofedit, S.A.S.
Gestamp Toledo, S.A.
Edscha Santander, S.L.
Gestamp Noury, SAS
Gestamp Palencia, S.A.
Gestamp Polska, Sp.Z.o.o.
Gestamp Cerveira, Ltda
Gestamp Ronchamp, S.A.S.
Gestamp Servicios, S.A.
Gestamp Washington UK Limited
Gestamp Vendas Novas Unipessoal, Lda.
Gestamp Vigo, S.A.
Gestamp Unformtechnik, GmbH
Griwe Subgroup
Ingeniería Global MB, S.A.
Loire S.A. Franco Española
Gestamp Abrera, S.A.
Gestamp Aragón, S.A.
Gestamp Metalbages, S.A.
Gestamp Prisma, S.A.S.
Sofedit España, S.A.
SCI de Tournan en Brie
Gestamp Solblank Barcelona, S.A.
Gestamp Tallent Limited
Gestamp Sweden AB
Edscha Burgos, S.A.
Gestamp Levante, S.A.

Additionally, the Group companies Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A. Gestamp Servicios, S.A. and Gestamp Toledo, S.A. have shares pledge.

Loan March 2012

On March 21, 2012, the Company signed a loan for 60 million euros.

The nominal outstanding balance at December 31, 2014 amounts to 60 million euros.

The final installment on this 5-year facility is due on March 21, 2017. The Company has agreed to comply with certain financial covenants based on its Consolidated Financial Statements throughout the duration of the loan. These covenants for year 2014 are:

- "Net debt/EBITDA" below 3.50x
- "EBITDA/Financial expense" above 4.00x
- "Net debt/Equity" below to 1.15x

At December 31, 2014 and December 31, 2013 the Company was not in breach of any of these covenants.

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and EBITDA, act as joint guarantors of the above mentioned loan. These companies are:

Gestamp Navarra, S.A.
Edscha Automotive Kamenice, S.R.O.
Edscha Engineering, GmbH.
Edscha Briey, S.A.S.
Edscha France Engineering , S.A.S.
Edscha Automotive Hauzenberg, GmbH
Edscha Hauzenberg Real Estate GmbH, & Co.
Edscha Hengersberg Real Estate GmbH, & Co.
Edscha Automotive Hengersberg, GmbH.
Edscha Holding, GmbH.
Edscha Hradec, S.r.o.
Edscha Velky Meder, S.r.o.
Gestamp Bizkaia, S.A.
Gestamp Galvanizados, S.A.
Gestamp Automoción,S.A.
Gestamp Aveiro, S.A.
Gestamp HardTech, AB
Gestamp Hungaria, KFT.
Gestamp Linares, S.A.
Gestamp Louny, S.r.o.
Gestamp Esmar, S.A.
Sofedit Polska, Sp. Z.o.o
Sofedit, S.A.S.
Gestamp Toledo, S.A.
Edscha Santander, S.L.
Gestamp Noury, SAS
Gestamp Palencia, S.A.
Gestamp Polska, Sp.Z.o.o.
Gestamp Cerveira, Ltda
Gestamp Ronchamp, S.A.S.
Gestamp Servicios, S.A.
Gestamp Washington UK Limited
Gestamp Vendas Novas Unipessoal, Lda.
Gestamp Vigo, S.A.
Gestamp Unformtechnik, GmbH
Griwe Subgroup
Ingeniería Global MB, S.A.
Loire S.A. Franco Española
Gestamp Abrera, S.A.
Gestamp Aragón, S.A.
Gestamp Metalbages, S.A.
Gestamp Prisma, S.A.S.
Sofedit España, S.A.
SCI de Tournan en Brie
Gestamp Solblank Barcelona, S.A.
Gestamp Tallent Limited
Gestamp Sweden AB
Edscha Burgos, S.A.
Gestamp Levante, S.A.

Additionally, the Group companies Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A. Gestamp Servicios, S.A. and Gestamp Toledo, S.A. have shares pledge.

Syndicated Loan 2013

On April 19, 2013 the Company signed a syndicated loan with a group of banks for 850 million euros. The loan is divided into two tranches, Tranche A (loan) amounting to 570,000 thousand of euros with a nominal outstanding balance at December 31, 2014 amounting to 544,350 thousand of euros and Revolving Creidit Facility Tranche amounting to 280,000 thousand of euros that at December 31, 2014 there is no outstanding amount under this facility.

The final installment on this 5-year facility is due on April 19, 2018.

The Company has agreed to comply with certain financial covenants based on its Consolidated Financial Statements throughout the duration of the loan. These covenants for year 2014 are:

- "Net debt/EBITDA" below or equal 3.50x
- "EBITDA/Financial expense" above 4.00x

Additionally, there is a limitation for the dividends distribution as follows:

- If "Net debt/EBITDA" is below 3.00x and above 2.00x dividends can be no more than 35% of the consolidated benefit.
- If "Net debt/EBITDA" is equal or below 2.00x dividends can be no more than 50% of the consolidated benefit.

At December 31, 2014 and December 31, 2013 the Company was not in breach of any of these covenants.

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and EBITDA, act as joint guarantors of the above mentioned syndicated loan. These companies are:

Gestamp Navarra, S.A.
Edscha Automotive Kamenice, S.R.O.
Edscha Engineering, GmbH.
Edscha Briey, S.A.S.
Edscha France Engineering , S.A.S.
Edscha Automotive Hauzenberg, GmbH
Edscha Hauzenberg Real Estate GmbH, & Co.
Edscha Hengersberg Real Estate GmbH, & Co.
Edscha Automotive Hengersberg, GmbH.
Edscha Holding, GmbH.
Edscha Hradec, S.r.o.
Edscha Velky Meder, S.r.o.
Gestamp Bizkaia, S.A.
Gestamp Galvanizados, S.A.
Gestamp Automoción,S.A.
Gestamp Aveiro, S.A.
Gestamp HardTech, AB
Gestamp Hungaria, KFT.
Gestamp Linares, S.A.
Gestamp Louny, S.r.o.
Gestamp Esmar, S.A.
Sofedit Polska, Sp. Z.o.o
Sofedit, S.A.S.
Gestamp Toledo, S.A.
Edscha Santander, S.L.
Gestamp Noury, SAS
Gestamp Palencia, S.A.
Gestamp Polska, Sp.Z.o.o.
Gestamp Cerveira, Ltda
Gestamp Ronchamp, S.A.S.
Gestamp Servicios, S.A.
Gestamp Washington UK Limited
Gestamp Vendas Novas Unipessoal, Lda.
Gestamp Vigo, S.A.
Gestamp Unformtechnik, GmbH
Griwe Subgroup
Ingeniería Global MB, S.A.
Loire S.A. Franco Española
Gestamp Abrera, S.A.
Gestamp Aragón, S.A.
Gestamp Metalbages, S.A.
Gestamp Prisma, S.A.S.
Sofedit España, S.A.
SCI de Tournan en Brie
Gestamp Solblank Barcelona, S.A.
Gestamp Tallent Limited
Gestamp Sweden AB
Edscha Burgos, S.A.
Gestamp Levante, S.A.

Additionally, the Group companies Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A. Gestamp Servicios, S.A. and Gestamp Toledo, S.A. have shares pledge.

a.2) Current interest-bearing loans and borrowings

The Group companies have been granted the following credit and discounting facilities:

Company	Thousands of euros											
	Credit facilities				Loans (b)		Accrued interest (c)		Discounted bills (d)		(a)+(b)+(c)+(d)	
	Drawn down (a)		Limit								TOTALS	TOTALS
	2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*
In Euros	**50,609**	**94,258**	**315,800**	**290,800**	**86,775**	**51,322**	**7,426**	**9,226**	**72,378**	**32,199**	**217,188**	**187,005**
Gestamp Automoción,S.A.	43,608	88,349	308,600	283,600	50,386	22,512	4,163	5,568	52,712		150,869	116,429
Gestamp Toledo, S.L.										24		24
Gestamp Solblank Barcelona, S.A.							4				4	
Gestamp Palencia, S.A.									2,291	29	2,291	29
Gestamp Servicios, S.A.							45	45	4,042	13,008	4,087	13,053
Gestamp Metalbages, S.A.	7,001	5,909	7,200	7,200			2			3,404	7,003	9,313
Gestamp Abrera, S.A.							4	4			4	4
Griwe Subgroup					4,273	4,282					4,273	4,282
Beyçelik, A.S.					4,445		130				4,575	
Gestamp Aragón, S.A.							2	3			2	3
Edscha Subgroup									13,333	15,734	13,333	15,734
Gestamp Manufacturing Autochasis, S.L.												
MB Levante, S.L.							2	2			2	2
Gestamp Navarra, S.A.							18	6			18	6
Gestamp Vigo, S.A.							2	3			2	3
Gestamp Hungaria KFT						4,682						4,682
Gestamp Severstal Vsevolozhsk Llc						4						4
Gestamp Auto Components (Kunshan) Co., Ltd					14,051	18,800	48	113			14,099	18,913
Gestamp Auto Components (Donguan) Co., Ltd					2,562		3				2,565	
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi							229	244			229	244
Gestamp Metal Forming subgroup					4,167	1,042					4,167	1,042
Gestamp Funding Luxembourg, S.A.							2,774	3,238			2,774	3,238
Gestamp Ingeniería Europa Sur, S.L.												
Gestamp Polska, SP. Z.O.O.					1,473						1,473	
Loire Sociedad Anónima Franco Española					5,404						5,404	
Autotech Engineering R&D Uk limited					14						14	
In foreign currency	**1,193**		**3,048**		**61,476**	**77,813**	**2,623**	**2,800**			**65,292**	**80,613**
US dollars												
Gestamp Baires, S.A.						3,112		31				3,143
Gestamp Córdoba, S.A.						3,389		30				3,419
Gestamp Funding Luxembourg, S.A.							1,530	1,532			1,530	1,532
Turkish lira												
Beyçelik, A.S.						3,381		166				3,547
Brazilian reais												
Gestamp Brasil Industria de Autopeças, S.A.					16,555	47,564	417	402			16,972	47,966
Edscha Subgroup					4,348	7,948	597	473			4,945	8,421
Indian rupees												
Gestamp Services India Private, Ltd.					70	319					70	319
Gestamp Autocomponents (Shenyang), Co. Ltd.						2,037						2,037
Gestamp Automotive Chennai Private Ltd.								161				161
Remimbi Yuan												
Gestamp Auto Components (Kunshan) Co., Ltd						761						761
Gestamp Auto Components (Shenyang) Co., Ltd					13,905		38				13,943	
Edscha Subgroup	1,193		3,048		1,193						2,386	
Gestamp Metal Forming Subgroup					21,208	6,009	39				21,247	6,009
Czech Crowns												
Edscha Subgroup					3,400	2,500					3,400	2,500
Korean wons												
Gestamp Kartek Co, Ltd.					797	793	2	5			799	798
	51,802	**94,258**	**318,848**	**290,800**	**148,251**	**129,135**	**10,049**	**12,026**	**72,378**	**32,199**	**282,480**	**267,618**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

Discounted bills of the Company at December 31, 2014 amounting to 52,712 thousand of euros, correspond to the assumed risk of the discount bills of several Spanish subsidiaries.

In all, the Group has approximately 415 million euros in with-recourse and non-recourse factoring and available discounting facilities at December 31, 2014 (December 31, 2013: 253 million euros).

Interest on the credit facilities is basically indexed to a floating rate of Euribor plus a spread between 1.00% and 1.75% in 2014 and a spread between 1.50% and 3.75% and 2013.

b) Financial instruments and other non-trade liabilities

b.1) Leases

The finance lease commitments recognized under this heading correspond to the present value of the payment commitments on the finance leases outlined in Note 9. The payment schedule for these lease payments and the corresponding finance expenses are as follows:

	2013 Restated*				
	Thousands of euros				
	Present value of lease obligations			Future finance expenses	Finance lease installments
	Less than one year	Between one and five years	More than five years		
Gestamp West Virginia, LlC		2,565	15,623	6,713	24,901
Beyçelik, A.S.	3,064	7,171		874	11,109
Gestamp Metal Forming Subgroup	78	195		26	299
GMF Otomotive Parçalari Sanayi ve Ticaret L.S	22	44		4	70
Loire Sociedad Anónima Franco Española	56	28		3	87
Edscha Subgroup	12	20		4	36
Total	3,232	10,023	15,623	7,624	36,502

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

	2014				
	Thousands of euros				
	Present value of lease obligations			Future finance expenses	Finance lease installments
	Less than one year	Between one and five years	More than five years		
Gestamp West Virginia, LlC	46	3,890	16,725	6,676	27,337
Beyçelik, A.S.	3,345	4,314		479	8,138
Gestamp Metal Forming Subgroup	59	136		11	206
GMF Otomotive Parçalari Sanayi ve Ticaret L.S	32			3	35
Loire Sociedad Anónima Franco Española	25			1	26
Edscha Subgroup	9	11		2	22
Total	3,516	8,351	16,725	7,172	35,764

b.2) Borrowings from Group companies

The breakdown of this heading in the Consolidated Balance Sheet is as follows:

	2013 Restated*				
	Thousands of euros				
Lender	Item	Current	Non-current	Due date	Interest rate
Acek, Desarrollo y Gestión Industrial, S.L.	Current account	124,571	-	2014	Euribor+0.4 %
Acek, Desarrollo y Gestión Industrial, S.L.	Fixed assets suppliers	808	28,054	2032	6.60%
Acek, Desarrollo y Gestión Industrial, S.L.	Interest	1,419	-	-	-
Gonvarri Corporación Financiera, S.L.	Loan and interests	974	35,700	2015	Euribor+5%
Severstal Trade, GmbH	Loan and interests	682	6,970	2018	12.52%
Severstal Trade, GmbH	Loan and interests	439	4,571	2019	12.52%
Melsonda Holding Ltd	Loan and interests	5	6,265	2022	6.55%
		128,898	81,560		

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The interest accrued and not paid on the loans included in the table above amounts to 3,519 thousand euros.

Lender	2014 Thousands of euros Item	Current	Non-current	Due date	Interest rate
Acek, Desarrollo y Gestión Industrial, S.L.	Fixed assets suppliers	861	27,193	2032	6.60%
Acek, Desarrollo y Gestión Industrial, S.L.	Current account	399	-	2015	Euribor+0.4 %
Acek, Desarrollo y Gestión Industrial, S.L.	Interest	1,379	-	-	-
Mitsui & Co., LTD	Loan and interests	-	18,054	2016	Libor+3.5%
Gonvarri Corporación Financiera, S.L.	Loan and interests	22,046	7,438	2016	Euribor+5%
Gonvarri I. Centro de Servicios, S.L.	Interest	37	-	-	-
Severstal Trade, GmbH	Loan and interests	651	6,543	2018	12.52%
Severstal Trade, GmbH	Loan and interests	412	4,291	2019	12.52%
Melsonda Holding Ltd	Loan and interests	8	9,660	2022	6.55%
Gonvarri Argentina S.A	Loan and interests	354	-	-	-
Inmobiliaria Acek, S.L.	Fixed assets suppliers	25,010	-	-	-
Esymo-Metal, S.L.	Fixed assets suppliers	2	-	-	-
		51,159	73,179		

All amounts included in the table above have a single due date.

The interest accrued and not paid on the loans included in the table above amounts to 3,269 thousand euros.

The balance of fixed assets suppliers with Acek, Desarrollo y Gestión Industrial, S.L. correspond to the purchase of GESTAMP brand at December 31, 2014 and December 31, 2013.

b.3) Other borrowings

Other non-current financial liabilities

The breakdown of the amounts included under this heading, by company, nature, and maturity, at December 31, 2014 and December 31, 2013 is as follows:

Company	Thousands of euros 2016	2017	2018	2019	Beyond	Total 2014	Total 2013
Guarantees received	6				9	15	8
Gestamp Abrera, S.A.	6					6	-
Gestamp Kartek Co, Ltd					8	8	7
Gestamp Metalbages, S.A.					1	1	1
Loans from Ministry of Science and Technology	5,289	7,715	9,750	9,145	24,097	55,996	58,257
Gestamp Vigo, S.A	356	525	525	525	1,747	3,678	3,750
Gestamp Toledo, S.L	474	474	757	757	2,636	5,098	5,044
Gestamp Palencia, S.A	262	400	401	401	1,330	2,794	2,997
Gestamp Linares, S.A	181	181	145	70		577	830
Gestamp Galvanizados, S.A	34	34	34	34	99	235	221
Gestamp Metalbages, S.A.	75	339	337	335	1,412	2,498	2,527
Gestamp Navarra, S.A	632	2,184	3,791	3,407	3,273	13,287	13,356
Gestamp Manufactoring Autochasis S.L	50	277	274	272	1,132	2,005	1,985
Autotech Engineering, A.I.E	227	262	182	162	583	1,416	1,457
Gestamp Aragón, S.A.	313	301	289	278	1,152	2,333	2,517
Gestamp Abrera, S.A.	366	465	444	428	1,942	3,645	3,978
Gestamp Levante, S.L.	303	292	281	271	1,070	2,217	2,432
Gestamp Ingenieria Europa Sur, S.L.	28	28	28	29	81	194	-
Gestamp Solblank Navarra, S.L.	40	36	33	29	13	151	164
Loire Sociedad Anónima Franco Española					337	337	333
Gestamp Solblank Barcelona, S.A	89	82	412	395	1,880	2,858	2,927
Diede Die Developments S.L	233	167	149	84	337	970	745
Gestamp Bizkaia, S.A.	1,626	1,668	1,668	1,668	5,073	11,703	12,994
Other creditors	18,814	16,332	3,275	150	2,784	41,355	44,411
Gestamp Servicios, S.A	10,105	10,633				20,738	30,342
Gestamp Córdoba, S.A	130	83	97	114	397	821	-
Gestamp Automoción, S.A						-	1,000
SCI de Tournan en Brie					93	93	93
Gestamp Argentina, S.A					93	93	83
Gestamp Sweden, AB					4	4	4
Gestamp Aveiro, S.A	271	495	458			1,224	1,029
Gestamp Cerveira, Lda	1,374	914	651		409	3,348	3,208
Diede Die Developments S.L						-	896
Ocon Automated Systems S.L.						-	96
Edscha Subgroup	6,897	2,104	2,032		1,788	12,821	5,635
Gestamp Baires, S.A	37	37	37	36		147	206
Gestamp West Virginia, LlC		2,066				2,066	1,819
Total	24,109	24,047	13,025	9,295	26,890	97,366	102,676

On December 19, 2012, Gestamp Servicios, S.L. received a loan granted by International Bussiness Machine, S.A. amounting to 48,760 thousand euros. This loan accrues a market interest rate of 5.10% with quarterly due dates, being the last one on December 19, 2017.

The breakdown of maturity dates for the balances at December 31, 2013 is as follows:

Thousands of euros					
2013					
2015	2016	2017	2018	Beyond	Total
18,205	18,556	20,562	10,420	34,933	102,676

Other current financial liabilities

The amounts included under this heading by nature are as follows:

	Thousands of euros 2014	2013 Restated*
Fixed assets suppliers	98,334	95,306
Short term debts	18,336	16,562
Short term interests payable	38	547
Deposits and guarantees	137	118
Other	465	(189)
	117,310	112,344

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

b.4) Non-current derivatives

The fair value of interest rate and derivatives held for trading hedges contracted by the Group are recognized in the following headings of the Consolidated Balance Sheet:

Description	Thousands of euros 2014	2013 Restated*
Financial assets - derivatives	**5,863**	**63,756**
Others	5,863	63,756
Financial liabilities - derivatives	**47,404**	**96,960**
Derivatives held for trading	1,187	15,635
Cash flow hedges	40,354	17,569
Others	5,863	63,756

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5.

The breakdown of the fair value of the contracts is as follows:

		Thousands of euros 2014		2013	
Contract	Item	Asset	Liability	Asset	Liability
1	Cash flow	-	7,661	-	4,297
3	Cash flow	-	13,649	-	-
4	Cash flow	-	9,147	-	1,724
5	Cash flow	-	32	-	5,270
6	Cash flow	-	-	-	6,278
8	Cash flow	-	4,910	-	-
9	Cash flow	-	4,955	-	-
Total cash flow hedges			**40,354**	-	**17,569**
2	Derivatives held for trading	-	1,061	-	3,224
3	Derivatives held for trading	-	-	-	12,279
7	Derivatives held for trading	-	126	-	132
Total derivatives held for trading		-	**1,187**		**15,635**

The hedges in place at December 31, 2014 were as follows:

Contract 1

- In March 2013, with an effective date of April 2, 2013 the Company decided to restructure a pre-existent swap by selling an interest rate option on a fixed notional amount, as set out below:

Year	Notional amount
2015	140,000
2016	140,000
2017	140,000
2018	140,000

The nature of this agreement is the following:

The Company purchased a right to pay 1.77% and receive 3-month Euribor on the notional amount indicated above.

The maturity date for this contract is April 3, 2018.

Contract 2

- In July 2011, with an effective date of July 1, 2011, the Company was party to a swap agreement with a fixed notional amount, as set out below:

Year	Notional amount
2015	100,000

The nature of this agreement is the following:

The Company purchased a right to pay 2.17% and receive 3-month Euribor plus a differential referenced to the Spanish deflation rate on the notional amount indicated above.

The maturity date for this contract is July 1, 2015.

Contract 3

- In January 2014, with an effective date of December 31, 2013, the Company decided to restructure a pre-existent swap by selling an interest rate option on a fixed notional amount, as set out below:

Year	Notional amount
2015	320,000
2016	320,000
2017	320,000

The nature of this agreement is the following:

The Company purchased a right to pay 0.05% in 2014, 1.25% in 2015, 1.50% in 2016 and 1.75% in 2017 and receive 3-month Euribor on the notional amount indicated above.

The maturity date for contract is December 31, 2017.

Contract 4

- In January 2013, with an effective date of January 2, 2015, the Company was party to several swap agreements with a decreasing notional amount, as set out below:

Year	Notional amount
2015	233,505
2016	77,835

The nature of this agreement is the following:

The Company purchased a right to pay 2.30% less a differential referenced to European inflation and receive 3-month Euribor on the notional amount indicated above.

The maturity date for this contract is January 31, 2017.

Contract 5

- In March 2010, with an effective date of April 1, 2010, the Company was party to several swap agreements with a decreasing notional amount, as set out below:

Year	Notional amount
2015	192,500

The nature of this agreement is the following:

The Company purchased a right to pay 2.99% during 2014 and receive 3-month Euribor on the notional amount indicated above.

The maturity date for this contract is January 2, 2015.

Contract 6

- In March 2010, with an effective date of April 1, 2010, the Company was party to several swap agreements with a decreasing notional amount, as set out below:

Although the maturity date of this contract was January 1, 2015 it was closed early.

Contract 7

- In August 2012, with an effective date of August 6, 2012, the subsidiary Gestamp Tallent Ltd. was party to a swap agreement with an decreasing notional amount in sterling pounds, as set out below:

Year	Notional amount
2015	14,000
2016	10,000

The nature of this agreement is the following:

The subsidiary Gestamp Tallent Ltd. purchased a right to pay 0.975% and receive 3-month Libor on the notional amount indicated above.

The maturity date for this contract is June 30, 2016.

Contract 8

- In March 2014, with an effective date of April 2, 2014, the Company was party to a swap agreement with a fixed notional amount, as set out below

Year	Notional amount
2015	110,000
2016	110,000
2017	110,000
2018	110,000

The nature of this agreement is the following:

The Company purchased a right to pay 1.26% and receive 3-month Euribor on the notional amount indicated above.

The maturity date for this contract is January 2, 2019.

Contract 9

- In March 2014, with an effective date of January 2, 2014, the Company was party to a swap agreement with a fixed notional amount, as set out below

Year	Notional amount
2015	110,000
2016	110,000
2017	110,000
2018	110,000

The nature of this agreement is the following:

The Company purchased a right to pay 1.27% and receive 3-month Euribor on the notional amount indicated above, only when 3-month Euribor is below 2.5%.

The maturity date for this contract is January 2, 2019.

"Others" includes the purchase option of the 60% shareholding of Essa Palau, S.A. for 3,000 thousand euros which has been fully impaired at December 31, 2014 and December 31, 2013, as well as the present value of implicit derivatives of exchange rates applicable to sales and purchases prices in certain customer and suppliers contracts.

At December 31, 2014, the Company arranged a strategy to hedge interest rate risk on notionals of the Group's estimated bank debt for the period from 2015 to 2018 via several interest rate swaps with the following current notional amounts:

Year	Current notional amount
2015	913,505
2016	757,835
2017	360,000
2018	220,000

The hedging arrangements outlined above qualify as effective hedges under IFRS hedge accounting criteria. Accordingly, changes in the fair value of the swaps are recognized in equity while the interest accrued is recognized in the Consolidated Income Statement.

The cash flows underlying the hedge are expected to affect profit or loss in the following years:

2014	
	Thousands of euros
2015	(16,510)
2016	(12,362)
2017	(10,083)
2018	(2,586)
	(41,541)

2013	
	Thousands of euros
2014	(19,484)
2015	(8,046)
2016	(3,991)
2017	(2,397)
2018	714
	(33,204)

At December 31, 2014 the Group has transferred from Equity to the Consolidated Income Statement the amount of approximately 11,935 thousand euros (expense) as a result of liquidations carried out in 2014 corresponding to cash flow (interest rate) hedges. In 2013, expense recognized on the same basis amounted to 22,015 thousand euros.

At December 31, 2014 the Group has recognized an income amounting to 2,178 thousand euros in the Consolidated Income Statement relating to derivatives held for trading, while during 2013 was recognized an income amounting to 3,032 thousand euros.

b.5) Net investment hedges

At December 31, 2014, the heading “Interest-bearing loans and borrowings” includes the bond issued by the subsidiary Gestamp Funding Luxembourg, S.A., amounting to 350 thousand US dollar classified as hedges in net investment in subsidiaries located in the United States.

This bond covers the Group exposure to the exchange rate risk of these investments. The gains and losses arising in the conversion of the bond are included in the consolidated equity under the heading Translation differences, to compensate the gains and losses due to the conversion of the net investment in the subsidiaries. The losses generated in the conversion of the debt (hedge instrument) included in the consolidated equity, amounts to 27,988 thousand euros (20,151 thousand euros in net amount).

The net investment in the subsidiaries includes the investment in equity of the subsidiaries and the loans granted to the subsidiaries in US dollar by Group which functional currency is Euro.

On May, 2013, the bond was issued in US dollar by Gestamp Funding Luxembourg, S.A, however the hedging relationship has not been stablished for accountancy purpose until January 1, 2014. At December 31, 2014 there is no hedge inefficiency.

21. Deferred Taxes

The changes in deferred tax assets and liabilities were as follows:

Deferred tax assets	Thousands of euros							
	Tax credits	Reversal of start-up expenses	Fair value of property and buildings	Non-deductible provisions	Accelerated depreciation	Unrealized, non-deductible exchange gains (losses)	Other	Total
At January 1, 2013	**91,752**	**1,889**	**17,849**	**46,541**	**6,957**	**9,240**	**547**	**174,775**
Inclusion in scope								-
Increases	46,527	475		5,831	733	7,319	9,514	70,399
Decreases	(7,905)		(1)	(5,758)	(213)	(7,269)	(9,703)	(30,849)
Translation differences	57	(964)	(5)	(1,240)	(42)	(193)	(2,988)	(5,375)
Other	(10,549)	944	(177)	(1,972)	(845)	(282)	4,401	(8,480)
At December 31, 2013	**119,882**	**2,344**	**17,666**	**43,402**	**6,590**	**8,815**	**1,771**	**200,470**
Inclusion in scope								-
Increases	21,212	90		6,581	623	2,766	16,131	47,403
Decreases	(27,532)			(8,691)	(113)	(2,484)	(16,268)	(55,088)
Translation differences	3,189	(120)	(2)	855	15	(61)	968	4,844
Other	47,568	(1,491)	(480)	(5,067)	1,870	33	8,278	50,711
At December 31, 2014	**164,319**	**823**	**17,184**	**37,080**	**8,985**	**9,069**	**10,880**	**248,340**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

Deferred tax liabilities	Thousands of euros							
	Portfolio provisions - individual companies	Tax deduction - goodwill individual companies	Capitalization of expenses	Allocation to goodwill	Revaluation of land and buildings	Depreciation/ amortization	Other	Total
At January 31, 2013	**4,419**	**7,342**	**19,654**	**34,261**	**81,257**	**13,511**	**16,174**	**176,618**
Inclusion in scope								-
Increases	327	1,048	13,535		183	6,162	5,132	26,387
Decreases		(311)	(1,789)	(1,417)	(3,649)	(1,683)	(3,188)	(12,037)
Translation differences			(545)			(146)	(2,218)	(2,909)
Other movements		2,805	(899)	1,287	94	271	(12,707)	(9,149)
At December 31, 2013	**4,746**	**10,884**	**29,956**	**34,131**	**77,885**	**18,115**	**3,193**	**178,910**
Inclusion in scope	-							-
Increases		994	17,662	84		11,457	3,728	33,925
Decreases	(529)		(2,878)	(5,731)	(1,490)	(2,348)	(1,378)	(14,354)
Translation differences			185	(56)		4,879	506	5,514
Other movements	(1,329)	(351)	(191)	9,355	(6,933)	36,574	(6,025)	31,100
At December 31, 2014	**2,888**	**11,527**	**44,734**	**37,783**	**69,462**	**68,677**	**24**	**235,095**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

The net amount recognized in Other movements at December 31, 2014 amounting to 19,611 thousand euros (asset), correspond mainly to the tax rates updating and adjustments from previous years. The movements recognized under the headings tax credits and deprecitation/amortization, correspond mainly to deferred tax reclassifications of assets and liabilities in 2014 by the subsidiary Gestamp North America, INC.

22. Trade and other payables

a) Trade payables

	Thousands of euros	
	2014	**2013 Restated***
Trade accounts payable	689,604	608,401
Trade bills payable	89,055	56,084
Suppliers from Group companies (Note 29)	160,202	162,650
Suppliers from Associated companies (Note 29)	2,265	2,406
Trade creditors, Group companies (Note 29)	4,486	7,225
Trade creditors, Associated companies (Note 29)	-	170
	945,612	836,936

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

b) Other payables

	Thousands of euros	
	2014	**2013 Restated***
VAT payable	48,127	44,618
Tax withholdings payable	18,539	21,370
Other items payable to the tax authorities	26,361	19,246
Payable to social security	23,490	22,276
Other payables	27,879	38,223
Outstanding remuneration	87,197	79,037
Advances received from clients	-	20,796
	231,593	245,566

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

23. Operating revenue

a) Revenue

The breakdown of revenue by category in 2014 and 2013 is as follows:

	Thousands of euros	
	2014	**2013 Restated***
Parts, prototypes and components	5,565,547	5,186,659
Tools	415,432	406,021
Byproducts and containers	264,000	249,458
Services rendered	10,825	11,136
	6,255,804	5,853,274

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

The geographical breakdown of revenue was as follows:

	Thousands of euros		%	
	2014	**2013 Restated***	**2014**	**2013 Restated***
European Union	3,593,760	3,434,516	57%	59%
Home market	1,087,489	1,030,044	17%	18%
Other European Union countries	2,506,271	2,404,472	40%	41%
France	387,132	384,805		
Portugal	138,182	129,750		
Poland	118,005	124,409		
Hungary	49,917	48,733		
Slovakia	11,289	12,380		
Czech Republic	116,047	111,908		
United Kingdom	582,652	534,191		
Sweden	72,301	72,141		
Germany	1,030,746	986,155		
Other markets	2,662,044	2,418,758	43%	41%
America	1,556,419	1,474,744	25%	25%
Brazil	385,133	430,459		
Argentina	183,317	222,657		
Mexico	294,367	262,141		
USA	693,602	559,487		
Asia	739,821	553,758	12%	9%
India	121,934	97,708		
South Korea	87,283	54,458		
China	521,084	392,869		
Taiwan	-	1		
Japan	6,088	7,006		
Thailand	3,432	1,716		
Other	365,804	390,256	6%	7%
Russia	149,898	211,140		
Turkey	215,906	179,116		
TOTAL	6,255,804	5,853,274	100%	100%

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

b) Other operating income

	Thousands of euros	
	2014	**2013 Restated***
Other operating income	27,692	27,389
Grants related to income	3,861	7,281
Grants related to assets released to income for the year (Note 17)	5,388	5,155
Surplus provision for taxes	-	353
Surplus provision for environmental matters and other commitments	10,097	6,229
Surplus provision for restructuring	80	177
Own work capitalized	67,746	70,638
Other	11,691	16,121
Decrease of provisions (Note 18)	12,479	10,647
Other	(788)	5,474
	126,555	133,343

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

24. Operating expenses

a) Raw materials and other consumables

	Thousands of euros	
	2014	2013 Restated*
Purchases of goods and tools for resale	445,435	434,597
Discounts for prompt payment	(2,035)	(2,207)
Purchase returns and similar transactions	(3,483)	(6,501)
Volume discounts	(7,503)	(4,449)
Change in inventories (**)	(28,181)	11,162
Purchases of raw materials	2,740,494	2,457,654
Consumption of other supplies	491,781	411,420
Work performed by third parties	252,009	281,983
Impairment of goods for resale and raw materials (**)	2,538	5,801
Reversal of impairment of goods for resale and raw materials (**)	(5,283)	(6,763)
	3,885,772	3,582,697

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

**The total of this line items make a net consumption of raw materials amounting to 30,926 thousand euros (Note 11).

b) Personnel expenses

The breakdown of "Personnel expenses" in the Consolidated Income Statement is as follows:

	Thousands of euros	
	2014	2013 Restated*
Salaries	859,856	828,586
Social security	191,845	189,977
Other benefits expenses	73,233	49,767
	1,124,934	1,068,330

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

The breakdown of average headcount by professional level in 2014 and 2013 is as follows:

Professional level	2014	2013 Restated*
Directors/ Managers	725	728
Clerical, financial and IT department	1,240	1,506
Quality control deparment	1,782	1,745
Logistics department	2,520	2,381
Supply department	827	890
Technical department	3,075	2,350
Production foreman	1,125	2,790
Production workers	16,167	18,259
Other	3,712	587
	31,173	**31,236**

The breakdown of headcount by professional level at year end at December 31, 2014 and December 31, 2013 is as follows:

	2014		2013 Restated*	
Professional level	Males	Females	Males	Females
Directors/ Managers	645	99	661	85
Clerical, financial and IT department	619	671	888	616
Quality control deparment	1,559	254	1,522	283
Logistics department	2,197	327	2,076	342
Supply department	706	126	771	119
Technical department	3,059	265	2,502	161
Production foreman	1,087	55	2,572	191
Production workers	15,421	1,211	14,559	1,266
Other	2,872	573	2,553	356
	28,165	**3,581**	**28,104**	**3,419**

c) Other operating expenses

	Thousands of euros	
	2014	**2013 Restated***
Maintenance and upkeep	443,812	420,104
Other external services	271,898	282,547
Taxes and levies	24,408	28,514
Impairment of accounts receivable	(702)	1,562
Other	4,744	8,866
Losses and impairment of assets	1,379	-
Provision for risks and expenses	3,365	8,866
	744,160	741,593

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

Balance in "Other" in 2014 and 2013 corresponds to Edscha and Gestamp Metal Forming Subgroups related to provisions for litigations, employee contribution and others (Note 18).

25. Financial income and financial expenses

a) Financial income

	Thousands of euros	
	2014	**2013 Restated***
From current loans to third parties	395	283
Other financial income	8,023	16,640
Total from loans to Associated companies (Note 29)	1,179	1,575
From non-current loans to Associated companies	13	-
From current loans to Associates companies	1,166	1,575
	9,597	18,498

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

b) Financial expenses

	Thousands of euros	
	2014	**2013 Restated***
On bank borrowings	113,864	106,408
On trade bills with credit institutions	2,123	2,307
Other financial expenses	14,199	21,987
Total on borrowings from Group companies and associates (Note 29)	8,422	8,186
	138,608	138,888

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

26. Profit from discontinued operations

On December 26, 2013 the Group signed an agreement of intentions to sell the subsidiaries Gestamp Sungwoo Hitech (Chennai) Pvt. Ltd, Sungwoo Gestamp Hitech Chennai, Ltd and GS Hot-Stamping Co. Ltd. so their assets and liabilities were classified as held for sale at December 31, 2013.

These companies were sold on April 11, 2014 (Note 2.a).

At December 31, 2014 the result of these companies (the result generated until the sale as well as the own result of the sale) has been classified as profit from discontinued operations according to the following breakdown:

	Thousands of euros			
	2014			
	Gestamp Sungwoo Hitech (Chennai) Pvt. Ltd	Sungwoo Gestamp Hitech Chennai, Ltd	GS Hot Stamping, Co. Ltd	Total
Income from discontinued operations				
Profit (loss) from associates under equity method	(251)	(796)	-	(1,047)
Profit (loss) from the sale of discontinued operations	1,781	(4,073)	1,766	(526)
Net profit (loss) from discontinued operations	**1,530**	**(4,869)**	**1,766**	**(1,573)**

At December 31, 2014, the Group has no assets held for sale.

The breakdown of the heading Assets held for sale reclassified from Investments accounted for using equity method at December 31, 2013 is as follows:

	Thousands of euros			
	2013 Restated*			
	Gestamp Sungwoo Hitech (Chennai) Pvt. Ltd	Sungwoo Gestamp Hitech Chennai, Ltd	GS Hot Stamping, Co. Ltd	Total
Assets held for sale				
Investments in associates accounted for using the equity method (Note 10.a))	**3,205**	**22,033**	**2,143**	**27,381**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

27. Income tax

The Company and its subsidiaries file their income tax returns separately except:

- From January 1, 2014 on, the Company choose to apply the special fiscal consolidation regime, regulated under Basque Regional Law 3/1996. The subsidiaries include in this fiscal group are Gestamp Bizkaia, S.A; Bero Tools, S.L.; Gestamp North Europe Services, S.L. and Loire S.A.F.E. During 2013 these subsidieries filed their income tax returns separately.

- The subsidiaries Gestamp North America, Inc., Gestamp Alabama, Llc., Gestamp Mason, Llc., Gestamp Chattanooga, Llc., Gestamp South Carolina, Llc. and Gestamp West Virginia, Llc. file a tax return according to fiscal transparency system.

- The subsidiaries Gestamp 2008, S.L., Edscha Santander, S.L. and Edscha Burgos, S.L. file a consolidated tax return.

- The subsidiaries Gestamp Global Tooling, S.L., Matricerías Deusto, S.L., Adral, Matricería y Puesta a punto, S.L, Gestamp Tool Hardening, S.L. and Gestamp Try Out Services, S.L. file a consolidated tax return.

- The subsidiaries Griwe Innovative Umfortechnik, GmbH., Griwe Werkzeug Produktions GmbH and Griwe System Produktions GmbH file a tax return according to a profit and loss transfer agreement.

- The subsidiaries Edscha Holding, GmbH, Edscha Automotive Hengersberg, GmbH, Edscha Automotive Hauzenberg, GmbH, Edscha Engineering, GmbH file a tax return according to a profit and loss transfer agreement.

- The subsidiaries GMF Holding, GmbH and Gestamp Umformtechnik, GmbH file a tax return according to a profit and loss transfer agreement.

- The subsidiaries Gestamp Sweden, AB and Gestamp HardTech AB file a tax return according to a profit and loss transfer agreement.

The detail of income taxes in 2014 and 2013, in thousands of euros, is as follows:

	Thousands of euros	
	2014	**2013**
Current tax expense	57,805	48,385
Deferred tax	9,832	(16,832)
Other income tax adjustments	(7,347)	(1,952)
	60,290	**29,601**

Tax expense was calculated based on accounting profit before taxes, as shown below:

	Thousands of euros	
	2014	**2013**
Accounting profit (before taxes)	**190,674**	**135,255**
Theoretical tax expense	57,202	40,577
Differences in prevailing rates	3,409	2,791
Permanent differences	14,844	(46,139)
Deductions and tax credits previously not recognized	(12,293)	(19,264)
Statute-barred tax credits	23,232	39,360
Current income tax of prior years adjustments	(20,380)	12,276
Tax rate adjustments in Spain	(5,724)	-
Tax expense (tax income)	**60,290**	**29,601**

The theoretical tax rate applied is 30% in 2014 and 2013.

“Differences in prevailing rates” in 2014 and 2013 reflects the differences between prevailing rates in certain operating markets and the theoretical applicable rate, mainly relating to operations taxed in the United States (38.76%), Brazil (34%), and Argentina (35%).

The Permanent differences in 2014 and 2013 reflect mainly inflation adjustments, fiscal transparency, nondeductible differences in exchange rates, nondeductible expenses, and those differences generated in the consolidation process.

The Tax rate adjustments in Spain, reflect the appliance of law 27/2014, approved on November 27, for Corporate Income Tax in Spain, that has modified the general tax rate, from the present tax rate of 30%, to the 2015 tax rate of 28% and beyond of 2015 tax rate of 25%. Previous deferred tax assets and liabilities have been adjusted according to the tax rate changes at the reversion date.

At December 31, 2014 the conversion to euros of tax loss carried forwards in other currencies, calculated at the exchange rates prevailing on that date, amounted to 813 million euros (2013: 912 million euros).

At December 31, 2014 the conversion to euros of unused tax credits carried forward in other currencies calculated at the exchange rates prevailing on that date, amounted to 134 million euros (2013: 100 million euros).

At year end 2014 and 2013, the Group had capitalized unused tax losses and tax credits that it expects to be able to utilize in future periods based on earnings projections and the deadlines and limits for their utilization.

At December 31, 2014, the Group had capitalized tax credits for a total of 164 million euros of unused tax losses and unused tax credits (2013: 120 million euros) (Note 21).

The unused tax losses and unused tax credits at December 31, 2014 whose corresponding tax credit has not been registered amount to 474 million euros (2013: 745 million euros). From that amount, 314 million euros have limitation period for their utilization between 2015 and 2033 (2013: 381 million euros with limitation period between 2014 and 2032) and the rest have no limitation period.

The majority of Group companies are open to inspection of all taxes to which they are liable and for the full statute of limitations period (4 years from filing date for all Spanish companies except for those with registered offices in the Basque Country for which the period is three years, and five years, as a rule, for companies based abroad), or since the date of incorporation, if more recent.

Management of the Company and its subsidiaries calculated income tax for 2014 and the years open for inspection according to the legislation prevailing in each year. Given that the prevailing tax regulations related to the above mentioned matters are subject to varying interpretations, certain tax liabilities and contingencies may exist for 2014 and previous years that cannot be objectively quantified. However, the Group's directors and their legal and tax advisors consider that any potential tax liability which might arise would not significantly affect the accompanying Consolidated Financial Statements.

28. Contingent liabilities and commitments

The Company is joint guarantor, together with other companies from Gestamp Automoción Group, of a loan for 125 million euros granted to its majority shareholder, Acek, Desarrollo y Gestión Industrial, S.L. on June 27, 2011. Additionally, the pledge of shares of subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. and Gestamp Toledo, S.A is also set.

This loan was paid out on August 4, 2014. At December 31, 2013, 90 million euros had been drawn down and none of the financial covenants stipulated in the loan agreement had been breached.

The Company and some companies from Gestamp Automoción Group are joint guarantor of an additional loan for 50 million euros granted on November 17, 2011 to the company Acek, Desarrollo y Gestión Industrial, S.L. Additionally, the pledge of shares of subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. and Gestamp Toledo, S.A is also set.

This loan was paid out on August 4, 2014. At December 31, 2013 32 million euros had been drawn down and none of the financial covenants stipulated in the loan agreement had been breached.

The Group companies have not provided liens to third parties for significant amounts other than the Griwe Subgroup PP&E items pledged to guarantee repayment of the loans they were granted (Note 9) or other non-current borrowings.

Operating lease commitments

The Group is a lessee of buildings, warehouses, machinery and vehicles. The lease expenses charged to the December 31, 2014 Consolidated Income Statement amount to 69,101 thousand euros (December 31, 2013: 55,414 thousand euros) and the breakdown by country is as follows:

	Thousands of euros	
	2014	2013 Restated*
Spain	16,637	13,966
Germany	11,917	9,466
USA	7,190	6,276
Mexico	5,885	2,420
United Kingdom	5,915	4,193
France	3,063	3,103
China	3,227	2,948
Brazil	2,940	2,917
Portugal	1,828	1,842
Sweden	1,747	1,591
Russia	1,349	1,149
Turkey	2,879	2,060
Poland	1,081	813
Argentina	662	590
Czech Republic	473	522
Hungary	732	462
India	762	575
South Korea	564	249
Japan	161	187
Slovakia	23	50
Luxembourg	44	23
Thailand	22	12
	69,101	55,414

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

Total future minimum payments for operating leases at December 31, 2014 and December 31, 2013 are as follows:

	Thousands of euros		
	Future minimun payments		
	Less than 1 year	Between 1 and 5 years	More than 5 years
Spain	20,540	64,426	30,123
USA	6,512	27,201	26,154
United Kingdom	11,282	26,937	51,130
Mexico	17,541	74,297	17,026
Germany	6,280	11,406	268
Turkey	704	2,672	3,340
Portugal	1,358	3,448	-
France	2,714	911	-
Russia	347	1,987	-
China	3,040	-	-
Brazil	1,873	-	-
Poland	476	490	-
Sweden	1,399	1,712	-
Czech Republic	129	246	-
Japan	177	190	-
Argentina	7	33	-
India	181	247	-
Slovakia	1	-	-
Total 2014	**74,561**	**216,203**	**128,041**

	Thousands of euros		
	Future minimun payments		
	Less than 1 year	Between 1 and 5 years	More than 5 years
Total 2013 Restated*	**56,800**	**187,064**	**132,880**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

29. Related party transactions

29.1 Balances and transactions with Related Parties

At December 31, 2014 and December 31, 2013 the amounts payable to and receivable from Related Parties and transactions carried out with Related Parties were as follows:

	Thousands of euros	
	2014	**2013**
Balances receivable	51,738	37,493
Balances payable	(291,291)	(382,911)
Revenue		
Sales of goods	175,050	140,797
Services rendered	3,048	3,213
Financial income	1,179	1,575
Expenses		
Purchases	941,653	937,630
Services received	8,926	8,752
Financial expenses	8,422	8,184

The breakdown of receivables from and payables to Related Parties at December 31, 2014 is as follows:

Company	Item	Thousands of euros Amounts receivable	Amounts payable
Acek, Desarrollo y Gestión Industrial, S.L.	Current account	-	(399)
Total Current Account			(399)
Mitsui &Co., Ltd	Non-current loans	-	(18,054)
Gonvarri Corporación Financiera, S.L.	Non-current loans	-	(7,438)
Severstal Trade GesmbH	Non-current loans	-	(10,834)
Melsonda Holdings Ltd.	Non-current loans	-	(9,660)
Gonvarri Argentina, S.A	Current loans	-	(354)
Gonvarri Corporación Financiera, S.L.	Current loans	-	(21,263)
Total Loans			(67,603)
Gonvarri I. Centro Servicios, S.L.	Current interest payable	-	(36)
Acek, Desarrollo y Gestión Industrial, S.L.	Current interest payable	-	(1,379)
Severstal Trade GmbH	Current interest payable	-	(1,064)
Melsonda Holdings Ltd.	Current interest payable	-	(9)
Gonvarri Corporación Financiera, S.L.	Current interest payable	-	(782)
Mitsui &Co., Ltd	Current interest payable	-	-
Total interest payable			(3,270)
Esymo Metal, S.L.	Non-current loans	1,440	-
Essa Palau, S.A.	Non-current loans	4,000	-
Acek, Desarrollo y Gestión Industrial, S.L.	Non-current loans	24,628	-
Esymo Metal, S.L.	Current loans	978	-
Gonvarri Argentina S.A.	Current loans	673	-
Essa Palau, S.A.	Current loans	3,000	-
Essa Palau, S.A.	Current interest receivable	243	-
Acek, Desarrollo y Gestión Industrial, S.L.	Current interest receivable	3	-
Gestión Global de Matricería, S.L.	Current interest receivable	12	-
Total loans and interest receivable		34,977	
Gescrap Navarra, S.L.	Trade receivables from Group companies	676	-
Gescrap, S.L.	Trade receivables from Group companies	6,356	-
Gescrap Polska SPZ00	Trade receivables from Group companies	1,097	-
Gescrap Desarrollo, S.L.	Trade receivables from Group companies	1,174	-
Gescrap France S.A.R.L.	Trade receivables from Group companies	1,676	-
Recuperaciones Medioambientales Subgroup	Trade receivables from Group companies	419	-
Gonvarri I. Centro Servicios, S.L.	Trade receivables from Group companies	496	-
Gonvarri Galicia, SA	Trade receivables from Group companies	645	-
Gonvauto Navarra, SA	Trade receivables from Group companies	199	-
Gonvauto Puebla S.A. de C.V.	Trade receivables from Group companies	28	-
Gonvauto Thuringen, GMBH	Trade receivables from Group companies	740	-
Gonvauto, SA	Trade receivables from Group companies	1,054	-
Hierros y Aplanaciones, SA	Trade receivables from Group companies	24	-
Gonvarri Corporación Financiera, S.L.	Trade receivables from Group companies	124	-
Severstal Gonvarri Kaluga, LLC	Trade receivables from Group companies	1	-
Jui Li Edscha Hainan Industry Enterprise Co. Ltd.	Trade receivables from Group companies	77	-
Sungwoo Gestamp Hitech Pune Private, Ltd.	Trade receivables from Group companies	56	-
Esymo Metal, S.L.	Trade receivables from Group companies	16	-
Essa Palau, S.A.	Trade receivables from Group companies	1,420	-
Ingeniería y Construcción Matrices, S.A.	Trade receivables from Group companies	121	-
IxCxT, S.A.	Trade receivables from Group companies	4	-
Gestión Global de Matricería, S.L.	Trade receivables from Group companies	235	-
GGM Puebla, S.A. de C.V.	Trade receivables from Group companies	115	-
Inmobiliaria Acek, S.L.	Trade receivables from Group companies	8	-
Total Trade receivables from Group companies (Note 12.a)		16,761	
Total Debtors from Group companies (Note 12.b)		-	
Agricola La Veguilla, S.A.	Suppliers from Group companies	-	(18)
Acek, Desarrollo y Gestión Industrial, S.L.	Suppliers from Group companies	-	(313)
Gonvarri I. Centro Servicios S.L.	Suppliers from Group companies	-	(33,043)
Arcelormittal Gonvarri Brasil Prod. Siderúrgicos	Suppliers from Group companies	-	(591)
Gonvarri Galicia, SA	Suppliers from Group companies	-	(9,807)
Hierros y Aplanaciones, SA	Suppliers from Group companies	-	(71)
Gonvarri Ptos. Siderúrgicos, SA	Suppliers from Group companies	-	(10,282)
Gonvauto Navarra, SA	Suppliers from Group companies	-	(4,790)
Gonvauto Puebla S.A. de C.V.	Suppliers from Group companies	-	(24,430)
Gonvauto Thuringen, GMBH	Suppliers from Group companies	-	(4,769)
Gonvauto, SA	Suppliers from Group companies	-	(20,084)
Gonvarri Argentina S.A.	Suppliers from Group companies	-	(8,374)
Gestión Global de Matricería, S.L.	Suppliers from Group companies	-	(124)
Ind. Ferrodistribuidora, S.L.	Suppliers from Group companies	-	787
Severstal Gonvarri Kaluga, LLC	Suppliers from Group companies	-	(14)
Gonvarri Polska, SP, ZOO.	Suppliers from Group companies	-	(8,501)
Steel & Alloy	Suppliers from Group companies	-	(12,349)
Gonvarri Tarragona, S.L.	Suppliers from Group companies	-	(1,026)
Gonvauto Asturias	Suppliers from Group companies	-	(183)
Air Executive, S.L.	Suppliers from Group companies	-	(144)
Inmobiliaria Acek, S.L.	Suppliers from Group companies	-	(270)
Gescrap Navarra, S.L.	Suppliers from Group companies	-	(4)
Gescrap, S.L.	Suppliers from Group companies	-	(18)
Gescrap Polska SPZ00	Suppliers from Group companies	-	(4)
Esymo Metal, S.L.	Suppliers from Group companies	-	(1,584)
Essa Palau, S.A.	Suppliers from Group companies	-	(16,969)
Ingeniería y Construcción Matrices, S.A.	Suppliers from Group companies	-	(592)
GGM Puebla, S.A. de C.V.	Suppliers from Group companies	-	(28)
Arcelor Group	Suppliers from Group companies	-	(2,607)
Total Suppliers from Group companies (Note 22.a)			(160,202)
Arcelor Group	Suppliers from Associated companies	-	(2,265)
Total Suppliers from Associated companies (Note 22.a)			(2,265)
Severstal Gonvarri Kaluga, LLC	Trade creditors, Group companies	-	(4,486)
Total Trade creditors, Group companies (Note 22.a)			(4,486)
Acek, Desarrollo y Gestión Industrial, S.L.	Long term fixed assets suppliers, Group companies	-	(27,193)
Acek, Desarrollo y Gestión Industrial, S.L.	Short term fixed assets suppliers, Group companies	-	(861)
Esymo Metal, S.L.	Short term fixed assets suppliers, Group companies	-	(2)
Inmobiliaria Acek, S.L.	Short term fixed assets suppliers	-	(25,010)
Total Fixed assets suppliers			(53,066)
		51,738	(291,291)

The breakdown of receivables from and payables to Related Parties at December 31, 2013 were as follows:

Company	Item	Thousands of euros Amounts receivable	 Amounts payable
Acek, Desarrollo y Gestión Industrial, S.L.	Current account		(124,571)
Gonvarri Corporación Financiera, S.L.	Non-current loans	-	(35,700)
Severstal Trade GesmbH	Non-current loans	-	(11,542)
Melsonda Holdings Ltd.	Non-current loans	-	(6,265)
Total Loans			(53,507)
Gonvarri Corporación Financiera, S.L.	Current interest payable	-	(975)
Acek, Desarrollo y Gestión Industrial, S.L.	Current interest payable	-	(1,419)
Severstal Trade GmbH	Current interest payable	-	(1,121)
Melsonda Holdings Ltd.	Current interest payable	-	(5)
Total interest payable			(3,520)
Esymo Metal, S.L.	Non-current loans	2,418	-
Essa Palau, S.A.	Non-current loans	4,000	-
GS Hot Stamping, Ltd.	Non-current loans	3,553	-
Shrenik Industries Private Ltd.	Non-current loans	2,590	-
Gonvarri Argentina S.A.	Current loans	4,441	-
Essa Palau, S.A.	Current interest receivable	162	-
Total loans and interest receivable		17,164	
Acek, Desarrollo y Gestión Industrial, S.L.	Trade receivables from Group companies	119	-
Inmobiliaria Acek, S.L.	Trade receivables from Group companies	8	-
Gescrap Centro, S.L.	Trade receivables from Group companies	458	-
Gescrap Navarra, S.L.	Trade receivables from Group companies	691	-
Gescrap, S.L.	Trade receivables from Group companies	6,755	-
Gescrap Polska SPZ00	Trade receivables from Group companies	618	-
Gescrap Desarrollo, S.L.	Trade receivables from Group companies	686	-
Gescrap France S.A.R.L.	Trade receivables from Group companies	592	-
Gonvarri I. Centro Servicios, S.L.	Trade receivables from Group companies	294	-
Gonvarri Galicia, SA	Trade receivables from Group companies	885	-
Gonvauto Navarra, SA	Trade receivables from Group companies	393	-
Gonvauto Puebla S.A. de C.V.	Trade receivables from Group companies	96	-
Gonvauto Thuringen, GMBH	Trade receivables from Group companies	637	-
Gonvauto, SA	Trade receivables from Group companies	2,207	-
Gonvarri Solar Steel S.L.	Trade receivables from Group companies	176	-
Gonvarri Polska, SP, ZOO.	Trade receivables from Group companies	18	-
Severstal Gonvarri Kaluga, LLC	Trade receivables from Group companies	9	-
Jui Li Edscha Hainan Industry Enterprise Co. Ltd.	Trade receivables from Group companies	149	-
Jui Li Edscha Body Systems	Trade receivables from Group companies	4	-
Sungwoo Gestamp Hitech Pune Private, Ltd.	Trade receivables from Group companies	56	-
Sungwoo Gestamp Hitech Chennai, Ltd.	Trade receivables from Group companies	1,122	-
Gestamp Sungwoo Hitech Chennai Private Ltd.	Trade receivables from Group companies	1,545	-
Esymo Metal, S.L.	Trade receivables from Group companies	33	-
GS Hot Stamping, Ltd.	Trade receivables from Group companies	617	-
Essa Palau, S.A.	Trade receivables from Group companies	748	-
Ingeniería y Construcción Matrices, S.A.	Trade receivables from Group companies	1,352	-
IxCxT, S.A.	Trade receivables from Group companies	5	-
Arcelor Group	Trade receivables from Group companies	56	-
Total Trade receivables from Group companies (Note 12.a)		20,329	
Gescrap Navarra, S.L.	Suppliers from Group companies	-	(4)
Gescrap Centro, S.L.	Suppliers from Group companies	-	(6)
Gescrap Polska SPZ00	Suppliers from Group companies	-	(2)
Agricola La Veguilla, S.A.	Suppliers from Group companies	-	(18)
Acek, Desarrollo y Gestión Industrial, S.L.	Suppliers from Group companies	-	(2,833)
Gonvarri I. Centro Servicios S.L.	Suppliers from Group companies	-	(62,771)
Arcelormittal Gonvarri Brasil Prod. Siderúrgicos	Suppliers from Group companies	-	(65)
Gonvarri Galicia, SA	Suppliers from Group companies	-	(11,265)
Hierros y Aplanaciones, SA	Suppliers from Group companies	-	(667)
Gonvarri Ptos. Siderúrgicos, SA	Suppliers from Group companies	-	(10,837)
Gonvauto Navarra, SA	Suppliers from Group companies	-	(6,932)
Gonvauto Puebla S.A. de C.V.	Suppliers from Group companies	-	(6,588)
Gonvauto Thuringen, GMBH	Suppliers from Group companies	-	(4,546)
Gonvauto, SA	Suppliers from Group companies	-	(13,392)
Gonvarri Argentina S.A.	Suppliers from Group companies	-	(4,691)
Ind. Ferrodistribuidora, S.L.	Suppliers from Group companies	-	(2,258)
Severstal Gonvarri Kaluga, LLC	Suppliers from Group companies	-	(713)
Gonvarri Polska, SP, ZOO.	Suppliers from Group companies	-	(9,811)
Steel & Alloy	Suppliers from Group companies	-	(11,972)
Gonvarri Tarragona, S.L.	Suppliers from Group companies	-	(4)
Inmobiliaria Acek, S.L.	Suppliers from Group companies	-	(224)
Air Executive, S.L.	Suppliers from Group companies	-	(24)
Esymo Metal, S.L.	Suppliers from Group companies	-	(829)
Essa Palau, S.A.	Suppliers from Group companies	-	(4,935)
Ingeniería y Construcción Matrices, S.A.	Suppliers from Group companies	-	(560)
GS Hot Stamping, Ltd.	Suppliers from Group companies	-	(7)
Arcelor Group	Suppliers from Group companies	-	(6,696)
Total Suppliers from Group companies (Note 22.a)			(162,650)
Steel & Alloy	Suppliers from Associated companies	-	(854)
Acek, Desarrollo y Gestión Industrial, S.L.	Suppliers from Associated companies	-	(20)
Arcelor Group	Suppliers from Associated companies	-	(1,532)
Total Suppliers from Associated companies (Note 22.a)			(2,406)
Severstal Gonvarri Kaluga, LLC	Trade creditors, Group companies	-	(6,628)
Gestamp Sungwoo Hitech Chennai Private Ltd.	Trade creditors, Group companies	-	(597)
Total Trade creditors, Group companies (Note 22.a)			(7,225)
Sungwoo Hitech Company Ltd. Korea	Trade creditors, Associated companies	-	(170)
Total Trade creditors, Associated companies (Note 22.a)			(170)
Acek, Desarrollo y Gestión Industrial, S.L.	Long term fixed assets suppliers	-	(28,054)
Acek, Desarrollo y Gestión Industrial, S.L.	Short term fixed assets suppliers	-	(808)
Total Fixed assets suppliers			(28,862)
		37,493	(382,911)

In addition, the breakdown of transactions carried out with Related Parties during the period ended December 31, 2014 was as follows:

Company	Group	Transaction	Thousands of euros
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Sales	(10)
Gescrap, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(61,749)
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(5,009)
Gescrap Polska SPZ00	Acek, Desarrollo y Gestión Industrial	Sales	(10,333)
Gescrap France S.A.R.L.	Acek, Desarrollo y Gestión Industrial	Sales	(5,109)
Gescrap Autometal Comercio de Sucata S.A.	Acek, Desarrollo y Gestión Industrial	Sales	(10,517)
Gescrap Autometal México, S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Sales	(17,178)
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Sales	(5,935)
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Sales	(1,170)
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(2,459)
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Sales	(7,709)
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Sales	(30,316)
Gonvauto Asturias	Acek, Desarrollo y Gestión Industrial	Sales	(1)
Gonvarri Argentina S.A.	Acek, Desarrollo y Gestión Industrial	Sales	(2)
Gonvauto Thuringen, GMBH	Acek, Desarrollo y Gestión Industrial	Sales	(20)
Gonvarri Corporación Financiera, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	-
Gonvarri MS Corporate, S.L	Acek, Desarrollo y Gestión Industrial	Sales	(34)
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Sales	(193)
Gonvarri Ptos. Siderúrgicos, S.A	Acek, Desarrollo y Gestión Industrial	Sales	(19)
Gescrap Centro, S.L	Acek, Desarrollo y Gestión Industrial	Sales	(3,027)
Ingeniería y Construcción Matrices, S.A.	-	Sales	97
Gestamp Global Mexico	-	Sales	(2,110)
Severstal Gonvarri Kaluga, Llc	-	Sales	(28)
Essa Palau, S.A.	-	Sales	(3,742)
Gestión Global de Matricería, S.L.	-	Sales	(8,477)
Total Sales			(175,050)
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Services rendered	(11)
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Services rendered	(55)
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Services rendered	(20)
Gonvarri Corporación Financiera, S.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(170)
Gonvarri Ptos. Siderúrgicos, S.A	Acek, Desarrollo y Gestión Industrial	Services rendered	1
Steel & Alloy	Acek, Desarrollo y Gestión Industrial	Services rendered	(21)
Inmobiliaria Acek S.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(51)
Esymo Metal, S.L.	-	Services rendered	(89)
Gescrap France S.A.R.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(48)
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(38)
Gestamp Global Mexico	Acek, Desarrollo y Gestión Industrial	Services rendered	(54)
Gestamp Polska SPZ00	Acek, Desarrollo y Gestión Industrial	Services rendered	(2)
Gestamp Energías Renovables	Acek, Desarrollo y Gestión Industrial	Services rendered	(70)
Gescrap Autometal México, S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Services rendered	(3)
Essa Palau, S.A.	-	Services rendered	(439)
Reimasa	Acek, Desarrollo y Gestión Industrial	Services rendered	(48)
Gestión Global de Matricería, S.L.	-	Services rendered	(43)
IxCxT, S.A	-	Services rendered	1
Jui Li Edscha Body System y dependientes	-	Services rendered	(26)
Ingeniería y Construcción Matrices, S.A.	-	Services rendered	(1,862)
Total Services rendered			(3,048)
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Financial income	(140)
Esymo Metal, S.L.	-	Financial income	(43)
Essa Palau, S.A.	-	Financial income	(169)
Jeff Wilson	-	Financial income	(16)
Gonvarri Argentina S.A.	Acek, Desarrollo y Gestión Industrial	Financial income	(705)
Shrenik Industries Private Ltd.	Acek, Desarrollo y Gestión Industrial	Financial income	(106)
Total Financial income			(1,179)

Company	Group	Transaction	Thousands of euros
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Purchases	4
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Purchases	59,069
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	173,283
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Purchases	57,717
Gonvarri Tarragona, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	4,799
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Purchases	30,594
Hierros y Aplanaciones, SA	Acek, Desarrollo y Gestión Industrial	Purchases	72
Ind. Ferrodistribuidora, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	1,786
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Purchases	17,632
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Purchases	54,823
Gestamp Global México	Acek, Desarrollo y Gestión Industrial	Purchases	23
Gonvauto Thuringen, GMBH	Acek, Desarrollo y Gestión Industrial	Purchases	70,967
Gonvarri Argentina S.A.	Acek, Desarrollo y Gestión Industrial	Purchases	49,715
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Purchases	72,195
Severstal Gonvarri Kaluga, LLC	Acek, Desarrollo y Gestión Industrial	Purchases	61,303
Steel & Alloy	Acek, Desarrollo y Gestión Industrial	Purchases	68,732
Gonvauto Asturias S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	172
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	769
Gescrap, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	231
Arcelormilttal Gonvarri Brasil Ptos. Siderúrgicos, S.A	-	Purchases	7,517
Esymo Metal, S.L	-	Purchases	2,839
Essa Palau, S.A.	-	Purchases	48,193
Ingeniería y Construcción Matrices, S.A.	-	Purchases	7,610
Arcelor Group	-	Purchases	151,608
Total Purchases			941,653
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Services received	2,611
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	11
Gescrap Polska SPZ00	Acek, Desarrollo y Gestión Industrial	Services received	17
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Services received	39
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Services received	83
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	(31)
Gonvarri Corporación Financiera, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	2
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Services received	(1)
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Services received	260
Inmobiliaria Acek S.L.	Acek, Desarrollo y Gestión Industrial	Services received	3,849
Air Executive, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	1,289
Agricola La Veguilla, S.A	Acek, Desarrollo y Gestión Industrial	Services received	125
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Services received	(1)
Gestamp Eólica	Acek, Desarrollo y Gestión Industrial	Services received	1
Gestamp Solar	Acek, Desarrollo y Gestión Industrial	Services received	(207)
Essa Palau, S.A.	-	Services received	(69)
Gestamp Global México	-	Services received	101
Arcelor Group	-	Services received	(11)
Ingeniería y Construcción Matrices, S.A.	-	Services received	528
Esymo Metal, S.L	-	Services received	328
Ind. Ferrodistribuidora, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	2
Total Services received			8,926
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Financial expenses	3,804
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	60
Gonvarri Corporación Financiera, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	1,737
Gonvarri Argentina S.A.	Acek, Desarrollo y Gestión Industrial	Financial expenses	337
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	114
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	82
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	1
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	22
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	229
Ind. Ferrodistribuidora, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	1
Mitsui & Co, Ltd	-	Financial expenses	8
Severstal Trade GesmbH	-	Financial expenses	1,353
Melsonda Holdings Ltd.	-	Financial expenses	674
Total Financial expenses			8,422

In addition, the breakdown of transactions carried out with Related Parties during the year 2013 was as follows:

Company	Group	Transaction	Thousands of euros
Gescrap, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(43,792)
Gescrap Centro, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(3,479)
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(4,886)
Gescrap Polska SPZ00	Acek, Desarrollo y Gestión Industrial	Sales	(10,716)
Gescrap Desarrollo, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(6,830)
Gescrap France S.A.R.L.	Acek, Desarrollo y Gestión Industrial	Sales	(5,161)
Gescrap Autometal Comercio de Sucata S.A.	Acek, Desarrollo y Gestión Industrial	Sales	(6,129)
Arcelormittal Gonvarri Brasil Pdtos. Siderurgicos, S.A.	Acek, Desarrollo y Gestión Industrial	Sales	(16)
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Sales	(6,540)
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Sales	(1,111)
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Sales	(4,659)
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Sales	(8,996)
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Sales	(37,691)
Gestamp Solar Steel S.L.	Acek, Desarrollo y Gestión Industrial	Sales	140
Gonvarri Burgos	Acek, Desarrollo y Gestión Industrial	Sales	(14)
Gonvauto Thuringen, GMBH	Acek, Desarrollo y Gestión Industrial	Sales	(43)
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Sales	(23)
GS Hot Stamping, Ltd.	-	Sales	(1,204)
Jui Li Edscha Hainan Industry Enterprise Co. Ltd.	-	Sales	(53)
Essa Palau, S.A.	-	Sales	432
Esymo Metal, S.L.	-	Sales	(15)
Ingeniería y Construcción Matrices, S.A.	-	Sales	(11)
Total Sales			(140,797)
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Services rendered	(7)
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Services rendered	(2)
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Services rendered	(291)
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Services rendered	(13)
Inmobiliaria Acek S.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(17)
Esymo Metal, S.L.	-	Services rendered	(76)
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(1)
Gescrap Polska SPZ00	Acek, Desarrollo y Gestión Industrial	Services rendered	(1)
Gescrap, S.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	5
Gescrap France S.A.R.L.	Acek, Desarrollo y Gestión Industrial	Services rendered	(2)
GS Hot Stamping, Ltd.	-	Services rendered	(170)
Sungwoo Gestamp Hitech Pune, Ltd.	-	Services rendered	(87)
Sungwoo Gestamp Hitech Chennai Ltd.	-	Services rendered	(280)
Jui Li Edscha Body Systems	-	Services rendered	(5)
Jui Li Edscha Hainan Industry Enterprise Co. Ltd.	-	Services rendered	(11)
Essa Palau, S.A.	-	Services rendered	(582)
Recuperaciones Medioambientales subgroup	Acek, Desarrollo y Gestión Industrial	Services rendered	(59)
Ingeniería y Construcción Matrices, S.A.	-	Services rendered	(1,608)
IxCxT, S.A.	-	Services rendered	(6)
Total Services rendered			(3,213)
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Financial income	(151)
Risteel Corporation, B.V.	Acek, Desarrollo y Gestión Industrial	Financial income	(98)
Esymo Metal, S.L.	-	Financial income	(43)
GS Hot Stamping, Ltd.	-	Financial income	(174)
Essa Palau, S.A.	-	Financial income	(113)
Jeff Wilson	-	Financial income	(16)
Shrenik Industries Private Ltd.	Acek, Desarrollo y Gestión Industrial	Financial income	(201)
Gonvarri Argentina S.A.	Acek, Desarrollo y Gestión Industrial	Financial income	(779)
Total Financial income			(1,575)

Company	Group	Transaction	Thousands of euros
Arcelormittal Gonvarri Brasil Pdtos. Siderurgicos, S.A.	Acek, Desarrollo y Gestión Industrial	Purchases	24,018
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Purchases	70,273
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	181,483
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Purchases	69,561
Gonvarri Tarragona, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	4
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Purchases	29,763
Hierros y Aplanaciones, SA	Acek, Desarrollo y Gestión Industrial	Purchases	3,283
Ind. Ferrodistribuidora, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	2,527
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Purchases	22,254
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Purchases	49,666
Gonvauto Thuringen, GMBH	Acek, Desarrollo y Gestión Industrial	Purchases	65,276
Gonvarri Argentina S.A.	Acek, Desarrollo y Gestión Industrial	Purchases	65,288
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Purchases	64,682
Severstal Gonvarri Kaluga, LLC	Acek, Desarrollo y Gestión Industrial	Purchases	74,499
Steel & Alloy	Acek, Desarrollo y Gestión Industrial	Purchases	62,936
Gonvarri Steel Industries	Acek, Desarrollo y Gestión Industrial	Purchases	6
Esymo Metal, S.L.	-	Purchases	2,231
Air Executive, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	19
GS Hot Stamping, Ltd.	-	Purchases	7
Gescrap, S.L.	Acek, Desarrollo y Gestión Industrial	Purchases	168
Essa Palau, S.A.	-	Purchases	15,619
Ingeniería y Construcción Matrices, S.A.	-	Purchases	2,755
Arcelor Group	-	Purchases	131,081
Jui Li Edscha Hainan Industry Enterprise Co. Ltd.	-	Purchases	212
Jui Li Edscha Body Systems	-	Purchases	19
Total Purchases			937,630
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Services received	3,554
Agricola La Veguilla, S.A.	Acek, Desarrollo y Gestión Industrial	Services received	415
Gescrap Centro, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	22
Gescrap Navarra, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	10
Gescrap Polska SPZ00	Acek, Desarrollo y Gestión Industrial	Services received	30
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Services received	(1)
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	102
Gonvarri Polska, SP, ZOO.	Acek, Desarrollo y Gestión Industrial	Services received	(1)
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Services received	259
Gonvauto Puebla S.A. de C.V.	Acek, Desarrollo y Gestión Industrial	Services received	35
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Services received	137
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Services received	4
Inmobiliaria Acek S.L.	Acek, Desarrollo y Gestión Industrial	Services received	3,531
Air Executive, S.L.	Acek, Desarrollo y Gestión Industrial	Services received	224
Esymo Metal, S.L.	-	Services received	107
Ingeniería y Construcción Matrices, S.A.	-	Services received	324
Total Services received			8,752
Acek, Desarrollo y Gestión Industrial, S.L.	Parent company	Financial expenses	3,510
Gonvarri Galicia, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	59
Gonvarri Corporación Financiera, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	2,277
Gonvarri I. Centro Servicios, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	82
Gonvarri Ptos. Siderúrgicos, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	66
Gonvauto Navarra, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	21
Gonvauto, SA	Acek, Desarrollo y Gestión Industrial	Financial expenses	213
Ind. Ferrodistribuidora, S.L.	Acek, Desarrollo y Gestión Industrial	Financial expenses	2
Severstal Trade GesmbH	-	Financial expenses	1,534
Melsonda Holdings Ltd.	-	Financial expenses	420
Total Financial expenses			8,184

29.2 Board of Directors' remuneration

In 2014 and 2013 the members of the Company's Board of Directors received no remuneration from any of the companies which compose the Group, nor were they granted advances, pension or life insurance benefits.

In 2014 Acek, Desarrollo y Gestión Industrial, S.L. received total remuneration of 690 thousand euros as compensation for membership of the Board of Directors of certain Group companies (2013: 1,535 thousand euros).

The remuneration accrued during 2014 and 2013 by the representatives (natural persons) of the members of the Board of Directors (legal entity), is included in the remuneration accrued by the Management´s Remuneration informed in Note 29.3

In 2014 and 2013, no loans or advances, pensions or life insurance benefits were granted to members of its Board nor their representatives as natural persons.

29.3 Senior Management's Remuneration

In 2014 total remuneration for the members of the Management Committee, which fully correspond to salaries, amounted to 2,708 thousand euros (2013: 2,361 thousand euros), included in "Personnel expenses" in the accompanying consolidated income statement. The company made no contributions to pension plans on their behalf.

30. Subsidiaries with significant non-controlling interest

Financial information of subsidiaries that have significant non-controlling interests is provided below. The summarised financial information of these subsidiaries, grouped by continent, and based on their individual financial statements before intercompany eliminations and consolidation adjustments, is provided below.

Summarised profit statement at December 31, 2014 and December 31, 2013:

	2014								
	Subconsolid. USA (*)	Subconsolid. Argentina (*)	Subconsolid. Mexico (*)	Subconsolid. Brazil (*)	Beyçelik, A.S.	Getamp Auto Components (Kunshan) Co, Ltd	Mursolar 21, S.L	Gestamp Severstal Vsevolozhsk, LLc	Gestamp Severstal Kaluga, Llc
Operating income	702,097	185,639	299,961	345,370	203,157	175,253	-	47,395	103,471
Operating expense	(664,807)	(178,944)	(281,962)	(312,735)	(188,519)	(160,208)	(235)	(48,124)	(97,008)
OPERATING PROFIT	**37,290**	**6,695**	**17,999**	**32,635**	**14,638**	**15,045**	**(235)**	**(729)**	**6,463**
Financial profit	(5,890)	(5,353)	3,878	(18,903)	(2,416)	(1,526)	3,132	(1,958)	(5,735)
Exchange gain (losses)	4,561	(12,175)	623	(45)	187	2,333	-	(15,280)	(32,986)
Impairment and other	-	-	(9)	(405)	-	-	-	-	-
PROFIT BEFORE TAXES	**35,961**	**(10,833)**	**22,491**	**13,282**	**12,409**	**15,852**	**2,897**	**(17,967)**	**(32,258)**
Income tax expense	190	5,418	(7,068)	(5,892)	(1,373)	(3,963)	-	520	-
Profit for the year from discontinued operations net of taxes	-	-	-	-	-	-	-	-	-
PROFIT FOR THE YEAR	**36,151**	**(5,415)**	**15,423**	**7,390**	**11,036**	**11,889**	**2,897**	**(17,447)**	**(32,258)**
Non-controlling interest	30.00%	30.01%	30.00%	30.00%	50.00%	31.05%	35.00%	41.87%	41.87%
Attributable to non-controlling interest	10,845	(1,625)	4,627	2,217	5,518	3,692	1,014	(7,305)	(13,506)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-

	2013								
	Subconsolid. USA (*)	Subconsolid. Argentina (*)	Subconsolid. Mexico (*)	Subconsolid. Brazil (*)	Beyçelik, A.S.	Getamp Auto Components (Kunshan) Co, Ltd	Mursolar 21, S.L	Gestamp Severstal Vsevolozhsk, LLc	Gestamp Severstal Kaluga, Llc
Operating income	574,217	228,524	261,548	394,384	189,473	150,509	-	66,194	148,132
Operating expense	(549,069)	(218,691)	(235,627)	(364,112)	(172,773)	(136,615)	(1)	(59,393)	(142,041)
OPERATING PROFIT	**25,148**	**9,833**	**25,921**	**30,272**	**16,700**	**13,894**	**(1)**	**6,801**	**6,091**
Financial profit	(11,046)	(6,331)	1,990	(23,705)	(2,588)	(2,108)	112	(2,156)	(5,521)
Exchange gain (losses)	(2,252)	(24,955)	(1,477)	(6,086)	(9,550)	1,029	(17)	(3,024)	(8,854)
Impairment and other	-	-	(226)	(5,602)	-	-	-	-	-
PROFIT BEFORE TAXES	**11,850**	**(21,453)**	**26,208**	**(5,121)**	**4,562**	**12,815**	**94**	**1,621**	**(8,284)**
Income tax expense	(3,965)	5,417	(6,850)	(2,068)	(423)	(3,763)	-	(659)	-
Profit for the year from discontinued operations net of taxes	-	-	-	-	-	-	-	-	-
PROFIT FOR THE YEAR	**7,885**	**(16,036)**	**19,358**	**(7,189)**	**4,139**	**9,052**	**94**	**962**	**(8,284)**
Non-controlling interest	30.00%	30.01%	30.00%	30.00%	50.00%	31.06%	35.00%	42.68%	42.68%
Attributable to non-controlling interest	2,366	(4,812)	5,807	(2,157)	2,069	2,811	33	410	(3,536)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-

(*) These figures correspond to Subconsolidated Financial Statements

Summarised statement of financial position at December 31, 2014 and December 31, 2013:

	2014								
	Subconsolid. USA (*)	Subconsolid. Argentina (*)	Subconsolid. Mexico (*)	Subconsolid. Brazil (*)	Beyçelik, A.S.	Getamp Auto Components (Kunshan) Co, Ltd	Mursolar 21, S.L	Gestamp Severstal Vsevolozhsk, LLc	Gestamp Severstal Kaluga, Llc
Total non-current assets	396,673	64,497	196,026	227,764	73,081	77,289	100,885	18,148	84,332
Total current assets	209,854	100,300	170,801	145,755	77,169	128,702	16,363	17,652	31,427
Total non-current liabilities	(185,766)	(67,951)	(16,580)	(87,539)	(39,419)	(25,954)	-	(17,273)	(56,650)
Total current liabilities	(117,028)	(41,681)	(103,701)	(131,672)	(57,450)	(96,135)	28	(13,446)	(20,933)
Equity	(287,747)	(90,402)	(275,064)	(135,597)	(65,278)	(72,372)	(117,276)	(12,094)	(75,588)
Translation differences	(15,986)	35,237	28,518	(18,711)	11,897	(11,530)	-	7,013	37,412
Equity attributable to:									
Equity holders of the parent	(201,423)	(63,272)	(192,545)	(94,918)	(32,639)	(49,900)	(76,229)	(7,030)	(43,939)
Non-controlling interest	(86,324)	(27,130)	(82,519)	(40,679)	(32,639)	(22,472)	(41,047)	(5,064)	(31,649)
Translation differences attributable to:									
Equity holders of the parent	(11,190)	24,662	19,963	(13,098)	5,949	(7,950)	-	4,077	21,748
Non-controlling interest	(4,796)	10,575	8,555	(5,613)	5,949	(3,580)	-	2,936	15,664

	2013								
	Subconsolid. USA (*)	Subconsolid. Argentina (*)	Subconsolid. Mexico (*)	Subconsolid. Brazil (*)	Beyçelik, A.S.	Getamp Auto Components (Kunshan) Co, Ltd	Mursolar 21, S.L	Gestamp Severstal Vsevolozhsk, LLc	Gestamp Severstal Kaluga, Llc
Total non-current assets	307,649	70,369	115,845	221,498	71,556	63,852	57,476	32,024	141,208
Total current assets	175,285	93,164	190,933	158,428	65,039	91,541	56,904	26,895	55,607
Total non-current liabilities	(98,097)	(59,042)	(16,027)	(70,372)	(45,894)	(23,447)	-	(18,486)	(56,301)
Total current liabilities	(149,005)	(44,922)	(56,552)	(163,792)	(45,508)	(69,368)	-	(12,205)	(42,267)
Equity	(251,596)	(84,607)	(263,378)	(139,573)	(60,006)	(58,664)	(114,380)	(29,851)	(107,845)
Translation differences	15,764	25,038	29,179	(6,189)	14,813	(3,914)	-	1,623	9,598
Equity attributable to:									
Equity holders of the parent	(176,117)	(59,216)	(184,365)	(97,700)	(30,003)	(40,443)	(74,347)	(17,111)	(61,817)
Non-controlling interest	(75,479)	(25,391)	(79,013)	(41,873)	(30,003)	(18,221)	(40,033)	(12,740)	(46,028)
Translation differences attributable to:									
Equity holders of the parent	11,035	17,524	20,425	(4,332)	7,407	(2,698)	-	930	5,502
Non-controlling interest	4,729	7,514	8,754	(1,857)	7,407	(1,216)	-	693	4,096

(*) These figures correspond to Subconsolidated Financial Statements

Summarised cash flow at December 31, 2014 and December 31, 2013:

	2014								
	Subconsolid. USA (*)	Subconsolid. Argentina (*)	Subconsolid. Mexico (*)	Subconsolid. Brazil (*)	Beyçelik, A.S	Getamp Auto Components (Kunshan) Co, Ltd	Mursolar 21, S.L	Gestamp Severstal Vsevolozhsk, LLc	Gestamp Severstal Kaluga, Llc
Operating activities	77,650	216	37,658	59,792	17,055	21,194	(3,151)	3,803	15,600
Investing activities	(81,431)	(433)	(59,531)	(2,478)	(7,124)	(7,610)	(51,224)	(1,431)	(3,497)
Financing activities	(14,518)	1,702	11,240	(20,073)	(8,752)	2,358	10,909	(13,457)	(15,640)
Effect of changes in exclange rates	2,456	(3,399)	151	(328)	-	-	-	-	-
Net increase (decrease) of cash or cash equivalents	(18,299)	(1,914)	(10,633)	36,913	1,179	15,942	(43,466)	(11,085)	(3,537)

	2013								
	Subconsolid. USA (*)	Subconsolid. Argentina (*)	Subconsolid. Mexico (*)	Subconsolid. Brazil (*)	Beyçelik, A.S	Getamp Auto Components (Kunshan) Co, Ltd	Mursolar 21, S.L	Gestamp Severstal Vsevolozhsk, LLc	Gestamp Severstal Kaluga, Llc
Operating activities	29,470	17,134	23,115	21,047	27,187	9,867	(1)	15,750	2,097
Investing activities	(59,735)	(42,831)	(99,767)	(69,150)	(10,300)	(1,022)	(57,476)	(3,579)	(31,726)
Financing activities	49,960	24,092	87,440	54,431	(16,405)	(2,360)	114,378	(4,922)	31,215
Net increase (decrease) of cash or cash equivalents	19,695	(1,605)	10,788	6,328	482	6,485	56,901	7,249	1,586

(*) These figures correspond to Subconsolidated Financial Statements

As indicated in note 15, the most significant non-controlling interests have protection rights regarding significant decisions about desinvestments, corporate restructuring, dividends distribution and amending of bylaws.

31. Investment in associates

The Group has interests in the following associates:

Company	Shareholding	Activity
Industrias Tamer, S.A.	30.00%	Tooling and parts manufacturing
Sungwoo Gestamp Hitech Pune Private Ltd.	50.00%	Tooling and parts manufacturing
Essa Palau, S.A.	40.00%	Tooling and parts manufacturing
Gestión Global de Matricería, S.L.	35.00%	Dormant
GGM Puebla, S.A de C.V	35.00%	Die cutting production
GGM Puebla de Servicios Laborales, S.A de C.V	35.00%	Dormant
Ingeniería y Construcción Matrices, S.A.	35.00%	Die cutting production
IxCxT, S.A.	35.00%	Die cutting production
Jui Li Edscha Body Systems Co., Ltd.	50.00%	Parts manufacturing
Jui Li Edscha Holding Co., Ltd.	50.00%	Portfolio management
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	50.00%	Parts manufacturing

The summarized financial information of the Group´s investment in these companies at December 31, 2014 and December 31, 2013 is as follows:

Summary financial statement:

	2014				
	Sungwoo Gestamp Hitech Pune Private Ltd.	Essa Palau, S.A.	Jui Li Edscha Body Systems Co., Ltd.	Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Other
Total non-current assets	5,959	42,396	327	702	45,421
Total current assets	3,940	27,318	1,696	4,438	9,024
Total non-current liabilities	-	(25,708)	(24)	-	(16,056)
Total current liabilities	(5,468)	(52,839)	(796)	(1,193)	(31,421)
Equity	(4,607)	8,833	(1,098)	(3,385)	(6,969)
Translation differences	176	-	(105)	(562)	1
Carrying amount of the investment	2,303	(3,533)	601	1,692	2,451

	2013				
	Sungwoo Gestamp Hitech Pune Private Ltd.	Essa Palau, S.A.	Jui Li Edscha Body Systems Co., Ltd.	Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Other
Total non-current assets	7,801	42,755	315	633	10,491
Total current assets	4,236	32,155	1,521	3,635	3,895
Total non-current liabilities	-	(26,804)	(20)	-	(5,783)
Total current liabilities	(7,379)	(49,354)	(718)	(1,075)	(3,351)
Equity	(5,299)	1,248	(1,048)	(2,993)	(5,252)
Translation differences	641	-	(50)	(200)	-
Carrying amount of the investment	2,650	(499)	523	1,496	1,852

Summarised income statement

	2014				
	Sungwoo Gestamp Hitech Pune Private Ltd.	Essa Palau, S.A.	Jui Li Edscha Body Systems Co., Ltd.	Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Other
Operating income	422	97,500	2,368	5,040	13,359
Operating expense	(1,227)	(103,062)	(2,298)	(4,514)	(13,848)
OPERATING PROFIT/LOSS	**(805)**	**(5,562)**	**70**	**526**	**(489)**
Financial profit	189	(1,074)	15	-	(105)
Exchange gain (losses)	(78)	(7)	22	-	(255)
Impairment and other	-	(8)	-	-	-
PROFIT/LOSS BEFORE TAXES	**(694)**	**(6,651)**	**107**	**526**	**(849)**
Income tax expense	-	-	(56)	(133)	-
Adjustments from previous years	1	(566)	-	-	421
PROFIT/LOSS FOR THE YEAR	**(693)**	**(7,217)**	**51**	**393**	**(428)**
Participation of the Group in profit	(347)	(2,887)	25	196	(151)

	2013				
	Sungwoo Gestamp Hitech Pune Private Ltd.	Essa Palau, S.A.	Jui Li Edscha Body Systems Co., Ltd.	Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Other
Operating income	2,328	92,170	2,400	5,206	12,354
Operating expense	(2,492)	(91,215)	(2,353)	(4,669)	(12,236)
OPERATING PROFIT/LOSS	**(164)**	**955**	**47**	**537**	**118**
Financial profit	(132)	(1,177)	17	-	(89)
Exchange gain (losses)	(934)	2	50	11	-
Impairment and other	-	21	-	-	-
PROFIT/LOSS BEFORE TAXES	**(1,230)**	**(199)**	**114**	**548**	**29**
Income tax expense	-	-	(48)	(138)	-
Adjustments from previous years	-	-	-	-	(20)
PROFIT/LOSS FOR THE YEAR	**(1,230)**	**(199)**	**66**	**410**	**9**
Participation of the Group in profit	(615)	(80)	33	205	(5)

The difference in the participation of the Group in profit for associated companies in 2013 and the amount included in Note 10.a.1) is due to the reclassification of the result of the subsidiaries Gestamp Sungwoo Hitech (Chennai) Pvt. Ltd., Sungwoo Gestamp Hitech Chennai, Ltd., and GS Hot-Stamping Co. Ltd., to held for sale, ceased to be considered as associated companies (Note 26).

32. Other disclosures

32.1 Audit fees

Audit fees related to the annual audit of consolidated and individual financial statements of the companies included in the consolidation scope for 2014 amounted to 3,468 thousand euros (2013: 3,487 thousand euros).

Of the audit fees mentioned above, the fees paid to the auditor of the Company for all audit work performed for the Group in 2014 amounted to 3,347 thousand euros (2013: 3,366 thousand euros).

Fees paid for other services rendered by the auditor of the Company in 2014 amounted to 650 thousand euros (2013: 402 thousand euros).

32.2 Environmental issues

The cost of PP&E items acquired for environmental protection and improvement purposes amounted to 3,694 thousand euros at year end 2014. Accumulated depreciation on these assets stood at 2,629 thousand euros (2013: 3,466 thousand euros and 2,399 thousand euros, respectively).

In 2014, the Group also recognized 903 thousand euros in environmental protection and improvement expenses (2013: 1,436 thousand euros).

The accompanying consolidated balance sheet does not include any provision for environmental issues given that the Company’s directors consider that at year end there are no liabilities to be settled in the future in connection with actions taken by the companies which comprise the consolidated Group to prevent, reduce or repair damages to the environment, and they believe that were such liabilities to exist, they would not be significant. At year end the Group had not received any subsidies for environmental issues.

33. Financial risk management

To manage its financial risk, the Group continually revises its business plans, analyzes the relationship between the risks and the present value of cash flows associated with its investments in addition to taking an accounting approach that allows an assessment of changes in risk exposure.

33.1 Financial risk factors

In compliance with prevailing legislation, below is a description of the main financial risks to which the Group is exposed:

- Market risk
  - Exposure to fluctuations in foreign exchange rates
  - Exposure to fluctuations in interest rates

- Liquidity risk
- Credit risk
- Raw material price risk

Foreign currency risk

Fluctuations in the exchange rate between the currency in which a transaction is denominated and the Group's presentation currency can have a negative or positive impact on its profit or loss, specifically affecting management of its financial debt.

The Group operates in the following currencies:

- Euro
- US dollar
- Mexican peso
- Argentine peso
- Brazilian reais
- GB pound
- Swedish crown
- Polish zloty
- Hungarian forint
- Turkish lira
- Indian rupee
- Korean won
- Chinese yuan
- Russian rubble
- Czech crown
- Yen
- Thai baht
- Taiwanese dollar

To manage exchange rate risk, the Group uses a series of financial instruments that give it a degree of flexibility, basically comprised of the following:

A. Foreign currency forward contracts: These arrangements lock in the price at which an entity can buy or sell a currency on a set date; the timing can be adjusted to align the transactions with the hedged cash flows.

B. "Puttable instruments": Other derivatives are also used to hedge currency risk, including those designed to lock in a maximum or minimum exchange rate (collar or tunnel) at a set settlement date.

The tables below show the sensitivity of profit and equity, in thousands of euros, to changes in exchange rates relative to the euro.

The sensitivity of profit to exchange rate fluctuations, corresponding to years 2014 and 2013, is as follows:

2014

		IMPACT ON PROFIT	
	Currency	5% Fluctuation	-5% Fluctuation
	Swedish crown	(426)	426
	US dollar	1,204	(1,204)
	Hungarian florint	(452)	452
	GB pound	985	(985)
	Mexican peso	449	(449)
	Brazilian reais	151	(151)
	Chinese renminbi	864	(864)
	Indian rupee	53	(53)
	Turkish lira	290	(290)
	Argentinian peso	509	(509)
	Russian ruble	(396)	396
	Korean won	123	(123)
	Polish zloty	91	(91)
	Czech crown	135	(135)
	Japanese yen	34	(34)
	Thai baht	(9)	9
IMPACT IN ABSOLUTE TERMS		**3,605**	**(3,605)**
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT COMPANY		**125,702**	**125,702**
EFFECT IN RELATIVE TERMS		**2.87%**	**-2.87%**

2013 Restated*

		IMPACT ON PROFIT	
	Currency	5% Fluctuation	-5% Fluctuation
	Swedish crown	134	(134)
	US dollar	333	(333)
	Hungarian florint	(251)	251
	GB pound	834	(834)
	Mexican peso	624	(624)
	Brazilian reais	313	(313)
	Chinese renminbi	687	(687)
	Indian rupee	4	(4)
	Turkish lira	(42)	42
	Argentinian peso	229	(229)
	Russian ruble	441	(441)
	Korean won	18	(18)
	Polish zloty	187	(187)
	Czech crown	116	(116)
	Japanese yen	(38)	38
	Taiwan dollar	(2)	2
IMPACT IN ABSOLUTE TERMS		**3,587**	**(3,587)**
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT		**113,987**	**113,987**
EFFECT IN RELATIVE TERMS		**3.15%**	**-3.15%**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

The sensitivity of equity to exchange rate fluctuations, corresponding to years 2014 and 2013, is as follows:

	2014	
	IMPACT ON EQUITY	
Currency	5% Fluctuation	-5% fluctuation
Swedish crown	(863)	863
US dollar	(124)	124
Hungarian forint	(1,952)	1,952
GB pound	5,828	(5,828)
Mexican peso	498	(498)
Brazilian reais	3,759	(3,759)
Chinese renminbi	5,917	(5,917)
Indian rupee	(62)	62
Turkish lira	(560)	560
Argentinian peso	111	(111)
Russian ruble	(2,394)	2,394
Korean won	864	(864)
Polish zloty	2,424	(2,424)
Czech crown	826	(826)
Japanese yen	(159)	159
Thai baht	2	(2)
Taiwan dollar	(4)	4
IMPACT IN ABSOLUTE TERMS	**14,111**	**(14,111)**
EQUITY	**1,716,239**	**1,716,239**
EFFECT IN RELATIVE TERMS	**0.82%**	**-0.82%**

	2013 Restated*	
	IMPACT ON EQUITY	
Currency	5% Fluctuation	-5% fluctuation
Swedish crown	(372)	372
US dollar	(1,199)	1,199
Hungarian forint	(1,690)	1,690
GB pound	4,466	(4,466)
Mexican peso	154	(154)
Brazilian reais	3,846	(3,846)
Chinese renminbi	4,038	(4,038)
Indian rupee	(396)	396
Turkish lira	(803)	803
Argentinian peso	130	(130)
Russian ruble	237	(237)
Korean won	609	(609)
Polish zloty	2,206	(2,206)
Czech crown	1,145	(1,145)
Japanese yen	(192)	192
Thai baht	(3)	3
Taiwan dollar	1	(1)
IMPACT IN ABSOLUTE TERMS	**12,177**	**(12,177)**
EQUITY	**1,664,844**	**1,664,844**
EFFECT IN RELATIVE TERMS	**0.73%**	**-0.73%**

Interest rate risk

The Group's borrowings mainly bear interest at floating rates, exposing it to risk from fluctuations in market interest rates, so that market fluctuations affect cash flows. The Group mitigates this risk by using interest rate derivatives, mainly swaps, by which it converts the floating rate on a loan into a fixed rate. It may swap the rate on a portion of the loan or on the entire loan, and for its entire duration or a part thereof.

In general the Group's borrowings are at floating rates indexed to Euribor except the bonds issued by the Group in May, 2013 which bear a fixed interest rate.

Had the average interest on euro denominated financial borrowings been 5% higher or lower in 2014, all other variables remaining constant, the finance result would have been 0.1 million euros higher or lower.

Had the average interest on euro denominated financial borrowings been 5% higher or lower in 2013, all other variables remaining constant, the finance result would not have been significantly affected.

Liquidity risk

Liquidity risk is defined as the risk that a company will not be able to service its commitments as a result of adverse conditions in the debt and/or equity markets that prevent or hinder its capital raising efforts.

The Group manages liquidity risk by maintaining sufficient cash balances to enable it to negotiate refinancing on the best possible terms and to cover its near term cash outlays, thereby avoiding the need to raise funds on disadvantageous terms.

The breakdown of liquidity and capital resources at December 31, 2014 and 2013 was as follows:

	Thousands of euros	
	2014	**2013 Restated***
Cash and cash equivalents	483,934	520,417
Revolving credit facilities	280,000	280,000
Undrawn credit lines	267,046	196,542
	1,030,980	996,959

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

The working capital can be defined as the permanent financial resources needed to carry out the activity of the company, that is, the part of current assets financed with long-term funds.

The Group´s working capital at December 31, 2014 and December 31, 2013 is as follows:

	Thousand euros 2014	Thousand euros 2013 Restated*
Current assets	2,208,638	2,271,918
Current liabilities	(1,667,961)	(1,620,575)
TOTAL WORKING CAPITAL	**540,677**	**651,343**

	Thousand euros 2014	Thousand euros 2013 Restated*
Equity	1,716,239	1,664,844
Non-current liabilities	2,122,943	2,131,541
Non-current assets	(3,298,505)	(3,145,042)
TOTAL WORKING CAPITAL	**540,677**	**651,343**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

Credit risk

Credit risk is concentrated primarily in the Group's accounts receivable. Management considers that its counterparties are very creditworthy.

Each business unit manages its credit risk according to policies, procedures and controls determined by the Group regarding credit risk management of customers.

At each closing date, the Group companies analyze on the basis of real historical data the balances of each major client individually in order to determine the need for provisions or impairment.

The Group has no guarantee on debts and has concluded that the risk concentration is low given that its customers belong to distinct jurisdictions and operate in highly independent markets.

The credit risk with banks is managed by the treasury department of the Group according to the Group policies.

The surplus cash investments are contracted only with authorized counterparties and always within the credit limit assigned for each counterparty.

The limits are established in order to minimize risk concentration, thereby mitigating financial losses in the event of a default by the counterparty.

The maximum exposure of the Group to credit risk at December 31, 2014 and 2013 amounts to the carrying values (Note 12), except for financial guarantees and derivative financial instruments.

Raw Materials Price Risk

The steel is the main raw material used in the business. In 2014, 58% of the steel was purchased through programs of re-sale with clients, whereby the manufacturer negotiates the price of steel used by the Group in the production of automotive components. The negotiated price is directly included in the selling price customer.

The rest of the purchases of steel were performed through contracts negotiated with suppliers.

Historically, and in accordance with the standards of the automotive industry, the Group has been able to negotiate with clients, significantly, the transfer of the impact of variations in the price of steel.

33.2 Hedge accounting

For the purpose of hedge accounting, the Group classifies its hedges as:

- Fair value hedges when hedging the exposure to changes in the market value of a recognized asset or liability, or of a firm commitment attributable to a specific risk.

- Cash flow hedges when hedging exposure to fluctuations in cash flows that are either attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecast transaction.

- Hedges of a net investment in a foreign operation when hedging exposure to variability in exchange rates relative to a net investment in a foreign operation.

Such derivative financial instruments are initially recognized at acquisition cost and are subsequently valued at fair value. Changes in fair value are normally accounted for in keeping with specific hedge accounting criteria.

The accounting for these instruments is carried out as follows:

- Fair value hedges: changes in the fair value of the hedging instrument and the hedged item, in both instances attributable to the risk hedged, are recognized in the consolidated income statement.

- Cash flow hedges: changes in the fair value of the hedging instrument attributable to the risk hedged are recognized in “Retained earnings” in equity. Amounts taken to equity are transferred to the Consolidated Income Statement when the hedged cash flows affect profit or loss.

- Hedges of a net investment in a foreign operation: these hedges are accounted for in a way similar to cash flow hedges. Fair value gains or losses in these hedging instruments are recognized in "Translation differences." If a foreign operation is sold, the cumulative value of any such gains or losses recognized directly in equity ("Retained earnings") is transferred to the income statement.

33.3 Fair value of financial instruments

The fair value of financial instruments is determined as follows:

- The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market prices.

- Where there is no active market, fair value is determined using cash flow analysis discounted at market discount rates and based on market assumptions at the time of the estimate.

<u>Non-current financial assets</u>

There is no difference between the fair value and carrying amount of non-current loans granted since they all accrue interest at floating rates.

Equity investments are carried on the consolidated balance sheet at fair value when they can be valued reliably. Since it is usually not possible to measure the fair value of shareholdings in unlisted companies reliably, these investments are valued at acquisition cost or lower if there is evidence of impairment.

Changes in fair value, net of the related tax effect, are recognized with a charge or credit, as appropriate, to "Retained earnings" within Equity until these investments are sold, at which time the cumulative amount recognized in equity is recognized in full in the consolidated income statement. If fair value is lower than acquisition cost, the difference is recognized directly in equity, unless the asset is determined to be impaired, in which case it is recognized in the consolidated income statement.

Trade receivables

For receivables due in less than one year, the Group considers the carrying amount a reasonable approximation of fair value.

Current financial assets

There is no difference between the fair value and carrying amount of short term loans granted since they all accrue interest at market rates.

For other current financial assets, as their maturity is near the financial year end, the Group considers their carrying amounts a reasonable approximation of fair value.

Interest-bearing loans and borrowings

For current and non-current bank borrowings there is no difference between fair value and carrying amount since all these borrowings carry interest at market rates.

Trade and other payables

The Group's management considers the carrying amount of the items recorded in this consolidated balance sheet line item to be a reasonable approximation of fair value

Fair values of financial instruments

The fair values of current and non-current financial assets and liabilities do not differ significantly from their respective carrying amounts.

The Group uses the following sequence of three levels, based on the relevance of the variables used, to measure the fair value of its financial instruments:

- Level 1: Unadjusted quoted price for identical assets or liabilities in active markets.
- Level 2: Variables which are observably different from the prices quoted in Level 1, either directly (price), or indirectly (derived from the price).
- Level 3: Variables which are not based on observable market data (non-observable variables).

The classification of financial assets recognized in the financial statements, by methodology of fair value measurement, is as follows:

	Thousands of euros					
	Level 1		Level 2		Level 3	
	2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*
Financial assets measured at fair value (Note 10)						
Financial derivative hedging instruments			5,863	63,756		
Total	-	-	5,863	63,756	-	-

The classification of financial liabilities at fair value in the financial statements, according to their relevant valuation methodology, is as follows:

	Thousands of euros					
	Level 1		Level 2		Level 3	
	2014	2013 Restated*	2014	2013 Restated*	2014	2013 Restated*
Financial liabilities measured at fair value (Note 20.b.4)						
Financial derivative hedging instruments			40,346	29,846		
Financial derivative instruments held-for-trading			7,058	67,114		
Total	-	-	47,404	96,960	-	-

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

33.4 Capital risk management

The objective of the Group's capital management is to protect its ability to continue as a going concern, upholding the commitment to remain solvent and to maximize shareholder value.

The Group monitors its capital structure based on its leverage ratio. It defines leverage as net debt (current and non-current financial borrowings less short-term investments and cash and cash equivalents) divided by total equity (consolidated equity plus grants pending release to the income statement).

The Group's leverage at year end 2014 and 2013 is set forth below:

	Thousands of euros	
	2014	**2013 Restated***
Non-current debt	1,482,300	1,479,024
Current debt	282,480	267,618
Short term financial investments	(75,877)	(57,587)
Cash and cash equivalents	(483,934)	(520,417)
TOTAL NET DEBT	**1,204,969**	**1,168,638**
Consolidated equity	1,716,239	1,664,844
Grants received	31,280	31,283
TOTAL EQUITY	**1,747,519**	**1,696,127**
LEVERAGE RATIO	**69.0%**	**68.9%**

* The 2013 figures are restated and do not agree with the corresponding figures in 2013 Consolidated Financial Statements as a result of the transition effect of IFRS 10 and IFRS 11, refer note 4.5

During 2014, the leverage ratio has mantained at level comparable to 2013.

During 2014 the Group maintained its average collection and payment periods, as well as its average inventory turnover rates, at levels comparable to 2013. In addition, during 2014 the Group continued to exercise strict control over investments.

34. Information about postponement of payments to suppliers in commercial transactions

The Spanish companies of the Group have adapted their internal processes and payment policy terms to the legal provision of the Law 15/2010, which establishes actions against late payment in commercial transactions. In this sense, the contractual conditions in the year 2014 with commercial suppliers in Spain have included periods of payment equal to or less than 60 days (60 days in 2013), according to the second transitory legal provision of the Law.

Due to reasons of efficiency, and in line with the common practice of trading, the Spanish companies of the Group have, basically, a schedule of payments to suppliers by virtue of which payments are made on fixed days, which in the majority of companies are twice a month.

In general terms, in 2014 and 2013, payments made by Spanish companies to suppliers, for contracts concluded after the entry into force the Law 15/2010, have not exceeded the legal limits of payment terms. Payments to Spanish suppliers which have exceeded the legal deadline for years 2014 and 2013 have been, in quantitative terms, no relevant and are derived from circumstances or incidents beyond the established payment policy, which include, primarily, the closing of agreements with suppliers in the delivery of the goods or provision of the service or handling specific processes.
In addition, at December 31, 2014 and 2013 there were no outstanding amounts of payment to suppliers located in Spain exceeding the maximum legal payment terms.

35. Subsequent events

There are no significant subsequent events.

36. Information about compliance with the Article 229 of the Spanish Corporate Enterprises Act

In compliance with the articles 229 and 231 of the Spanish Corporate Enterprises Act and with the aim of reinforcing the transparency of the capital enterprises, the Board Members and their representatives have reported that they do not own any shareholding in companies with the same or similar activity to the corporate purpose of the Company or the Group, neither do they exercise positions or work personally or for another party in companies with the same or similar activity to the corporate purpose of the Company or the Group.

Additionally, Mr. Francisco José Riberas Mera, as president and representative of GESTAMP BIZKAIA, S.A. and Mr. Juan María Riberas Mera as representative of HOLDING GONVARRI, S.L. and AUTOTECH ENGINEERING, A.I.E., board members of the Company, have reported that they are shareholders and board members of ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. and several subsidiaries of the Company.

ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L is the parent company of an industrial group that developed, through the following subgroups, the activities mentioned below:

- GESTAMP AUTOMOCIÓN GROUP: engaged in manufacturing and sale of metal parts and components for the automotive industry.
- GONVARRI GROUP: engaged in manufacturing, processing and sale of metal products, including structures for renewable energy such as wind turbines, photovoltaic plants and infrastructure elements of solar thermal power plants
- GESTAMP ENERGíAS RENOVABLES GROUP: dedicated to the development, construction and operation of plants generating renewable energy including solar, wind and biomass.
- INMOBILIARIA ACEK GROUP: engaged in real estate activities.

Additionally, ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L holds a direct and indirect investment of 24.82% in the company Cie Automotive, S.A., of which Mr. Francisco José Riberas Mera and Mr. Juan

María Riberas Mera are also directors.

Additionally, Mr. Francisco López Peña is a member of the Board of CIE Automotive, S.A

Cie Automotive, S.A. is the parent company of an industrial group which is engaged in, among other things, the design, manufacture and sale of automobile components and sub-units on the world automotive market.

37. Additional note for English Translation

Translation of Consolidated Financial Statements originally issued in Spanish and prepared in accordance with International Financial Reporting Standards as adopted by the European Union. In the event of a discrepancy, the Spanish-language version prevails.

.

ANNEX I

Indirect investments at December 31, 2014

Company	Company holding the indirect investment	% investment
Gestamp Vigo, S.A.	Gestamp Servicios, S.A.	0.01%
Gestamp Toledo, S.L.	Gestamp Servicios, S.A.	0.01%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Servicios, S.A.	70.00%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Servicios, S.A.	0.04%
Gestamp Esmar, S.A.	Gestamp Servicios, S.A.	99.90%
Gestamp Bizkaia, S.A.	Gestamp Servicios, S.A.	25.00%
Gestamp Kartek Co., LTD	Gestamp Servicios, S.A.	100.00%
Gestamp Services India pvt. Ltd.	Gestamp Servicios, S.A.	1.01%
Beyçelik, A.S.	Gestamp Servicios, S.A.	50.00%
Gestamp Holding México, S.L.	Gestamp Servicios, S.A.	69.85%
Gestamp Holding Rusia, S.L.	Gestamp Servicios, S.A.	7.66%
Gestamp Togliatti, LLC.	Gestamp Servicios, S.A.	100.00%
Gestamp Cerveira, Lda.	Gestamp Vigo, S.A.	60.63%
Gestamp Washington Uk, Limited	Gestamp Vigo, S.A.	100.00%
Gestamp Noury, S.A.	Gestamp Vigo, S.A.	100.00%
Gestamp Louny sro.	Gestamp Cerveira, Lda.	52.72%
Gestamp Aveiro, S.A.	Gestamp Cerveira, Lda.	45.66%
Sungwo Gestamp Hitech Pune, Ltd.	Gestamp Cerveira, Lda.	50.00%
Autotech Engineering AIE	Gestamp Bizkaia, S.A.	90.00%
Gestamp Sweden, AB	Gestamp Bizkaia, S.A.	55.01%
Gestamp Finance Luxemburgo, S.A.	Gestamp Bizkaia, S.A.	49.95%
Gestamp North Europe Services, S.L.	Gestamp Bizkaia, S.A.	0.03%
Autotech Engineering Deutschland GmbH	Gestamp Bizkaia, S.A.	55.00%
Autotech Engineering R&D Uk limited	Gestamp Bizkaia, S.A.	55.00%
Gestamp Tooling AIE	Gestamp Bizkaia, S.A.	40.00%
Gestamp Levante, S.L.	Gestamp Linares, S.A.	11.50%
S.G.F, S.A.	Gestamp Finance Luxemburgo, S.A.	100.00%
Gestamp Hard Tech AB	Gestamp Sweden AB	100.00%
Gestamp Holding China, AB	Gestamp Hard Tech AB	68.94%
Gestamp Tool Hardening, S.L.	Matricerías Deusto, S.L.	0.10%
Gestamp Tooling AIE	Matricerías Deusto, S.L.	20.00%

Company	Company holding the indirect investment	% investment
SCI Tournan en Brie	Gestamp Noury, S.A.	99.90%
Gestamp Linares, S.L.	Gestamp Toledo, S.L.	94.98%
Gestamp Holding Argentina, S.L.	Gestamp Toledo, S.L.	43.53%
Gestamp Aveiro, S.A.	Gestamp Palencia, S.A.	54.34%
Gestamp Galvanizados, S.A.	Gestamp Palencia, S.A.	94.99%
Gestamp Tech, S.L.	Gestamp Palencia, S.A.	99.67%
Gestamp Holding Argentina, S.L.	Gestamp Palencia, S.A.	7.04%
Gestamp Romchamp, S.A.	Gestamp Palencia, S.A.	100.00%
Gestamp Córdoba, S.A.	Gestamp Argentina, S.A.	16.03%
Mursolar, 21, S.L.	MB Aragón, S.A.	16.92%
Gestamp Holding México, S.L.	Gestamp Galvanizados, S.A.	0.15%
Gestamp Holding Argentina, S.L.	Gestamp Galvanizados, S.A.	8.62%
Tavol Internacional, S.A.	Gestamp Aveiro, S.A.	100.00%
Gestamp North America, INC	Gestamp Aveiro, S.A.	70.00%
Gestamp Navarra, S.A	Gestamp Metalbages, S.A.	94.99%
Ingeniería Global MB, S.A.	Gestamp Metalbages, S.A.	100.00%
Gestamp Aragon, S.A.	Gestamp Metalbages, S.A.	94.99%
Gestamp Abrera, S.A.	Gestamp Metalbages, S.A.	94.99%
MB Aragon P21, S.L.	Gestamp Metalbages, S.A.	100.00%
Gestamp Polska SP. Z.O.O.	Gestamp Metalbages, S.A.	100.00%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Metalbages, S.A.	99.96%
Gestamp Manufacturing Autochasis, S.L.	Gestamp Metalbages, S.A.	50.00%
Griwe Subgroup	Gestamp Metalbages, S.A.	100.00%
Edscha Subgroup	Gestamp Metalbages, S.A.	67.00%
Metalbages P-51	Gestamp Metalbages, S.A.	100.00%
Gestamp Metal Forming Subgroup	Gestamp Metalbages, S.A.	100.00%
Gestamp Services India pvt. Ltd.	Gestamp Levante, S.L.	98.99%
Gestamp Holding Rusia, S.L.	Gestamp Levante, S.L.	7.81%
Gestamp Hungaria KFT	Gestamp Navarra, S.A.	100.00%
Mursolar, 21, S.L.	Gestamp Navarra, S.A.	28.54%

Company	Company holding the indirect investment	% investment
Gestamp Holding Rusia, S.L.	MB Solblank Navarra, S.L.	5.64%
Gestamp Mor Kft	Gestamp Hungaria KFT	100.00%
Gestamp Severstal Vsevolozhsk Llc	Todlem, S.L.	100.00%
Gestamp Severstal Kaluga, Llc	Todlem, S.L.	100.00%
Mexicana Servicios Laborales, S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Aguascalientes, S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Puebla, S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Mexicana Serv. Lab., S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Toluca, S.A. de C.V.	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Puebla II, S.A. de C.V.	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Sevicios Laborales de Toluca, S.A. de C.V.	Gestamp Cartera de Mexico, S.A. de CV	99.90%
Gestamp Córdoba, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	6.42%
Gestamp Baires, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	6.77%
MB Solblank Navarra, S.L.	Gestamp Abrera, S.A.	100.00%
Gestamp Solblank Barcelona, S.A.	Gestamp Abrera, S.A.	94.99%
Gestamp Finance Luxemburgo, S.A.	Gestamp Polonia SP. Z.O.O.	50.00%
Gestamp Holding Rusia, S.L.	Gestamp Polonia SP. Z.O.O.	24.56%
Edscha subgroup	Gestamp Polonia SP. Z.O.O.	33.00%
Gestamp Automotive India Private Ltd.	Gestamp Polonia SP. Z.O.O.	50.00%
Gestamp Automotive Chennai Private, Ltd.	Gestamp Solblank Barcelona,S.A.	100.00%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Barcelona,S.A.	6.67%
Gestamp Chattanooga, LLC.	Gestamp North América, Inc.	100.00%
Gestamp Mason, Llc.	Gestamp North América, Inc.	100.00%
Gestamp Alabama, Llc	Gestamp North América, Inc.	100.00%
Gestamp West Virginia, Llc.	Gestamp North América, Inc.	100.00%
Gestamp South Carolina, LLC.	Gestamp North América, Inc.	100.00%
Todlem, S.L.	Gestamp Holding Rusia, S.L.	74.98%
Gestamp Auto Components (Kunshan) Co., Ltd	Gestamp Holding China AB	100.00%
Industrias Tamer, S.A.	Gestamp Esmar, S.A.	30.00%

Company	Company holding the indirect investment	% investment
Mursolar, 21, S.L.	Griwe Subgroup	19.54%
Gestamp Louny sro.	Griwe Subgroup	47.28%
Gestamp Manufacturing Autochasis, S.L.	Metalbages P-51	44.99%
Matricerías Deusto, S.L.	Gestamp Global Tooling, S.L.	100.00%
Gestamp Try Out Services, S.L.	Gestamp Global Tooling, S.L.	100.00%
Gestamp Tooling Services, AIE	Gestamp Global Tooling, S.L.	40.00%
Adral Matricería y puesta a punto, S.L.	Gestamp Global Tooling, S.L.	100.00%
Gestamp Tool Hardening, S.L.	Gestamp Global Tooling, S.L.	99.90%
ESSA PALAU,S.A.	Gestamp Manufacturing Autochasis, S.L.	40.00%
Gestamp Argentina, S.A.	Gestamp Holding Argentina, S.L.	97.00%
Gestamp Córdoba, S.A.	Gestamp Holding Argentina, S.L.	77.55%
Gestamp Baires, S.A.	Gestamp Holding Argentina, S.L.	93.23%
Autotech Engineering Deutschland GmbH	Autotech Engineering AIE	45.00%
Autotech Engineering R&D Uk limited	Autotech Engineering AIE	45.00%
Diede Die Development, S.L.	Gestamp Tool Hardening, S.L.	38.00%
Bero Tools, S.L.	Gestamp Tool Hardening, S.L.	20.00%
Gestamp Cartera de Mexico, S.A. de CV	Gestamp Holding Mexico, S.L.	100.00%
Gestamp Argentina, S.A.	Gestamp Holding Mexico, S.L.	3.00%
Bero Tools, S.L.	Loire S.A. Franco Española	80.00%
Diede Die Development, S.L.	Bero Tools, S.L.	62.00%
Ingeniería y Construcción Matrices, S.A.	Gestión Global de Matricería, S.L.	100.00%
IxCxT, S.A.	Gestión Global de Matricería, S.L.	100.00%
GGM Puebla, S.A. de C.V.	IxCxT, S.A.	0.00%
GGM Puebla de Servicios Laborales, S.A. de C.V.	IxCxT, S.A.	0.00%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.99%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.99%
Gestamp Sweden, AB	Gestamp Metal Forming Subgroup	44.99%
Gestamp Auto Components (Shenyang), Co. Ltd.	Mursolar , 21, S.L.	100.00%
Gestamp Autocomponents (Dongguan) Co., Ltd.	Mursolar , 21, S.L.	100.00%
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	Beyçelik, A.S.	100.00%

Indirect investments at December 31, 2013

Company	Company holding the indirect investment	% investment
Gestamp Vigo, S.A.	Gestamp Servicios, S.A.	0.01%
Gestamp Toledo, S.L.	Gestamp Servicios, S.A.	0.01%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Servicios, S.A.	70.00%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Servicios, S.A.	0.04%
Gestamp Esmar, S.A.	Gestamp Servicios, S.A.	99.90%
Gestamp Bizkaia, S.A.	Gestamp Servicios, S.A.	25.00%
Gestamp Kartek Co., LTD	Gestamp Servicios, S.A.	100.00%
Gestamp Services India pvt. Ltd.	Gestamp Servicios, S.A.	1.01%
Beyçelik, A.S.	Gestamp Servicios, S.A.	50.00%
Gestamp Holding México, S.L.	Gestamp Servicios, S.A.	69.85%
Gestamp Holding Rusia, S.L.	Gestamp Servicios, S.A.	8.03%
Gestamp Togliatti, LLC.	Gestamp Servicios, S.A.	100.00%
Gestamp Cerveira, Lda.	Gestamp Vigo, S.A.	99.99%
Gestamp Washington Uk, Limited	Gestamp Vigo, S.A.	100.00%
Gestamp Noury, S.A.	Gestamp Vigo, S.A.	100.00%
Gestamp Louny sro.	Gestamp Cerveira, Lda.	52.72%
Sungwo Gestamp Hitech Pune, Ltd.	Gestamp Cerveira, Lda.	50.00%
Autotech Engineering AIE	Gestamp Bizkaia, S.A.	90.00%
Gestamp Sweden, AB	Gestamp Bizkaia, S.A.	55.01%
Gestamp Finance Luxemburgo, S.A.	Gestamp Bizkaia, S.A.	49.95%
Gestamp North Europe Services, S.L.	Gestamp Bizkaia, S.A.	0.03%
Autotech Engineering Deutschland GmbH	Gestamp Bizkaia, S.A.	55.00%
Autotech Engineering R&D Uk limited	Gestamp Bizkaia, S.A.	55.00%
Gestamp Tooling AIE	Gestamp Bizkaia, S.A.	40.00%
Gestamp Levante, S.L.	Gestamp Linares, S.A.	94.99%
S.G.F, S.A.	Gestamp Finance Luxemburgo, S.A.	100.00%
Gestamp Hard Tech AB	Gestamp Sweden AB	100.00%
Gestamp Holding China, AB	Gestamp Hard Tech AB	68.94%
Gestamp Tool Hardening, S.L.	Matricerías Deusto, S.L.	0.10%
Gestamp Tooling AIE	Matricerías Deusto, S.L.	20.00%

Company	Company holding the indirect investment	% investment
SCI Tournan en Brie	Gestamp Noury, S.A.	99.90%
Gestamp Linares, S.L.	Gestamp Toledo, S.L.	94.98%
Gestamp Holding Argentina, S.L.	Gestamp Toledo, S.L.	43.53%
Sunqwo Gestamp Hitech Chennai, Ltd.	Gestamp Toledo, S.L.	50.00%
Gestamp Aveiro, S.A.	Gestamp Palencia, S.A.	100.00%
Gestamp Galvanizados, S.A.	Gestamp Palencia, S.A.	94.99%
Gestamp Tech, S.L.	Gestamp Palencia, S.A.	99.67%
Gestamp Holding Argentina, S.L.	Gestamp Palencia, S.A.	7.04%
Sofedit España, S.A.U	Gestamp Palencia, S.A.	100.00%
Gestamp Romchamp, S.A.	Gestamp Palencia, S.A.	100.00%
Gestamp Córdoba, S.A.	Gestamp Argentina, S.A.	51.58%
Gestamp Auto Components (Shenyang), Co. Ltd.	Gestamp Aragón, S.A.	100.00%
Mursolar, 21, S.L.	Gestamp Aragón, S.A.	16.92%
Gestamp Holding México, S.L.	Gestamp Galvanizados, S.A.	0.15%
Gestamp Holding Argentina, S.L.	Gestamp Galvanizados, S.A.	8.62%
Tavol Internacional, S.A.	Gestamp Aveiro, S.A.	100.00%
Gestamp Holding Rusia, S.L.	Gestamp Aveiro, S.A.	26.41%
Gestamp North America, INC	Gestamp Aveiro, S.A.	70.00%
Gestamp Navarra, S.A	Gestamp Metalbages, S.A.	94.99%
Ingeniería Global MB, S.A.	Gestamp Metalbages, S.A.	100.00%
Gestamp Aragon, S.A.	Gestamp Metalbages, S.A.	94.99%
MB Pamplona, S.A.	Gestamp Metalbages, S.A.	100.00%
Gestamp Abrera, S.A.	Gestamp Metalbages, S.A.	94.99%
MB Aragon P21, S.L.	Gestamp Metalbages, S.A.	100.00%
Gestamp Polska SP. Z.O.O.	Gestamp Metalbages, S.A.	100.00%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Metalbages, S.A.	99.96%
Gestamp Manufacturing Autochasis, S.L.	Gestamp Metalbages, S.A.	50.00%
Griwe Subgroup	Gestamp Metalbages, S.A.	100.00%
Edscha Subgroup	Gestamp Metalbages, S.A.	67.00%
Metalbages P-51	Gestamp Metalbages, S.A.	94.68%
Gestamp Metal Forming Subgroup	Gestamp Metalbages, S.A.	100.00%
Gestamp Services India pvt. Ltd.	Gestamp Levante, S.L.	98.99%
Gestamp Holding Rusia, S.L.	Gestamp Levante, S.L.	3.33%
Gestamp Hungaria KFT	Gestamp Navarra, S.A.	100.00%
Mursolar, 21, S.L.	Gestamp Navarra, S.A.	28.54%

Company	Company holding the indirect investment	% investment
Gestamp Holding Rusia, S.L.	Gestamp Solblank Navarra, S.L.	5.92%
Gestamp Mor Kft	Gestamp Hungaria KFT	100.00%
Gestamp Severstal Vsevolozhsk Llc	Todlem, S.L.	100.00%
Gestamp Severstal Kaluga, Llc	Todlem, S.L.	100.00%
Mexicana Servicios Laborales, S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Aguascalientes, S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Puebla, S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Mexicana Serv. Lab., S.A. de CV	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Toluca, S.A. de C.V.	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Puebla II, S.A. de C.V.	Gestamp Cartera de Mexico, S.A. de CV	100.00%
Gestamp Sevicios Laborales de Toluca, S.A. de C.V.	Gestamp Cartera de Mexico, S.A. de CV	99.90%
Gestamp Córdoba, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	20.60%
Gestamp Baires, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	45.01%
MB Solblank Navarra, S.L.	Gestamp Abrera, S.A.	100.00%
Gestamp Solblank Barcelona, S.A.	Gestamp Abrera, S.A.	94.99%
Gestamp Finance Luxemburgo, S.A.	Gestamp Polonia SP. Z.O.O.	50.00%
Gestamp Holding Rusia, S.L.	Gestamp Polonia SP. Z.O.O.	25.76%
Edscha Subgroup	Gestamp Polonia SP. Z.O.O.	33.00%
Gestamp Automotive India Private Ltd.	Gestamp Polonia SP. Z.O.O.	50.00%
G. Sungwoo Stampings & Assemblies private Limited	Gestamp Solblank Barcelona,S.A.	50.00%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Barcelona,S.A.	7.00%
Gestamp Chattanooga, LLC.	Gestamp North América, Inc.	100.00%
Gestamp Mason, Llc.	Gestamp North América, Inc.	100.00%
Gestamp Alabama, Llc	Gestamp North América, Inc.	100.00%
Gestamp West Virginia, Llc.	Gestamp North América, Inc.	100.00%
Gestamp South Carolina, LLC.	Gestamp North América, Inc.	100.00%
Todlem, S.L.	Gestamp Holding Rusia, S.L.	74.98%
Gestamp Auto Components (Kunshan) Co., Ltd	Gestamp Holding China AB	100.00%
Industrias Tamer, S.A.	Gestamp Esmar, S.A.	30.00%
Gestamp Sungwoo Hitech (Chennai) Private, Ltd.	Sunqwo Gestamp Hitech Chennai, Ltd.	49.54%

Company	Company holding the indirect investment	% investment
GS Hot-stamping Co. LTD	Griwe Subgroup	50.00%
Gestamp Sungwoo Hitech (Chennai) Private, Ltd.	Griwe Subgroup	25.22%
Gestamp Autocomponents (Dongguan) Co., Ltd.	Griwe Subgroup	100.00%
Mursolar, 21, S.L.	Griwe Subgroup	19.54%
Gestamp Louny sro.	Griwe Subgroup	47.28%
Gestamp Manufacturing Autochasis, S.L.	Metalbages P-51	44.99%
Matricerías Deusto, S.L.	Gestamp Global Tooling, S.L.	100.00%
Gestamp Try Out Services, S.L.	Gestamp Global Tooling, S.L.	100.00%
Gestamp Tooling Services, AIE	Gestamp Global Tooling, S.L.	40.00%
Adral Matricería y puesta a punto, S.L.	Gestamp Global Tooling, S.L.	100.00%
Gestamp Tool Hardening, S.L.	Gestamp Global Tooling, S.L.	99.90%
ESSA PALAU,S.A.	Gestamp Manufacturing Autochasis, S.L.	40.00%
Gestamp Argentina, S.A.	Gestamp Holding Argentina, S.L.	97.00%
Gestamp Córdoba, S.A.	Gestamp Holding Argentina, S.L.	27.77%
Gestamp Baires, S.A.	Gestamp Holding Argentina, S.L.	54.99%
Autotech Engineering Deutschland GmbH	Autotech Engineering AIE	45.00%
Autotech Engineering R&D Uk limited	Autotech Engineering AIE	45.00%
Diede Die Development, S.L.	Gestamp Tool Hardening, S.L.	38.00%
Bero Tools, S.L.	Gestamp Tool Hardening, S.L.	20.00%
Gestamp Cartera de Mexico, S.A. de CV	Gestamp Holding Mexico, S.L.	100.00%
Gestamp Argentina, S.A.	Gestamp Holding Mexico, S.L.	3.00%
Bero Tools, S.L.	Loire S.A. Franco Española	80.00%
Diede Die Development, S.L.	Bero Tools, S.L.	62.00%
Ingeniería y Construcción Matrices, S.A.	Gestión Global de Matricería, S.L.	100.00%
IxCxT, S.A.	Gestión Global de Matricería, S.L.	100.00%
Ocón Automated Systems S.L.	Gestamp Ingeniería Europa Sur, S.L.	100.00%
Gestamp Sweden AB	Gestamp Metal Forming Subgroup	44.99%
GMF Otomotiv Parçalari Sanayi ve Ticaret Limited Sirketi	Beyçelik, A.S.	100.00%

2014 Management Report

On a **macroeconomic level** worldwide economic growth in 2014, as in the previous two years, was moderate and varied by geographic area. More developed economies, especially the United States, grew at a higher rate than the previous year, whereas emerging economies grew more slowly. In the Group, China continues to grow at a high rate, while Brazil and Russia have had another disappointing year.

In a controlled global inflation environment, and with the loose monetary policy of the main Central Banks, the Euro continued appreciating against the majority of currencies for much of the year, until it began its correction in the final months of the year.

In the **Automotive sector**, the global production of light vehicles grew 3.1% in 2014 to 87.4 million units. China and North America were the strongest markets, while Russia, Mercosur and India were depressed. In Western Europe, after several years of declines, production increased by 0.6 million vehicles in 2014.

Against this background, **revenue** grew 6.9% reaching 6,255 million euros, after a period of consolidation during the previous year. Although weighed down by the appreciation of the euro against the majority of other currencies during a large part of the year, this strong growth was due to the entry into production of a large number of programs, the recovery of production in Western Europe, and strength in certain markets. In particular, Gestamp sales of components grew by 45% in China in 2014 and by more than 32% in the United States over the previous year.

In terms of earnings, EBITDA during the year was 7.8% higher than in 2013 at 656 million euros, reaching a margin over sales of 10.5%, which was higher than in the prior year.

In 2014, the Group undertook significant investments in various geographies, in line with our strategy of working together with our clients globally. Despite these investments, which amounted to 483 million euros, the Group was able to generate positive free cash flow thanks to the significant EBITDA that was generated and good working capital management. Accordingly, net debt declined by 87 million euros and financial leverage was reduced.

On a strategic level, 2014 has also been a positive year for Gestamp. In line with our objective to develop products which are ever more light-weight and safe, the Group has won significant new orders from our clients during the year, which will translate into significant growth across various geographies in the coming years.

2015

In macroeconomic terms, we expect global growth in 2015 to be higher than in 2014, with Mercosur and Russia being the only relevant geographies for the Group where we expect negative trends.

For 2015, we expect that the fall in oil prices and the devaluation of the Euro against the Dollar and other currencies will have an overall positive impact on the Group, principally in higher levels of production and sales of vehicles in Europe and a more favorable contribution to our results from our non-European subsidiaries.

In line with global economic growth, we expect a significant increase in light vehicle production in 2015 to a level in excess of 90 million units for the first time.

In this favorable context, we expect the Group to perform well this year, with sales growing by 10% versus the prior year. This organic growth is the fruit of investments carried out in recent years and will allow us once again in 2015 to grow our turnover at a rate higher than the sector average.

With regard to EBITDA, we expect growth at a faster pace than with revenue, as profitability improves in some operations and as costs associated with program launches decline.

In 2015 the Group will continue with its strategy of globalization and new product development, with the aim of maintaining the confidence our customers have in us, and assuring healthy growth rates for the coming years.