

Audit Report on Financial Statements
issued by an Independent Auditor

GESTAMP AUTOMOCIÓN, S.A.
Financial Statements and Management Report
for the year ended
December 31, 2017

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

AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

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

Report on the financial statements

Opinion

We have audited the financial statements of GESTAMP AUTOMOCIÓN S.A. (the Company), which comprise the balance sheet as at December 31, 2017, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2017 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of equity investments in group companies, joint ventures, and associates

Description The Company recognized a total amount of 1,703,953 thousand euros under "Long-term Investments in group companies, jointly-controlled entities, and associates", which includes equity instruments, loans to group companies, and debt securities. At each closing, Company management makes significant judgments to determine the existence of indications of impairment, and if necessary, estimates their recoverable amounts. Due to the risk that these investments and assets might be impaired, as well as the relevance of the amounts in question, we have considered the valuation of the investments in Group companies and associates as one of our key audit matters. The accounting standard and the disclosures required for "Long-term Investments in group companies, jointly-controlled entities, and associates" are detailed in the notes 2.3 b), 4.6, 8 and 9 of the accompanying notes to the financial statements.

Our response We performed our procedures jointly for the equity instruments, loans to group companies, and debt securities that are included under "Investments in group companies, jointly-controlled entities, and associates." We reviewed the Company's procedures for determining the existence of indications of the impairment. For investments with indications of impairment and for which fair value was determined based on value in use, we analyzed the reasonableness of the financial information and cash flow projections included in the business plan, considering both historic and current information, as well as approved budgets. We also involved our valuation specialists to verify the reasonableness of the methodology used for calculating discounted cash flows for each subsidiary included in the recoverability analysis, specifically the discount rate used, as well as long-term growth rate and certain sales ratios. Where the recoverable amount was determined based on the investment's equity, with corrections made to tacit existing capital gains, we used the valuations performed by independent third-party appraisers based on the current market, and the analysis and evaluation of reasonableness of the amount recorded for these assets at year end, based on these measurements.

Recoverability of deferred tax assets

Description As explained in accompanying Note 15.2 to the financial statements, at December 31, 2017, the Company has deferred tax assets amounting to 20,606 thousand euros related to deductions and rebates, unused loss carryforwards, and other temporary deductible difference which Company management considers may be applied in future tax periods. Management's assessment of the recoverability of the deferred tax assets is based on its estimates on future taxable profit based on the Company's financial projections and business plans, and applicable tax regulations at any given time. The determination of the amount to be recovered in the future entails management making serious judgments based on a reasonable period and the consolidated tax group's taxable profit. The assessment of these assets is relevant for our audit as it requires making judgments and complex estimates and the recognized amounts are significant.

The accounting standard and the disclosures required for “deferred tax assets” are detailed in the notes 2.3 c), 4.12, and 15.2 of the accompanying notes to the financial statements.

Our response Our audit procedures mainly included evaluating management’s assumptions and estimates based on the probability of generating sufficient future taxable profit based on: forecasts, business performance, historic experience, sensitivity analyses, and meetings with Management. We involved our team of tax specialists in the analysis and assessment of the related tax effects. We also reviewed the appropriateness of the information breakdown in the accompanying notes to the financial statements regarding the applicable regulatory framework for financial information in Spain.

Measurement of derivative instruments

Description The Company has arranged several interest rate hedging instruments to cover the risk of changes in floating interest rates associated with part of its financial debt. Considering that these derivatives are recognized on the balance sheet at market value, which entails making significant estimates and judgments, we have considered that this area could potentially have a notable impact on our audit. A description of the measurement criteria for derivative financial instruments and disclosure requirements for the company’s financial derivatives are reflected in the accompanying Notes 4.9 and 14.3.

Our response In this area, our audit procedures included the following, among others:

- ▶ Understand the procedures and controls established by the Company to ensure the appropriate measurement and accounting treatment for derivative instruments
- ▶ With support from our derivatives specialists, conduct comparisons of the fair value to analyze the correct accounting treatment based on the classification of derivatives, and
- ▶ Review of the information disclosed in the accompanying notes to the consolidated financial statements.

Other information: management report

Other information refers exclusively to the 2017 management report, the preparation of which is the responsibility of the Company’s directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the information contained in the management report is defined in prevailing audit regulations, which distinguish two levels of responsibility:

- a. A specific level applicable to certain information included in the Corporate Governance Report, as defined in article 35.2 b) of Law 22/2015 on auditing, which solely requires that we verify whether said information has been included in the management report and if not, disclose this fact.

- b. A general level applicable to the remaining information included in the management report, which requires us to evaluate and report on the consistency of said information in the financial statements, based on knowledge of the Company obtained during the audit, excluding information not obtained from evidence. Moreover, we are required to evaluate and report on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described in the above paragraph, we have verified that the specific information referred to in paragraph a) above has been provided in the management report, and that the remaining the information contained therein is consistent with that provided in the 2017 financial statements and their content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting and financial statements presentation process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 26, 2018

Term of engagement

The extraordinary general shareholders' meeting held on October 5, 2015 appointed us as auditors for 3 years, commencing on financial year 2015.

Previously, we were appointed as auditors by the shareholders for 3 years and we have been carrying out the audit of the financial statements continuously since December 31, 1999.

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

Ramón Masip López

February 26, 2018

GESTAMP AUTOMOCION, S.A.

**Financial Statements and Management Report
for the year ended
December 31, 2017**

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GESTAMP AUTOMOCION SA
BALANCE SHEET AT DECEMBER 31, 2017 AND DECEMBER 31, 2016
(In Euros)

ASSETS	Note	2017	2016
Non-current assets		1.815.673.569	1.871.605.690
Intangible assets	5	29.784.410	35.768.105
Trademarks and Other		25.979.388	28.158.062
Goodwill		3.805.022	7.610.043
Property, plant, and equipment	6	91.808	89.216
Land and buildings		87.437	89.216
Technical installations and other tangible fixed assets		4.371	-
Real estate investments	7	23.452.136	24.001.630
Land		5.775.822	5.775.822
Buildings		17.676.314	18.225.808
Long-term investments in group companies and associates		1.703.953.909	1.748.103.194
Equity instruments	8	665.404.425	586.431.747
Loans to associated companies	9	1.002.606.984	1.123.308.947
Representative debt values	9.1	35.942.500	38.362.500
Non-current financial assets		37.785.002	41.378.259
Loans and receivables	19.2	37.783.802	37.460.509
Derivatives in effective hedges	14	-	3.916.550
Other non-current financial assets		1.200	1.200
Deferred tax assets		20.606.304	22.265.286
Current assets		2.579.367.081	1.623.333.975
Non-current Assets Held for Sale			
Inventories		15.500	503
Prepayments to suppliers		15.500	503
Trade and other receivables		22.024.827	22.348.300
Trade receivables, group and associated companies	19	17.473.468	13.166.946
Current income tax assets	15	4.476.959	9.175.423
Receivables from public authorities	15	74.400	5.931
Short-term investments in group companies and associates	9	1.982.832.938	1.552.483.290
Loans to associated companies		520.296.740	369.136.709
Other financial assets		1.462.536.198	1.183.346.581
Current financial assets	9	-	350.000
Other current financial assets		-	350.000
Short-term Accruals			3.924
Cash and cash equivalents	10	574.493.816	48.147.958
Cash		574.493.816	48.147.958
Other equivalent liquid assets			
Total assets		4.395.040.650	3.494.939.665

GESTAMP AUTOMOCION SL

BALANCE SHEET AT DECEMBER 31, 2017 AND DECEMBER 31, 2016

(In Euros)

EQUITY AND LIABILITIES	Note	2017	2016
Equity		745.728.056	615.259.452
OWN FUNDS		754.639.518	630.559.088
Capital	11.1	287.757.180	288.236.775
Subscribed capital		287.757.180	288.236.775
Share premium	11.2	61.591.287	61.591.287
Reserves	11.3	214.853.815	271.550.489
Legal and statutory reserves		47.110.438	46.130.220
Other reserves		167.743.377	225.420.269
Results for previous years		-	(621.649)
Loss from previous years		-	(621.649)
Profit/ (loss) for the period	3	190.437.236	9.802.186
ADJUSTMENTS FOR CHANGES IN VALUE	12	(8.911.462)	(15.299.636)
Hedging transactions		(8.911.462)	(15.299.636)
Non-current liabilities		2.156.708.429	1.591.528.643
Provisions	13	1.866.667	2.555.550
Benefit obligation		1.866.667	2.555.550
Non trade liabilities	14	1.639.727.542	1.076.634.747
Interest-bearing loans and borrowings		1.584.166.452	1.014.361.946
Derivatives		55.561.090	62.272.801
Non-current Liabilities - Payable to Group companies and Associates	14	515.114.220	512.338.346
Current liabilities		1.492.604.165	1.288.151.570
Non trade liabilities	14	589.895.412	339.222.638
Interest-bearing loans and borrowings		586.534.770	339.216.573
Other current liabilities		3.360.642	6.065
Current Liabilities - Payable to Group companies and Associates	14	900.695.878	948.063.892
Trade and other payables	14	2.012.874	865.040
Trade accounts payable		530.149	314.012
Accrued wages and salaries		753.416	663
Payables to public authorities	15	729.309	550.365
Total equity and liabilities		4.395.040.650	3.494.939.665

GESTAMP AUTOMOCION SA
INCOME STATEMENT AT DECEMBER 31, 2017 AND DECEMBER 31,
2016

(In Euros)

	Notas	2017	2016
CONTINUING OPERATIONS			
Revenue	16.1	280.248.923	107.710.941
Intellectual property services		30.307.912	28.181.417
Revenues from other marketable securities to Associated Companies		73.554.404	79.529.524
Dividends		176.386.607	-
Other Operating Incomes	16.1	2.231.968	1.838.683
Non-core and other current operating revenues		2.231.968	1.838.683
Personnel expenses		(2.600.165)	(101.272)
Wages, salaries and similar expenses		(2.342.198)	(76.584)
Social Charges	16.2	(257.967)	(24.688)
Other Operating Expenses		(9.744.790)	(6.247.258)
External Services	16.3	(9.008.402)	(5.754.523)
Taxes		(736.388)	(492.735)
Fixed asset depreciation	6	(7.485.307)	(7.581.899)
Impairment and gains (losses) on sale of financial instruments		(11.531.700)	(1.380.713)
Impairment losses	16.6	(11.531.700)	(1.380.713)
Other results		-	(2.296.750)
OPERATING PROFIT		251.118.929	91.941.732
Financial income	16.4	3.044.109	353.494
From marketable securities and other financial instruments		3.044.109	353.494
From third parties		3.044.109	353.494
Financial expenses	16.5	(63.416.738)	(99.809.492)
From payable to group and associated companies		(23.739.199)	(36.647.960)
From payable to third parties		(39.677.539)	(63.161.532)
Exchange gains (losses)	17	(2.322.619)	22.100.038
Impairment losses and income from disposal of financial instruments		36.137	-
Results from disposals and others		36.137	-
FINANCIAL RESULT		(62.659.111)	(77.355.960)
PROFIT BEFORE TAXES		188.459.819	14.585.772
Income Tax	15	1.977.417	(4.783.586)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		190.437.236	9.802.186
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations net of taxes			
PROFIT FOR THE YEAR		190.437.236	9.802.186

GESTAMP AUTOMOCIÓN SA
STATEMENT OF CHANGES IN EQUITY FOR THE YEARS 2017 AND 2016
RECOGNIZED INCOME AND EXPENSES STATEMENT
(In Euros)

	2017	2016
PROFIT FOR THE YEAR	190.437.236	9.802.186
Incomes and expenses directly attributed to equity For valuation of financial assets		
For cash flow hedges	17.841.366	7.241.940
Tax effect	(4.995.582)	(1.386.543)
	203.283.019	15.657.583
Transfers to Income Statement Por valoración de instrumentos financieros		
For cash flow hedges	(8.968.901)	(5.927.323)
Tax effect	2.511.292	1.660.164
Total transfers to Income Statement	(6.457.609)	(4.267.159)
TOTAL RECOGNIZED INCOME AND EXPENSES	196.825.410	11.390.424

Gestamp Automoción SA.
STATEMENT OF CHANGES IN EQUITY AT DECEMBER 31, 2017

	Capital		Share premium	Legal Reserve	Reserves	Profit (loss) for the year	Adjustments for change in value	TOTAL
	Subscribed	Uncalled						
AT DECEMBER 31, 2015	288.236.775		61.591.287	45.251.696	265.335.905	8.785.239	(16.887.874)	652.313.028
Adjustments made for changes in accounting policies 2015 or due to prior years'								
Adjustments due to 2015 or prior years' errors								
ADJUSTED BALANCE AT START OF 2016	288.236.775		61.591.287		265.335.905	8.785.239	(16.887.874)	652.313.028
Total recognised income and expenses						9.802.186	1.588.238	11.390.424
Transactions with shareholders or owners				878.524	(40.537.285)	(8.785.239)	(48.444.000)	
Distribution of the 2015 result				878.524	7.906.715	(8.785.239)		
Capital Increases								
3. (-)Capital Reductions								
Technical installations and other tangible fixed assets								
Dividends distributed					(48.444.000)			(37.710.579)
AT DECEMBER 31, 2016	288.236.775		61.591.287	46.130.220	224.798.620	9.802.186	(15.299.636)	615.259.452
Adjustments made for changes in accounting policies 2016								
Adjustments due to 2016 errors								
ADJUSTED BALANCE AT START OF 2017	288.236.775		61.591.287	46.130.220	224.798.620	9.802.186	(15.299.636)	569.129.232
Total recognised income and expenses						190.437.236	6.388.174	196.825.410
Transactions with shareholders or owners				980.219	(57.055.244)	(9.802.186)		(65.877.211)
Distribution of the 2016 result				980.219	8.821.967	(9.802.186)		
Capital Increases								
3. (-)Capital Reductions	(479.595)				479.595			
Dividends distributed					(66.356.806)			(66.356.806)
Other changes in equity								
Other (specify)								
AT DECEMBER 31, 2017	287.757.180		61.591.287	47.110.439	167.743.376	190.437.236	(8.911.462)	745.728.056

GESTAMP AUTOMOCIÓN SA
STATEMENT OF CASH FLOWS AT DECEMBER 31, 2017 AND
DECEMBER 31, 2016
(In Euros)

	Note	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before tax		188.459.819	14.585.772
Adjustments to profit		(168.565.444)	9.344.598
Depreciation and amortization of intangible assets and PP&E	5,6,7	7.485.307	7.581.899
Impairment of intangible assets and PP&E	8.1	11.531.700	1.380.713
Change in provisions	13	(338.884)	2.555.550
Losses and income from disposal of financial instruments		2.939	-
Financial income	16.4	(252.985.120)	(79.883.018)
Financial expenses	16.5	63.416.738	99.809.492
Exchange rate differences	17	2.322.619	(22.100.038)
Other Income and expenses		(743)	-
Changes in working capital		116.349	(2.057.104)
Trade and other receivables		(4.374.990)	(1.886.708)
Otros activos corrientes		(14.997)	-
Trade and other payables		4.506.336	(170.396)
Other cash-flows from operating activities		192.300.264	(28.732.738)
Interest paid		(58.692.095)	(113.901.845)
Dividends received		176.386.607	-
Interest received		71.448.861	81.482.646
Proceeds (payments) of income tax		3.156.891	3.686.461
Cash flows from operating activities		212.310.988	(6.859.472)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments on investments		(743.446.404)	(969.114.482)
Group companies and associates		(742.316.672)	(931.972.811)
Intangible assets		(475.000)	(31.518)
Property, plant and equipment		(4.710)	-
Real estate investments		-	-
Other financial assets		(650.022)	(37.110.153)
Proceeds from divestments		341.932.808	204.666.356
Group companies and associates		340.482.683	204.666.356
Other financial asset		1.450.125	-
Cash flows from investing activities		(401.513.596)	(764.448.126)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds and payments on financial liabilities		781.905.274	726.269.574
Issue		1.354.212.914	1.646.275.609
Obligaciones y otros valores negociables		75.000.000	-
Interest-bearing loans and borrowings		970.802.092	659.357.000
Borrowings from Group companies and associates		308.885.822	986.918.609
Otras deudas		(475.000)	-
Repayment of		(572.307.640)	(920.006.035)
Interest-bearing loans and borrowings		(268.098.369)	(85.404.865)
Borrowings from Group companies and associates		(304.209.271)	(834.601.170)
Payments on dividends and other equity instruments		(66.356.807)	(48.444.000)
Dividends	11.3	(66.356.807)	(48.444.000)
Cash flows from financing activities		715.548.467	677.825.574
EFFECT OF CHANGES IN EXCHANGE RATES			
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS			
		526.345.859	(93.482.024)
Cash and cash equivalents at the beginning of the year	10	48.147.958	141.629.982
Cash and cash equivalents at the end of the year	10	574.493.816	48.147.958

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

1. ACTIVITY OF THE COMPANY

Gestamp Automoción, S.A. (the "Company") has its registered address in the Polígono Industrial de Lebario industrial park in Abadiño, Vizcaya. The Company was incorporated for an indefinite period via a public deed executed on December 22, 1997, before Bilbao notary José Antonio Isusi Escurrida, under number 4.852 of his protocol. The Company is on file at the Vicaya Companies Register in tome 3.614, section 8, page BI-21245, folio 107, inscription 1 TIN : A-48943864

The Company mainly provides advisory, financing and connection services to its subsidiaries, which engage in activities related to the automotive industry. As part of its activity, the Company charges its subsidiaries a royalty for use of the Gestamp trademark (Note 5) based on sales, and obtains revenue from the lease of properties to group companies (Note 7).

The Company belongs to a group whose parent is its majority shareholder, Acek Desarrollo y Gestión Industrial, S.L., formerly called Corporación Gestamp, S.L. (hereinafter Grupo Acek), which changed its corporate name pursuant to a resolution adopted by shareholders at the Extraordinary and Universal General Meeting held on February 5, 2015. The change of name was executed in a public deed on the same date. Transfer prices between Group entities and also between third parties related to the Group are appropriately supported by a transfer pricing dossier as it is established in the legislation in force.

As explained in Note 19, Gestamp Automoción, S.A. performs and maintains significant balances and transactions with related parties, therefore, to interpret this Annual Accounts you should take into account these circumstances.

The Acek Desarrollo y Gestión Industrial, S.L. Group's consolidated financial statements for the year ended December 31, 2017, the management report for the year then ended and the related audit report, will be placed on file at the Madrid Companies Register.

The Company's directors also prepare consolidated financial statements for Gestamp Automoción Group, of which the Company is the parent (Note 2.4).

2. BASIS OF PRESENTATION

The financial statements have been prepared in accordance with the Spanish General Chart of Accounts (*Plan General de Contabilidad*) approved by Royal Decree 1514/2007, of November 16, as amended by Royal Decree 602/2016, of December 2, and all other prevailing company law.

The accompanying financial statements have been prepared by the directors of the Company and will be submitted for approval by the General Shareholders' Meeting. It is expected that they will be approved without modification.

The figures shown herein are in euros (€), unless stated otherwise.

2.1 Fair presentation

The financial statements have been prepared from the auxiliary accounting records of the Company in accordance with prevailing accounting legislation to present fairly the Company's equity, financial position and results. The statement of cash flows have been prepared to present fairly the origin and use of the Company's monetary assets representing cash and cash equivalents.

The accompanying financial statements have been prepared by the directors of the Company on a going concern basis.

2.2 Comparative information

In accordance with company law, for comparative purposes the Company included the 2016 figures in addition to those of 2017 for each item of the balance sheet, the income statement, the statement of changes in equity and the statement of cash flows. Quantitative information for 2016 is also included in the notes to the financial statements unless an accounting standard specifically states that this is not required.

2.3 Critical issues regarding the measurement and estimation of uncertainties

The directors prepared the Company's financial statements using estimates based on historical experience and other factors considered reasonable under the circumstances. The carrying amounts of assets and liabilities, which were not readily apparent from other sources, were established on the basis of these estimates. The Company reviews these estimates on an ongoing basis. However, given the uncertainty inherent in them, the need may arise to make significant adjustments to the carrying amounts of assets and liabilities affected in future periods should significant changes occur in the assumptions or circumstances on which the resulting values were based. Where applicable, these adjustments are made prospectively, with the related effects recognized in the financial statements of the corresponding year.

2.3.1 Key estimates

Key assumptions concerning the future and other relevant data on the uncertainty of estimates at the reporting date, which could entail a considerable risk of significant changes in the value of assets and liabilities in the subsequent reporting period, are as follows:

a) Impairment of non-current assets

Estimates must be made when measuring non-current assets other than financial assets, especially goodwill, to determine their fair value in order to assess whether the assets may be impaired. To determine fair value, the Company's directors estimate the expected future cash flows from the assets or the cash-generating units to which they belong, applying an appropriate discount rate to calculate the present value of these cash flows. Future cash flows depend on the fulfillment of budgets for the coming five years, whereas discount rates depend on the interest rate and the risk premium associated with each cash-generating unit. Note 5.2 discusses the assumptions used to calculate value in use of the cash-generating units.

b) Impairment of financial assets

To determine the impairment of investments in group companies, jointly controlled entities and associates, the Company's directors estimate the expected future cash flows from the assets or the cash-generating units to which they belong, applying an appropriate discount rate to calculate the present value of these cash flows. Future cash flows depend on the fulfillment of budgets for the years forecast, whereas discount rates depend on the interest rate and the risk premium associated with each cash-generating unit. The value in use of the cash-generating units has been calculated following assumptions that are analysed in Note 8.3

c) Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses for which it is probable that the Company will have sufficient future taxable profit available enabling their application. To determine the amount of deferred tax assets that can be recognized, the Directors estimate the amounts and dates on which future taxable profits will be obtained, and the period of reversal of taxable temporary differences. The Directors of the Company estimate that the deferred tax assets registered will be recover within a maximum period of 10 years.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

2.4 Consolidated financial statements

On the same date, the directors authorized for issue the consolidated financial statements of Gestamp Automoción, S.A. and subsidiaries for 2017, which showed consolidated total assets of €7.224.924 thousand, consolidated equity of €1.970.555 thousand and consolidated profit attributable to the Company of € 239.692 thousand.

3. DISTRIBUTION OF PROFIT

The distribution of 2017 profit proposed by the directors and expected to be approved at the General Shareholders Meeting is as follows:

(€)	2017
Basis of distribution	
Profit for the year	190.437.236
	190.437.236
Appropriation to:	
Legal reserve	10.440.998
Dividends	71.939.295
Goodwill reserve	108.056.943
	190.437.236

3.1 Limitations on the distribution of dividends

The Company must earmark 10% of profit for the year for the legal reserve until such reserve represents at least 20% of the share capital. The legal reserve is not available for distribution to shareholders unless it exceeds 20% of the share capital (Note 11.3).

Dividends may only be drawn on the year's profit or freely available reserves after meeting the requirements laid down by law and in the by-laws, and if the value of the corporate equity is not, or as a result of such distribution would not be, less than the company's capital. For these purposes, any profit directly allocated to total equity may not be distributed either directly or indirectly. In the event of losses in preceding years that reduce the Company's equity to less than the amount of share capital, profit shall be used to offset these losses.

Until 2016, the Company provisioned a restricted reserve equivalent to the goodwill booked as an asset on the balance sheet, earmarking to this end a portion of its profits representing at least five per cent of the amount of such goodwill. As a result of the amendments introduced by Law 22/2015, the obligation to provision this reserve no longer exists.

In addition, the distribution of dividends is restricted in accordance with the stipulations of the syndicated loans detailed in Note 14.1.

4. RECOGNITION AND MEASUREMENT STANDARDS

The main recognition and measurement standards applied by the Company in the preparation of the accompanying financial statements are as follows:

4.1 Intangible assets

Intangible assets are initially measured at cost, determined as the purchase price or production cost.

After initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment.

Intangible assets with a finite useful life are amortized on a systematic basis in accordance with their estimated useful life and residual value. Amortization methods and periods are reviewed at the end of each reporting period, and adjusted prospectively where applicable. Intangible assets are tested for impairment at least at each financial period end and any impairment is recognized.

Trademark

The trademark is measured initially at acquisition cost, established based on the valuation by an independent expert. Until 2015, it was considered to be an indefinite-life intangible asset and, therefore, was not amortized. From 2016, following approval of the accounting reform, with prospective effect, the Company amortizes its trademark over a period of 10 years. At least annually, it is analyzed whether there are indications of impairment of the cash generating units to which the trademark has been assigned, and, if there are, the possible impairment is verified in accordance with Note 4.5.

Goodwill

Goodwill is measured initially, upon acquisition, at cost, and recognized as the excess of the cost of the business combination over the fair value of the identifiable assets acquired less the liabilities assumed.

Exceptionally, goodwill existing at the date of transition to the Spanish General Chart of Accounts (*Plan General de Contabilidad*) approved by Royal Decree 1514/2007, is recognized at its carrying amount at January 1, 2008; i.e. at cost less accumulated depreciation recognized at that date in accordance with the accounting standards in force previously.

In accordance with the General Chart of Accounts approved by Royal Decree 1514/2007, the goodwill was not amortized and, instead, the cash generating units to which goodwill had been assigned on the acquisition date were, at least annually, subjected to the verification of their possible deterioration of the value, recording, where appropriate, the corresponding valuation adjustment for impairment.

With effect from January 1, 2016, goodwill is amortized on a straight-line basis over a useful life of 10 years, as provided for in Royal Decree 602/2016, of December 2. At least annually, the cash-generating units to which goodwill has been allocated are tested for impairment. If any such indication exist, impairment is recognized as explained in Note 4.5.

4.2 Property, plant and equipment

Elements of property, plant and equipment are measured at cost, determined as the purchase price or production cost. The cost of property, plant and equipment acquired in business combinations is the acquisition-date fair value.

After initial recognition, property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

When available for use, property, plant and equipment are depreciated on a straight-line basis over their estimated useful life.

The years of estimated useful life of property, plant and equipment are as follows:

	Years of useful life
Buildings	35 years

The Company reviews the assets' residual values, useful lives and depreciation methods at the end of each reporting period and adjusts them prospectively where applicable.

4.3 Investment property

Land and buildings leased to third parties are classified as investment property. The criteria set out for property, plant, and equipment are applied to investment property.

Depreciation of investment property is calculated on a straight-line basis over an estimated useful life on 35 years.

Incomes from property investments belong to operating leases.

4.4 Leases

When determining the classification of leases, the Company takes into consideration, as indicators of the transfer of the risks and rewards of ownership of the leased assets, the following:

- The lease term covers all or the major part of the economic life of the asset,
- The present value of the minimum lease payments amounts to substantially all the fair value of the leased asset.
- The specialized nature of the leased assets restricts their use to the lessee.
- The lessee can continue the lease for a secondary period at a rent that is substantially lower than market rent.

Company as lessee

Operating lease payments are recognized as expenses in the income statement when accrued.

Company as lessor

Income from operating leases is recognized in the income statement when accrued. The carrying amount is increased by the amount of directly attributable contract costs, which are recognized as an expense over the lease term using the same criteria as for the recognition of lease income.

4.5 Impairment of non-financial assets

At least at the end of each reporting period, the Company assesses whether there is any indication that a non-current asset or, where applicable, a cash-generating unit may be impaired. If an indication exists, estimates the asset's recoverable amount.

The recoverable amount is the higher of the fair value of the asset less costs to sell and its value in use. The asset is considered impaired when its carrying amount exceeds its recoverable amount. The value in use is the present value of the future cash flows expected to be obtained, discounted at a market

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

risk-free rate and adjusted for any risks specific to the asset. For those assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

The fair value less costs to sell is calculated by the Company using the equity of the investee adjusted by the amount of any tacit capital gains that the invested company could have. These tacit capital gains, mainly land and buildings, are obtained from an independent expert.

A detailed explanation of the measurement criteria used to calculate the recoverable amount of goodwill and of the Gestamp trademark acquired in 2013 from the majority shareholder is provided in Note 5.

Impairment and any reversals thereof are recognized in the income statement. Impairment losses are reversed only if the circumstances that gave rise to the impairment cease to exist. Goodwill impairment losses cannot be reversed. Impairment is only reversed up to the limit of the carrying amount of the asset that would have been determined had the impairment loss not been recognized.

4.6 Financial assets

Classification and measurement

Loans and receivables

The Company recognizes in this category trade and non-trade receivables, which include financial assets with fixed or determinable payments not traded in an active market for which the Company expects to recover all of its initial investment, for reasons other than credit deterioration.

These assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

The financial assets included in this category are subsequently measured at amortized cost.

Held-to-maturity investments

These include debt securities with fixed maturity and fixed or determinable payments traded in an active market, which the Company has the positive intention and financial ability to hold to maturity.

These assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

The financial assets included in this category are subsequently measured at amortized cost.

Equity investments in group companies, jointly controlled entities and associates

This category includes equity investments in companies over which the Company has control (group companies), joint control through a statutory or contractual arrangement (jointly controlled entities) or has significant influence (associates).

These assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

Investments in group companies are recognized, where applicable, based on the accounting principles for transactions with group companies (Note 4.16) and the criteria for determining the cost of the combination set forth in the standard for business combinations.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

When an investment is newly classified as an investment in a group company, jointly controlled entity or associate, the cost is deemed to be the investment's recognized carrying amount immediately prior to the company being classified as such. Where applicable, prior valuation adjustments related to the investment recognized directly in equity remain in equity until the investment is either sold or impaired.

Equity investments in group companies, jointly controlled entities and associates are subsequently measured at cost less any accumulated impairment.

Hedging derivatives

These include derivatives classified as hedging instruments. Financial instruments which have been designated as hedging instruments are measured as indicated in Note 4.9.

Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or have been transferred, provided that substantially all the risks and rewards of ownership have been transferred.

If the Company has neither transferred nor retained substantially all the risks and rewards, it derecognizes the financial asset when it has not retained control over that asset. If the Company has retained control, it continues to recognize the financial asset at the amount of its exposure to variability in the value of the transferred asset; that is, to the extent of its continuing involvement in the financial asset. The associated liability is also recognized.

The gain or loss on derecognition of the financial asset is determined as the difference between the consideration received net of attributable transaction costs, including any new asset obtained less any liability assumed, and the carrying amount of the financial asset, plus any accumulated amount recognized directly in equity. The gain or loss is recognized in profit or loss for the reporting period in which it arises.

Interest and dividends from financial assets

Interest and dividends accrued on financial assets after acquisition are recognized as income in the income statement. Interest is accounted for using the effective interest rate method, while dividends are recognized when the right to receive payment is established.

Upon initial measurement of financial assets, accrued explicit interest receivable at the measurement date is recognized separately, based on maturity. Dividends declared by the pertinent body at the acquisition date are also accounted for separately. Explicit interest is the interest obtained by applying the financial instrument's contractual interest rate.

If distributed dividends are clearly derived from profits generated prior to the acquisition date because amounts have been distributed which are higher than the profits generated by the investment acquisition, the difference is accounted for as a deduction in the carrying amount of the investment and not recognized as income.

4.7 Impairment of financial assets

The Company adjusts the carrying amount of financial assets with a charge to the income statement when there is objective evidence that the asset is impaired.

To determine impairment losses on financial assets, the Company assesses the potential loss of individual as well as groups of assets with similar risk exposure.

Debt instruments

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Notes to the financial statements for the year ended December 31, 2017

There is objective evidence that debt instruments (receivables, loans and debt securities) are impaired as a result of an event occurring after initial recognition and leading to a reduction or delay in estimated future cash flows.

The Company classifies as impaired assets (non-performing assets) debt instruments for which there is objective evidence of impairment, which refers basically to the existence of data which evidence the possible irrecoverability of total agreed-upon future cash flows.

For financial assets measured at amortized cost, the amount of the impairment loss is measured as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate calculated upon initial recognition. For variable interest financial assets, the effective interest rate at the reporting date is used.

Reversals of impairment are recognized as income in the income statement up to the limit of the carrying amount of the financial asset that would have been recorded at the reversal date had the impairment loss not been recognized.

Equity instruments

For equity investments in group companies, jointly controlled entities and associates, the impairment loss is measured as the difference between the carrying amount and the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and the present value of the future cash flows from the investment. When estimating impairment, the investee's equity is taken into consideration, corrected for any unrealized gains existing at the measurement date.

The reversal of an impairment loss is recognized in the income statement. The loss can only be reversed up to the limit of the carrying amount of the investment that would have been disclosed at the reversal date had the impairment loss not been recognized.

4.8 Financial liabilities

Classification and measurement

Debts and payables

This category includes financial liabilities arising on the purchase of goods and services in the course of the Company's trade transactions, and non-trade payables that are not derivatives.

Financial liabilities included in this category are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration received, adjusted for directly attributable transaction costs.

The financial liabilities included in this category are subsequently measured at amortized cost. Accrued interest is recognized in the income statement using the effective interest rate method.

Nonetheless, trade payables falling due within one year for which there is no contractual interest rate, and called-up equity holdings expected to be settled in the short term are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial.

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Notes to the financial statements for the year ended December 31, 2017

Hedging derivatives

These include derivatives classified as hedging instruments.

Financial instruments which have been designated as hedging instruments are measured as indicated in Note 4.9.

Derecognition

The Company derecognizes a financial liability when the obligation is extinguished.

An exchange of debt instruments with substantially different terms entails derecognition of the original financial liability and recognition of the new financial liability. Similarly, any substantial modification of the terms of an existing financial liability is also recognized.

The difference between the carrying amount of a financial liability, or part of that liability, that has been derecognized and the consideration given, including attributable transaction costs and any asset transferred (other than cash) or liability assumed, is recognized in profit or loss for the reporting period in which it arises.

In an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognized. Fees and commissions paid are accounted for as an adjustment to the carrying amount. The new amortized cost of the financial asset is calculated using the effective interest rate, which is the discount rate that equates the carrying amount of the financial liability at the modification date to the cash flows payable under the new terms.

For these purposes, the terms of the contract are considered substantially different when the lender is the same that granted the original loan and the present value of the cash flows from the new financial liability, including any net fees, differs by at least 10% from the discounted present value of the remaining cash flows from the original financial liability, discounted using the effect interest rate of the latter.

4.9 Derivative financial instruments and hedges

The Company arranges cash flow hedges (of interest rates) with a number of entities operating in organized markets. The purposes of these arrangements is to hedge the risk of fluctuations in floating interest rates on part of the loans and bank borrowings held and on part of the Company's expected future borrowings.

These financial derivatives designated as cash flows are recognized initially in the balance sheet at cost and subsequently the necessary valuation adjustments are made to reflect the market value at any given time.

The ineffective portion of changes in the market value of the hedging instruments is recognized in the income statement and the effective portion in "Cumulative gains on cash flow hedges - Hedges." The cumulative gain or loss previously recognized in these items is reclassified to the income statement line affected by the hedged item as this item affects profit or loss or in the reporting period in which the hedged item is sold.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

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Notes to the financial statements for the year ended December 31, 2017

4.10 Cash and cash equivalents

Cash and cash equivalents include cash, current accounts, short-term deposits and purchases of assets under resale agreements which meet the following criteria:

- They are convertible to cash.
- They have a maturity of three months or less from the date of acquisition.
- There is no significant risk of changes in value.
- They form part of the Company's usual cash management strategy.

For the purposes of the statement of cash flows, cash may also include occasional overdrafts when these form an integral part of the Company's cash management.

4.11 Provisions and contingencies

The Company recognizes provisions when it has a present obligation (legal, contractual, constructive or tacit) arising from past events, the settlement of which is expected to result in an outflow of resources and the amount of which can be measured reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation or transfer it to a third party. Adjustments arising from the discounting of the provision are recognized as a finance expense when accrued. Provisions expiring within one year are not discounted where the financial effect is not material. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Reimbursements receivable from a third party on settlement of the obligation do not reduce the amount of the debt, but are recognized as an asset, provided that there is no doubt as to its collection. The amount of the asset must not exceed the amount of the obligation recognized. Where a risk is externalized by means of a legal or contractual agreement, provision is only made for the part of the risk assumed by the Company.

In addition, contingent liabilities are considered to be possible 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 wholly within the control of the Company, as well as present obligations arising from past events not recognized because it is not probable that an outflow of resources will be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability. These liabilities are not recognized, but are disclosed in the accompanying notes, unless the possibility of an outflow of resources is remote.

4.12 Income tax

Income tax expense for the year is calculated as the sum of current tax resulting from applying the corresponding tax rate to taxable profit for the year, less deductions and other tax relief, taking into account changes during the year in recognized deferred tax assets and liabilities. The tax expense is recognized in the income statement, except when it relates to transactions recognized directly in equity, in which case the related tax is likewise recognized in equity, and in the initial accounting of business combinations, in which case it is recognized as with the remaining assets and liabilities of the business acquired.

Deferred taxes are recognized for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts. The tax base of an asset or liability is the amount attributed to it for tax purposes.

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Notes to the financial statements for the year ended December 31, 2017

The tax effect of temporary differences is included in “Deferred tax assets” or “Deferred tax liabilities” on the balance sheet, as applicable.

The Company recognizes deferred tax liabilities for all taxable temporary differences, except where disallowed under prevailing tax legislation.

The Company recognizes deferred tax assets for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that it will have future taxable profit against which these assets may be utilized, except where disallowed by prevailing tax legislation.

At the end of each reporting period, the Company reassesses recognized and previously unrecognized deferred tax assets. Based on this analysis, the Company then derecognizes previously recorded deferred tax assets when recovery is no longer probable, or recognizes a previously unrecorded deferred tax asset to the extent that it is probable that future taxable profit will enable its application.

Deferred tax assets and liabilities are measured using the tax rates expected to prevail upon their reversal, based on tax legislation approved, and in accordance with the manner in which the assets are reasonably expected to be recovered and liabilities settled.

Deferred tax assets and deferred tax liabilities are not discounted and are classified as non-current assets or non-current liabilities, regardless of the date they are expected to be realized or settled.

Tax consolidation regime

In application of the consolidated tax regime, the individual income tax payable to or receivable from subsidiaries are included in the Parent’s individual income tax statement for the reporting period for subsequent settlement with the government as representative of the tax group.

Accordingly, the resulting income tax payable or receivable is recorded in accounts with group companies.

4.13 Classification of current and non-current assets and liabilities

Assets and liabilities are classified in the balance sheet as current or non-current. Accordingly, assets and liabilities are classified as current when they are associated with the Company’s normal operating cycle and it is expected that they will be sold, consumed, realized or settled within the normal course of that cycle; when they differ from the aforementioned assets and are expected to mature, to be sold or settled within one year; and when they are held for trading or are cash and cash equivalents whose use is not restricted to one year.

4.14 Revenue and expenses

Revenue and expenses are recorded according to the accruals principle, at the moment the goods or services transactions represented by them take place, regardless of when actual payment or collection occurs.

4.15 Foreign currency transactions

The Company’s functional and presentation currency is the euro.

Foreign currency transactions are translated into euros at the spot exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the spot rate prevailing at the reporting date. Exchange gains or losses arising on this process and on settlement of

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Notes to the financial statements for the year ended December 31, 2017

these assets and liabilities are recognized in the income statement for the reporting period in which they occur.

4.16 Related party transactions

Related party transactions are measured using the same criteria described above, except for the following transactions:

- Non-monetary contributions of a business to a group company, which are measured at the carrying amount of the assets and liabilities constituting the business contributed.
- In mergers, spin-offs and non-monetary contributions of a business of a direct or indirect subsidiary, the items acquired are measured at the amount at which they would be recognized in the consolidated financial statements after the transaction. If the transaction is with another company of the group that is not a direct or indirect subsidiary, the items acquired are measured at the carrying amounts recognized in the separate annual accounts prior to the transaction. Any resulting differences are recognized in reserves.

The prices of related party transactions are adequately documented; therefore, the Company's directors consider there are no risks of significant tax liabilities arising.

4.17 Termination benefits

In accordance with prevailing labor legislation, the Company is required to pay indemnities to employees whose contracts are terminated under certain circumstances. Reasonably quantifiable termination benefits are recognized as an expense in the year in which the company has created a valid expectation with respect to third parties that it will assume an obligation.

5. INTANGIBLE ASSETS

The movements in items composing "Intangible assets" are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
2017			
Patents, licenses, trademarks, and similar rights	31,285,809	950,000	32,235,809
Goodwill	38,050,213		38,050,213
Amortization			
Patents, licenses, trademarks, and similar rights	(3,127,747)	(3,128,674)	(6,256,421)
Goodwill	(30,440,170)	(3,805,021)	(34,245,191)
	35,768,105	(5,983,695)	29,784,410

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

(€)	Opening balance	Additions and allowances	Closing balance
2016			
Patents, licenses, trademarks, and similar rights	31,254,291	31,518	31,285,809
Goodwill	38,050,213	-	38,050,213
Amortization			
Patents, licenses, trademarks, and similar rights	-	(3,127,747)	(3,127,747)
Goodwill	(26,635,149)	(3,805,021)	(30,440,170)
	42,669,355	(6,901,250)	35,768,105

5.1 Significant movements

The goodwill arose in 2001 from the merger with Modular Business & Ingeniería, S.L., and related to the difference between the value of the investment shown on the acquiree's balance sheet and the acquirer's equity at the effective date of the merger (January 1, 2001).

The amount shown for "Patents, licences, trademarks and similar rights" relates to the Gestamp trademark for the automotive components acquired on January 1, 2013. from Acek Desarrollo y Gestión Industrial, S.L., for €31,060,000, and the related acquisition costs. The addition shown belongs to a licence for the use of a industrial procedure.

5.2 Impairment testing of goodwill and intangible assets assigned to

The Company has established an annual procedure to identify potential decreases in the value of recognized goodwill to below recoverable amount. This procedure is applied to the cash-generating unit (CGU) to which the goodwill is allocated.

Considering the positive development of Gestamp bussines and the cash-generatin unit (CGU) to which the goodwill is allocated, there is no signal of impairment.

5.3 Other disclosures

No items of intangible assets were acquired from group companies in either 2016 or 2017.

At December 31, 2017 and 2016, there were no firm commitments to acquire intangible assets.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****6. PROPERTY, PLANT AND EQUIPMENT**

The movements in items composing “Property, plant and equipment” are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
2017			
Cost			
Land and buildings	93,733		93,733
Other property, plant and equipment	5,972	4,710	10,682
	99,705	4,710	104,415
Accumulated depreciation			
Land and buildings	(4,517)	(1,779)	(6,296)
Other property, plant and equipment	(5,972)	(339)	(6,311)
	(10,489)	(2,118)	(12,607)
Carrying amount	89,216	2,592	91,808

(€)	Opening balance	Additions and allowances	Closing balance
2016			
Cost			
Land and buildings	93,733	-	93,733
Other property, plant and equipment	5,972	-	5,972
	99,705		99,705
Accumulated depreciation			
Land and buildings	(2,423)	(2,094)	(4,517)
Other property, plant and equipment	(5,972)	-	(5,972)
	(8,395)	(2,094)	(10,489)
Carrying amount	91,310	(2,094)	89,216

Company policy is to take out all the insurance policies considered necessary to cover the risks to which its property, plant and equipment and investment property might be exposed (Note 7).

7. INVESTMENT PROPERTY

The movements in items composing “Investment property” at December 31, 2017 are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
2017			
Land	5,775,822		5,775,822
Buildings	19,621,547		19,621,547
	25,397,369		25,397,369
Accumulated depreciation			
Land			
Buildings	(1,395,739)	(549,494)	(1,945,233)
	(1,395,739)	(549,494)	(1,945,233)
Carrying amount	24,001,630	(549,494)	23,452,136

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

(€)	Opening balance	Additions and allowances	Closing balance
2016			
Land	5,775,822	-	5,775,822
Buildings	19,621,547	-	19,621,547
	25,397,369	-	25,397,369
Accumulated depreciation			
Land	-	-	
Buildings	(748,702)	(647,037)	(1,395,739)
	(748,702)	(647,037)	(1,395,739)
Carrying amount	24,648,667	(647,037)	24,001,630

On December 23, 2014, the Company acquired the properties located in Vigo and Bizkaia (Abadiño) from group company Inmobiliaria Acek, S.L. for €24.9 million. This value was taken from an independent expert appraisal.

The Company leased the industrial buildings in Vigo and Abadiño to group companies Gestamp Vigo, S.A. and Gestamp Servicios, S.A., respectively.

Revenues from investments properties are recorded within other operating income (see note 19)

7.1 Other disclosures

At the end of the reporting period, the Company did not have any investment properties located outside of Spain, or any firm commitments to acquire real estate assets.

7.2 Operating leases

The company is a lessee of software mainly that does not present significant commitments (see note 16.3)

The original leases expired in 2016 and were tacitly renewed to the end of 2017, and include tacit annual renewal to 2018.

The future minimum rentals receivable under these non-cancellable operating leases at December 31 are as follows:

€	2017	2016
Within one year	1,835,979	1,835,979

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****8. INVESTMENTS IN GROUP COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES**

The movements in items composing “Investments in group companies, jointly controlled entities and associates” are as follows:

(€)	Opening balance	Additions	Disposals	Provision for impairment	Closing balance
2017					
Equity instruments	586,431,747	90,714,063	(209,686)	(11,531,699)	665,404,425
	586,431,747	90,714,063	(209,686)	(11,531,699)	665,404,425
2016					
Equity instruments	548,890,555	38,921,905	-	1,380,713	586,431,747
	548,890,555	38,921,905	-	1,380,713	586,431,747

8.1 Significant movements**Movements – 2017**

On April 27, 2017 the Company acquired 50,000 shares of Diede Die Development S.L., amounting to €495,381, which were previously held by Bero Tools S.L and 30,645 shares, amounting to €303,609.10, previously held by Gestamp Tool Hasdening, S.L. After this acquisition, the stake held remains 100%.

On September 20, 2017, Gestamp Automoción participated in the capital increase carried out by Gestamp Hungária Kft, making a monetary contribution of €26,161,548.48. After this transaction, the interest held in this company was unchanged, remaining at 100%.

On September 21, 2017, the Company made a partner's contribution of €5,000,000 to Gestamp Vendas Novas Unipessoal, Lda.

On December 22, 2017, the Company sold to Gestamp Palencia S.A. the stake held in Gestamp Galvanizados S.A, comprise.d of 1,807 shares and corresponding the 5.01% of the total stake amounting to €212,625. The profit obtained amounts to €2,939 and it has been included in 'Impairment losses and income from disposal of financial instruments'.

On December 22, 2017, the Company made a partner's contribution of €200,400 to Gestamp Solblank Barcelona, S.A.

On December 21, 2017, the Company made a partner's contribution of €1,968,618.22 to Gestamp Cerveira, Lda.

On December 21, 2017, the Company made a partner's contribution of €19,999,953.23 to Gestamp Vigo, S.A.

On December 21, 2017, the Company made a partner's contribution of €36,584,552.78 to Gestamp Toledo, S.A.

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

The movements in impairment losses are as follows:

(Euros)	Opening balance at January 1, 2017	Additions / (Disposals)	Closing balance at December 31, 2017	Impairment losses at January 1, 2017	(Impairment) / Reversals	Impairment losses at December 31, 2017	Net carrying amount at December 31, 2017
AUTOTECH ENGINEERING, AIE	2.300.000	-	2.300.000	-	-	-	2.300.000
GESTAMP BIZKAIA, S.A.	139.239.507	-	139.239.507	-	-	-	139.239.507
GESTAMP ESMAR, S. A.	5	-	5	-	-	-	5
GESTAMP LINARES, S. A.	562.802	-	562.802	-	-	-	562.802
GESTAMP CERVEIRA, LDA.	12.795.455	1.968.618	14.764.073	-	-	-	14.764.073
G.AGUASCALIENTES, S.A. CV	-	-	-	-	-	-	-
GESTAMP TECH, S.L.	10	-	10	-	-	-	10
GESTAMP TOLUCA, S.A. CV	-	-	-	-	-	-	-
GESTAMP VIGO, S.A.	46.803.808	19.999.953	66.803.761	(8.484.946)	8.484.946	-	66.803.761
METALBAGES P-51, S. L.	-	-	-	-	-	-	-
GESTAMP METALBAGES, S. A.	76.947.027	-	76.947.027	-	-	-	76.947.027
GESTAMP LEVANTE, S. L.	12.191.572	-	12.191.572	-	-	-	12.191.572
GESTAMP NAVARRA, S.A.	29.325.000	-	29.325.000	-	-	-	29.325.000
GESTAMP PALENCIA, S. A.	36.428.405	-	36.428.405	-	-	-	36.428.405
GESTAMP SERVICIOS, S.A.	70.874.177	-	70.874.177	-	-	-	70.874.177
EDSCHA KUNSTSTOFFTECHNIK GMBH	6.010	-	6.010	-	-	-	6.010
GESTAMP TOLEDO, S.A.	30.737.199	36.584.553	67.321.752	(1.524.131)	1.524.131	-	67.321.752
G.GLOBAL TOOLING, S. L.	64.898.309	-	64.898.309	-	-	-	64.898.309
EDSCHA SANTANDER, S.L.	454.777	-	454.777	-	-	-	454.777
G.GALVANIZADOS, S. A.	209.686	(209.686)	-	-	-	-	-
GESTAMP ABRERA, S. A.	395.938	-	395.938	-	-	-	395.938
G.SOLBLANK BARCELONA, S.A	600.780	200.400	801.180	-	(372.825)	(372.825)	428.355
EDSCHA HENGERSBERG REAL ESTATE GMBH	106.635	-	106.635	-	-	-	106.635
EDSCHA HAUZENBERG REAL ESTATE GMBH	42.973	-	42.973	-	-	-	42.973
GESTAMP VENDAS NOVAS, LDA	9.805.400	5.000.000	14.805.400	(7.168.636)	405.684	(6.762.952)	8.042.448
G.NORTH EUROPE SERV, S.L.	3.059	-	3.059	-	-	-	3.059
G.MANUFACT. AUTOCH, S. L.	425.000	-	425.000	-	-	-	425.000
GESTAMP ARAGON, S.A.	430.000	-	430.000	-	-	-	430.000
G. FINANCE SLOVAKIA	25.001.250	-	25.001.250	-	(1.966.493)	(1.966.493)	23.034.757
GESTAMP HOLD MÉXICO	1	-	1	-	-	-	1
G. HOLDING ARGENTINA	10.867.092	-	10.867.092	(5.410.131)	2.454.045	(2.956.086)	7.911.006
GESTIÓN GLOBAL MATRICERÍA	4.200.000	-	4.200.000	-	(246.946)	(246.946)	3.953.054
G. FUNDING LUXEMBURGO	2.000.000	-	2.000.000	-	-	-	2.000.000
LOIRE, SAFE	8.855.856	-	8.855.856	-	-	-	8.855.856
GESTAMP 2017	3.000	-	3.000	-	-	-	3.000
GESTAMP HORDLING RUSIA	28.043.001	-	28.043.001	(18.033.117)	6.269.391	(11.763.726)	16.279.274
G.TECHNOLOGY INSTITUTE	902.699	-	902.699	(865.474)	640.923	(224.551)	678.148
GESTAMP HUNGRIA KFT	5.846.001	26.161.548	32.007.549	(4.835.508)	(26.962.712)	(31.798.219)	209.330
GESTAMP AUTO COMPONENTS (WUHAN) CO., LTD.	11.000.000	-	11.000.000	-	(1.317.386)	(1.317.386)	9.682.614
G. NITRA	6.800	-	6.800	-	-	-	6.800
GLOBAL LÁSER ARABA	750.000	-	750.000	(305.545)	(444.455)	(750.000)	-
DIEDE D.DEVELOP., S. L.	-	798.990	798.990	-	-	-	798.990
TOTAL	633.059.234	90.504.377	723.563.611	(46.627.487)	(11.531.698)	(58.159.184)	665.404.425

Movements - 2016

Pursuant to a resolution adopted by shareholders at the Extraordinary General Meeting held on February 9, 2016, the Company participated in the capital increase carried out by Gestamp Navarra, S.A., making a monetary contribution of €28.000.000, corresponding to 28.000.000 shares of €1 par value each. After this transaction, the interest held in this company increased from 5.01% to 71.37%.

On February 18, 2016, the Company participated in a second capital increase with a monetary contribution to Gestamp Auto Components (Wuhan). This contribution amounted to €4,000,000. After this transaction, the interest held in this company was unchanged, remaining at 100%.

On March 1, 2016, the Company acquired 100% of the shares of Gestamp Nitra S.R.O. through a cash contribution of €6,800.

On March 21, 2016, the Company made a partner's contribution of €4,000,000 to Gestamp Vendas Novas Unipessoal, Lda. After this transaction, the interest held in this company was unchanged, remaining at 100%.

On July 27, 2016, the Company made a capital contribution to Global Laser Araba, S.L. of €750,000, corresponding to 750,000 shares of €1 par value each. After this transaction, the interest held in this company was 30%.

On October 25, 2016, the Company made a partner's contribution of €1,265,405 to Gestamp Cerveira, Lda. After this contribution, the interest held in this company increased from 39.37% to 42.25%.

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

On December 31, 2016, the Company made a partner's contribution of €899,700 to Gestamp Technology Institute, S.L. This contribution did not modify the interest held in this company, which remained at 99.97%.

The movements in impairment losses are as follows:

(Euros)	Opening balance at January 1, 2016	Additions / (Disposals)	Closing balance at December 31, 2016	Impairment losses at January 1, 2016	(Impairment) / Reversals	Impairment losses at December 31, 2016	Net carrying amount at December 31, 2016
AUTOTECH ENGINEERING, AIE	2.300.000	-	2.300.000	-	-	-	2.300.000
GESTAMP BIZKAIA, S.A.	139.239.507	-	139.239.507	-	-	-	139.239.507
GESTAMP ESMAR, S. A.	5	-	5	-	-	-	5
GESTAMP LINARES, S. A.	563	-	563	-	-	-	563
GESTAMP CERVEIRA, LDA.	11.530.051	1.265.404	12.795.455	-	-	-	12.795.455
G.AGUASCALIENTES, S.A, CV	-	-	-	-	-	-	-
GESTAMP TECH, S.L.	10	-	10	-	-	-	10
GESTAMP TOLUCA, S.A. CV	-	-	-	-	-	-	-
GESTAMP VIGO, S.A.	46.803.808	-	46.803.808	(3.743.808)	(4.741.139)	(8.484.946)	38.318.861
METALBAGES P-51, S. L.	-	-	-	-	-	-	-
GESTAMP METALBAGES, S. A.	76.947.027	-	76.947.027	-	-	-	76.947.027
GESTAMP LEVANTE, S. L.	12.191.572	-	12.191.572	-	-	-	12.191.572
GESTAMP NAVARRA, S.A.	1.325.000	28.000.000	29.325.000	-	-	-	29.325.000
GESTAMP PALENCIA, S. A.	36.428.405	-	36.428.405	-	-	-	36.428.405
GESTAMP SERVICIOS, S.A.	70.874.177	-	70.874.177	-	-	-	70.874.177
EDSCHA KUNSTSTOFFTECHNIK GMBH	6	-	6	-	-	-	6
GESTAMP TOLEDO, S.A.	30.737.199	-	30.737.199	-	(1.524.131)	(1.524.131)	29.213.068
G.GLOBAL TOOLING, S, L,	64.898.309	-	64.898.309	(5.434.607)	5.434.607	-	64.898.309
EDSCHA SANTANDER, S.L.	455	-	455	-	-	-	455
G.GALVANIZADOS, S. A.	210	-	210	-	-	-	210
GESTAMP ABRERA, S. A.	396	-	396	-	-	-	396
G.SOLBLANK BARCELONA, S.A	601	-	601	-	-	-	601
EDSCHA HENGERSBERG REAL ESTATE GMBH	107	-	107	-	-	-	107
EDSCHA HAUZENBERG REAL ESTATE GMBH	43	-	43	-	-	-	43
GESTAMP VENDAS NOVAS, LDA	5.805.400	4.000.000	9.805.400	(5.398.817)	(1.769.819)	(7.168.636)	2.636.764
G.NORTH EUROPE SERV, S.L.	3	-	3	-	-	-	3
G.MANUFACT. AUTOCH, S. L.	425	-	425	-	-	-	425
GESTAMP ARAGON, S.A.	430	-	430	-	-	-	430
G. FINANCE SLOVAKIA	25.001.250	-	25.001.250	-	-	-	25.001.250
GESTAMP HOLD MÉXICO	1	-	1	-	-	-	1
G, HOLDING ARGENTINA	10.867.092	-	10.867.092	(5.474.187)	64	(5.410.131)	5.456.961
GESTIÓN GLOBAL MATRICERÍA	4.200.000	-	4.200.000	-	-	-	4.200.000
G. FUNDING LUXEMBURGO	2.000.000	-	2.000.000	-	-	-	2.000.000
LOIRE, SAFE	8.855.856	-	8.855.856	-	-	-	8.855.856
GESTAMP 2017	3	-	3	-	-	-	3
GESTAMP HORDLING RUSIA	28.043.001	-	28.043.001	(20.359.849)	2.326.732	(18.033.117)	10.009.884
G.TECHNOLOGY INSTITUTE	3	900	903	-	(865)	(865)	37
GESTAMP HUNGRIA KFT	5.846.001	-	5.846.001	(4.835.508)	-	(4.835.508)	1.010.493
GESTAMP AUTO COMPONENTS (WUHAN) CO., LTD.	7.000.000	4.000.000	11.000.000	-	-	-	11.000.000
G. NITRA	-	7	7	-	-	-	7
GLOBAL LÁSER ARABA	-	750	750	-	(306)	(306)	444
TOTAL	594.137.330	38.921.904	633.059.234	(45.246.775)	(1.380.713)	(46.627.488)	586.431.746

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

8.2 Description of investments in group companies, jointly controlled entities and associates

Information on direct investments in group companies, jointly controlled entities and associates at December 31 is as follows:

€ 000	% shareholding		Net carrying amount	Capital	Reserves	Dividends Distributed	Profit (loss) for the year	Total equity	Underlying carrying amount
	Direct	Indirect							
Year 2017									
Gestamp Bizkaia, S.A.	85.31%	14.69%	139,240	7,670	310,441	-	9,480	327,591	279,468
Gestamp Vigo, S.A. ¹	99.99%	1.00%	66,804	25,697	19,376	-	698	45,771	45,766
Gestamp Cerveira ¹	39.37%	60.63%	14,764	25,414	(2,048)	-	3,705	27,071	10,658
Gestamp Toledo, S.L. ¹	99.99%	0.01%	67,322	25,346	15,712	-	(123)	40,935	40,931
Autotech Engineering AIE ¹	10.00%	90.00%	2,300	23,000	12,043	-	737	35,780	3,578
SCI de Tourman En Brie	0.10%	99.90%	6	2	(78)	-	58	(18)	(0)
Gestamp Solblank Barcelona ¹	5.01%	94.99%	428	8,513	(778)	-	2,069	9,804	491
Gestamp Palencia, S.A. ¹	100.00%	0.00%	36,428	19,093	7,448	(28,000)	30,182	56,723	56,723
Gestamp Linares, S.A. ¹	5.02%	94.98%	563	9,010	(3,119)	-	2,611	8,502	427
Gestamp Servicios, S.L. ¹	99.99%	0.01%	70,874	18,703	160,227	(16,000)	(6,469)	172,461	172,444
Metalbages, S.A. ¹	100.00%	0.00%	76,947	45,762	(40,214)	(110,000)	76,693	82,241	82,241
Gestamp Navarra, S.A. ¹	71.37%	28.63%	29,325	40,080	3,857	(21,000)	13,371	57,308	40,901
Gestamp Aragón, S.A. ¹	5.00%	95.00%	430	3,000	801	(7,000)	3,319	7,120	356
Gestamp Abrera, S.A. ¹	5.01%	94.99%	396	6,000	1,681	(1,700)	5,687	13,368	670
Gestamp Levante, S.L. ¹	88.49%	11.51%	12,192	1,074	20,468	-	5,814	27,356	24,207
Gestamp Hungría, KFT ¹	100.00%	0.00%	209	3,183	5,514	-	(12,536)	(3,839)	(3,839)
Gestamp Esmar, S.L. ¹	0.01%	99.99%	0	144	(12,109)	-	781	(11,184)	(1)
Gestamp Manufacturing Autochasis, S.L. ¹	5.00%	95.00%	425	2,000	415	(6,000)	3,984	6,399	320
Gestamp Holding Rusia S.L. ¹	25.18%	52.35%	16,279	21,325	17,444	-	25,871	64,640	16,276
Gestamp Global Tooling. S.L	99.99%	0.01%	64,898	62,500	(14,845)	-	22,610	70,265	70,258
Gestamp Vendas Novas S.L	100.00%	0.00%	8,042	605	6,967	-	290	7,862	7,862
Gestamp North Europe Services S.L	99.97%	0.03%	3	3	5,910	-	(1,088)	4,825	4,824
LOIRE, SAFE ¹	99.00%	1.00%	8,856	1,600	10,460	(6,000)	2,967	15,027	14,877
Gestamp Funding Luxemburgo. S.A. ¹	100.00%	0.00%	2,000	2,000	150	-	670	2,820	2,820
Gestamp Holding Argentina, S.L. ¹	10.80%	69.89%	7,911	120,000	192	-	(309)	119,883	12,947
Gestamp Techn Institute ¹	99.97%	0.03%	678	3	34	-	(495)	(458)	(458)
Gestamp Autocomponents WUHAN ¹	100.00%	0.00%	9,683	9,957	(324)	-	(2,240)	7,393	7,393
Edscha Santander ¹	5.03%	94.97%	455	2,693	20,891	(12,450)	(1,584)	22,000	1,107
Edscha Hengersberg Real Estate GmbH ¹	5.10%	94.90%	107	2,091	1,219	-	1,410	4,720	241
Gestamp Nitra S.r.o.	100.00%	0.00%	7	5	(2)	-	(889)	(886)	(886)
Global Láser Araba; S.L	30.00%	0.00%	0	2,500	(737)	-	(681)	1,082	325
Edscha Hauzenberg Real Estate GmbH ¹	5.10%	94.90%	43	843	891	-	283	2,017	103
Gestamp Finance Slovakia	25.00%	75.00%	23,035	100,005	(2,175)	-	(1,533)	96,297	24,074
Gestamp 2017	100.00%	0.00%	3	3	(1)	-	0	2	2
Gestamp Global Matricerías	30.00%	0.00%	3,953	14,000	167	-	(990)	13,177	3,953
Diede Die Developments	100.00%	0.00%	799	806	(237)	-	329	898	898

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

€ 000	% shareholding		Net carrying amount	Capital	Reserves	Dividends Distributed	Profit (loss) for the year	Total equity	Underlying carrying amount
	Direct	Indirect							
Year 2016									
Gestamp Bizkaia, S.A.	85.31%	14.69%	139,240	7,670	251,066	-	59,375	318,111	271,380
Gestamp Vigo, S.A. ¹	99.99%	0.01%	38,139	25,697	472	-	(1,095)	25,074	25,071
Gestamp Cerveira ¹	42.25%	57.75%	12,796	25,414	(3,586)	-	1,153	22,981	9,709
Gestamp Toledo, S.L. ¹	99.99%	0.01%	29,213	25,346	(19,405)	-	(1,467)	4,474	4,474
Autotech Engineering AIE ¹	10.00%	90.00%	2,300	23,000	9,206	-	2,837	35,043	3,504
SCI de Tourman En Brie	0.10%	99.90%	6	2	(238)	-	160	(77)	(0)
Gestamp Solblank Barcelona ¹	5.01%	94.99%	601	8,513	(6,208)	-	1,429	3,735	187
Gestamp Palencia, S.A. ¹	100.00%	0.00%	36,428	19,093	32,176	-	3,272	54,541	54,541
Gestamp Linares, S.A. ¹	5.02%	94.98%	563	9,010	(4,031)	-	912	5,891	296
Gestamp Servicios, S.L. ¹	99.99%	0.01%	70,874	18,703	121,994	-	54,064	194,761	194,742
Gestamp Galvanizados	5.01%	94.99%	210	3,606	1,166	-	139	4,911	246
Metalbages, S.A. ¹	100.00%	0.00%	76,947	45,762	68,155	-	1,631	115,548	115,548
Gestamp Navarra, S.A. ¹	71.37%	28.63%	29,325	40,080	11,015	-	13,842	64,937	46,346
Gestamp Aragón, S.A. ¹	5.00%	95.00%	430	3,000	6,423	-	1,378	10,801	540
Gestamp Abrera, S.A. ¹	5.01%	94.99%	396	6,000	(188)	-	3,570	9,381	470
Gestamp Levante, S.L. ¹	88.49%	11.51%	12,192	1,074	13,781	-	6,686	21,542	19,063
Gestamp Hungría, KFT ¹	100.00%	0.00%	1,010	3,193	(1,331)	-	(15,495)	(13,633)	(13,633)
Gestamp Esmar, S.L. ¹	0.01%	99.99%	0	144	(13,745)	-	1,636	(11,965)	(1)
Gestamp Manufacturing Autochasis, S.L. ¹	5.00%	95.00%	425	2,000	1,502	-	4,913	8,415	421
Gestamp Holding Rusia S.L. ¹	25.18%	52.35%	10,009	21,325	(916)	-	18,360	38,769	9,762
Gestamp Global Tooling, S.L	99.99%	0.01%	64,898	62,500	(21,798)	-	6,954	47,656	47,651
Gestamp Vendas Novas S.L	100.00%	0.00%	2,636	605	3,737	-	(1,770)	2,572	2,572
Gestamp North Europe Services S.L	99.97%	0.03%	3	3	5,588	-	322	5,913	5,911
LOIRE, SAFE ¹	99.00%	1.00%	8,856	1,600	12,268	-	4,192	18,060	17,879
Gestamp Funding Luxemburgo, S.A. ¹	100.00%	0.00%	2,000	2,000	746	-	(596)	2,150	2,150
Gestamp Holding Argentina, S.L. ¹	10.80%	69.89%	5,456	120,000	722	-	(531)	120,191	12,981
Gestamp Techn Institute ¹	99.97%	0.03%	37	3	632	-	(434)	201	201
Gestamp Autocomponents WUHAN ¹	100.00%	0.00%	11,000	10,587	(69)	-	(275)	10,243	10,243
Edscha Santander ¹	5.03%	94.97%	455	2,693	30,616	-	2,725	36,034	1,813
Edscha Hengersberg Real Estate GmbH ¹	5.10%	94.90%	107	2,091	854	-	365	3,310	169
Gestamp Nitra S.r.o.	100.00%	0.00%	7	5	(1)	-	(1)	3	3
Global Láser Araba; S.L	30.00%	0.00%	750	2,500	0	-	(737)	1,763	529
Edscha Hauzenberg Real Estate GmbH ¹	5.10%	94.90%	43	843	772	-	119	1,734	88
Gestamp Finance Slovakia	25.00%	75.00%	25,001	100,005	362	-	(2,537)	97,830	24,458
Gestamp 2017	100.00%	0.00%	3	3	(1)	-	0	2	2
Gestamp Global Matricerías	30.00%	0.00%	4,200	14,000	242	-	(75)	14,167	4,250

Information on the individual financial position of each company.

¹ Companies audited by E&Y.

Financial information of Gestamp Servicios Administrativos de Brasil is not included as it is not material.

8.3 Impairment of investments in group companies, jointly controlled entities and associates

The impairment loss on investments in certain Gestamp Automoción, S.A subsidiaries was calculated in accordance with their value in use. The value in use calculation was made using cash flow projections from budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using a 1% growth rate, which is a reasonable long-term average growth rate for the industry and lower than the rate expected for the previous five years. The discount rates applied per country to the (pre-tax) cash flow projections were:

Country	Discount rate 2017	Discount rate 2016
Spain	9.81%	8.99%
Hungary	12.18%	10.37%
Argentina	22.88%	20.02%
Portugal	12.29%	9.82%
Rusia	9.82%	15.31%

The economic projections made in the previous years have not shown significant differences between the real figures.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

However, in cases where impairment evidence exists and it was not possible to calculate the recoverable amount of the subgroups/subsidiaries in which the Company is directly involved since there is not sufficient information to determine the present value of the future cash flows resulting from said investments, it has been verified according to the calculation of the fair value less costs to sell. As it is described in Note 4.5, this value is determined on the net equity of the subsidiary or the corresponding subgroup, adjusted by the amount of the unrealized gains disclosed, in proportion to the direct participation held by the Company.

From the mentioned analysis, in 2017 there have been reversals for impairment losses of 19,779 thousand euros and an allowance for impairment losses of 31,310 thousand euros (see Note 8.1). In relation to 2016 there have been reversals for impairment losses of 7,825 thousand euros and an allowance for impairment losses of 9,204 thousand euros (see Note 8.1).

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

8.4 Other disclosures

The activities and registered addresses of direct and indirect investees at December 2017 and 2016 are as follows:

Company	December 31, 2017				Consolidation method	Auditors
	Address	Country	Direct shareholding	Indirect shareholding		
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%	Portfolio management	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering AIE	Vizcaya	Spain	10.00%	Research & Development	Full	Ernst & Young
SCI de Tournan en Brle	Tournan	France	0.10%	Real Estate	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	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		Portfolio management	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%	Investment promotion and subsidiaries linked serv	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain		Die cutting production	Full	Ernst & Young
Gestamp Galvanizados, S.A.	Palencia	Spain		100.00% Component galvanizing	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	Dormant	Full	N/A
Gestamp Brasil Indústria de Autopeças, S.A.	Parana	Brazil		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%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal		Tooling and parts manufacturing	Full	Ernst & Young
Griwe Subgroup	Westerburg	Germany		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico		Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico		Labor services	Full	Ernst & Young
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		Portfolio management	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		Labor services	Full	Ernst & Young
				100.00% Industrial services	Full	Ernst & Young

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Notes to the financial statements for the year ended December 31, 2017

December 31, 2017							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio management	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%		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%	Tooling and 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 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	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain		94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain	5.01%	30.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Engineering and mold design	Equity method	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		100.00%	Engineering and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongangnam-Do	South Korea		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Beycelik Gestamp Kalip, A.S.	Bursa	Turkey		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		69.93%	Labor services	Full	Ernst & Young
				100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.

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Notes to the financial statements for the year ended December 31, 2017

December 31, 2017							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Severstal Vsevolozhsk LLC	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matricería y pta. a punto, S.L	Vizcaya	Spain		100.00%	Manufacturing and fine-tuning of molds	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
Gestamp Pune Automotive Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	VC Venkatraman & Co.
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
Gestamp Global Tooling, S.L	Vizcaya	Spain	99.99%	0.01%	Die cutting production	Full	Ernst & Young
Gestamp Tool Hardening, S.L	Vizcaya	Spain		100.00%	Die cutting production	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	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North Europe Services, S.L	Vizcaya	Spain	99.97%		Tooling and parts manufacturing	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guijuzcoa	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tooling Erandio, S.L	Guijuzcoa	Spain			Consultory services	Full	Ernst & Young
Diède Die Developments, S.L	Guijuzcoa	Spain			Manufacture and sale of machinery for cutting	Full	Ernst & Young
Gestamp Louny, S.R.O.	Vizcaya	Spain	100.00%		Portfolio management	Full	N/A
Gestamp Autocomponents (Shenyang), Co. Ltd.	Prague	Czech Republic			Die cutting production	Full	IZE Auditores
Gestamp West Virginia, LLC	Shenyang	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beycelik Gestamp Sasi, L.S.	Michigan	USA		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Dongguan), Co. Ltd.	Kocaeli	Turkey		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L	Dongguan	China		50.00%	Tooling and parts manufacturing	Full	Denatiller Sworn/KPMG
Gestión Global de Matricería, S.L	Vizcaya	Spain	30.00%		Tooling and parts manufacturing	Full	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain			Die cutting production	Equity method	N/A
				30.00%	Die cutting production	Equity method (A)	IZE Auditores

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

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Notes to the financial statements for the year ended December 31, 2017

December 31, 2017							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Auditors	
					Consolidation method		
IXCOT, S.A.	Vizcaya	Spain		30.00%	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	Full	Ernst & Young
Autotech Engineering R&D UK limited	Durham	United Kingdom		100.00%	Research & Development	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		30.00%	Tooling and parts manufacturing	Equity method (A)	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Labor services	Equity method (A)	N/A
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%	0.01%	Education	Full	N/A
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig	Germany		100.00%	Die cutting production	Full	N/A
Gestamp Chattanooga II, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Autotech Engineering R&D USA	Delaware	USA		100.00%	Research & Development and IT	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China	100.00%	0.00%	Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotiv, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washitena w, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Labor services	Full	N/A
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio management	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research & Development	Full	N/A
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	N/A
Global Laser Ara ba, S.L.	Álava	Spain	30.00%		Tooling and parts manufacturing	Equity method	N/A
MPO Providers Rezi stent, S.R.L.	Bursa	Romania		35.00%	Tooling and parts manufacturing	Full	Toma Financial Consulting
Beýçelik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey		50.00%	Die cutting production	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bra tislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	N/A
Almusafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Tooling maintenance	Full	N/A
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio management	Full	N/A
Gestamp Autotech Japan K.K.	Tokio	Japan		100.00%	Research & Development	Full	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

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December 31, 2017							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Renscheid	Germany		100.00%	Portfolio management	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauenberg GmbH	Hauenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Renscheid	Germany		100.00%	Research & Development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Real Estate	Full	N/A
Edscha Hauenberg Real Estate GmbH	Hauenberg	Germany	5.10%	94.90%	Real Estate	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Die cutting production	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonquejar (Burgos)	Spain		100.00%	Portfolio management	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonquejar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain		94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France	5.01%	100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research & Development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui U Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui U Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio management	Full	N/A
Jui U Edscha Hainan Industry Enterprise Co., Ltd.	Hai man	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research & Development	Full	Shanghai Ruitong CPA
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co.Ltda.	Anhui	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, LLC.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	25.00%	75.00%	Portfolio management	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Renscheid	Germany		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Research & Development and parts manufacturing	Full	JKG Treuhand
Edscha Aapico Automotive Co. Ltd	Pra nakorn Sri Ayutthaya	Thailand		51.00%	Research & Development and parts manufacturing	Full	Ernst & Young
Edscha Automotive SIP, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	Dormant	Full	N/A
Edscha Automotive SIP Servicios La boral es, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	Dormant	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Wuhan	China		100.00%	Portfolio management	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Uniformtechnik GmbH	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Le Thell sur Huisne	France		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Sofedit S.A.S	Usine de Messempré	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A.S	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Wroclaw	Poland		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

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December 31, 2016							
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	85.31%	14.69%	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	42.25%	57.75%	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 Bré	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 Unares, 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
Matriciernas Deusto, S.L.	Vizcaya	Spain		100.00%	Die cutting production	Full	Ernst & Young
Gestamp Galvanizados, S.A.	Palencia	Spain	5.01%	94.99%	Component galvanizing	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	Dormant	Full	N/A
Gestamp Brasil Indústria 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	N/A
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
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	Ernst & Young

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Notes to the financial statements for the year ended December 31, 2017

December 31, 2016							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todtem, S.L.	Barcelona	Spain		58.13%	Portfolio management	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%		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%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%		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 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%	Portfolio management	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain		94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain	5.01%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		100.00%	Engineering and mold design	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongangnam-Do	South Korea		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Beyselik Gestamp Kalip, A.S.	Bursa	Turkey		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		69.93%	Labor services	Full	Ernst & Young
				100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

December 31, 2016							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Severstal Vsevolozhsk LLC	Saint Petersburg	Rusia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L	Vizcaya	Spain		100.00%	Adjustment	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Rusia		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
Gestamp Pune Automotive Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	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%		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
Gestamp Global Tooling, S.L	Vizcaya	Spain	99.99%		0.01% Engineering and mold design	Full	Ernst & Young
Gestamp Tool Hardening, S.L	Vizcaya	Spain	100.00%		100.00% Engineering and mold design	Full	Ernst & Young
Gestamp Venda s 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	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		40.00%	Tooling and parts manufacturing	Full	Ernst & Young
Essa Palau, S.A.	Barcelona	Spain		0.03%	Consultory services	Equity method	Deloitte
Gestamp North Europe Services, S.L	Vizcaya	Spain	99.97%		Manufacture and sale of machinery for cutting	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guiplúzcoa	Spain	100.00%		Manufacture and sale of machinery for cutting	Full	Ernst & Young
Bero Tools, S.L	Guiplúzcoa	Spain		100.00%	Portfolio management	Full	N/A
Die de Developments, S.L	Vizcaya	Spain		100.00%	Die cutting production	Full	IZE Auditor es
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	Ernst & Young
Beycelik Gestamp Sasi, L.S.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Denetçiler 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		100.00%	Die cutting production	Full	Ernst & Young
Gestión Global de Matriceria, S.L	Vizcaya	Spain	30.00%		Dormant	Equity method	N/A
Ingeniería y Construcción Matrices, S.A	Vizcaya	Spain		30.00%	Die cutting production	Equity method (A)	IZE Auditor es

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

December 31, 2016							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
IXCT, S.A.	Vizcaya	Spain		30.00%	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	Durham	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		30.00%	Tooling and parts manufacturing	Equity method (A)	Ernst & Young
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Tooling and parts manufacturing	Equity method (A)	N/A
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%	0.01%	Labor services	Full	N/A
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig	Germany		100.00%	Die cutting production	Full	N/A
Gestamp Chattanooga II, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Autotech Engineering R&D USA	Delaware	USA		100.00%	Research & Development and IT	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China	100.00%		Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotiv, A.S.	Bursa	Turkey		25.80%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washitena w, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Labor services	Full	N/A
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio management	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research & Development	Full	N/A
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

		December 31, 2016					
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Global Laser Arabia, S.L.	Álava	Spain	30.00%		Tooling and parts manufacturing	Equity method	N/A
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio management	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauenberg GmbH	Hauenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research & Development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%		94.90% Real Estate	Full	N/A
Edscha Hauenberg Real Estate GmbH	Hauenberg	Germany	5.10%		94.90% Real Estate	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Die cutting production	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonguájar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonguájar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain	5.01%		94.99% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Brier S.A.S.	Brier Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research & Development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		50.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		50.00%	Portfolio management	Equity method (B)	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		50.00%	Tooling and parts manufacturing	Equity method (B)	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research & Development	Full	Shanghai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co. Ltda.	Anhui	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, LLC	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	25.00%		75.00% Portfolio management	Full	N/A
Edscha Kunststofftechnik GmbH	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG Treuhand
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Research & Development and parts manufacturing	Full	N/A
Edscha Apico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand		51.00%	Parts manufacturing	Full	Ernst & Young
Edscha Scharwaechter Mechanism S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	Dormant	Full	N/A
Edscha Scharwaechter Mechanism Laborales S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	Dormant	Full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio management	Full	Ernst & Young
GMF Wuhan, Ltd	Wuhan	China		100.00%	Parts manufacturing	Full	Ernst & Young
Gestamp Uniformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Portfolio management	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Sofedit, S.A.S	Le Thell sur Huisne	France		65.00%	Parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Missempre	France		100.00%	Parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Parts manufacturing	Full	Ernst & Young

(B) These companies are consolidated under full consolidation method in Jui Li Edscha Body Systems Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

The Company has issued the pertinent notices to its subsidiaries under Article 155 of the Corporate Enterprises Act and there is no obligation that could give rise to contingencies with respect to those companies.

9. FINANCIAL ASSETS

The breakdown of financial assets at December 31, except for the equity investments in group companies, jointly controlled entities and associates (Note 8), is as follows:

(€)	Loans, derivatives and other financial assets		Total	
	2017	2016	2017	2016
Non-current financial assets				
Loans and receivables	1,002,606,984	1,123,308,947	1,002,606,984	1,123,308,947
Hedging derivatives	-	3,916,550	-	3,916,550
Debt Securities	35,942,500	38,362,500	35,942,500	38,362,500
Credits to third parties	37,783,802	37,460,509	37,783,802	37,460,509
Other financial assets	1,200	1,200	1,200	1,200
	1,076,334,486	1,203,049,706	1,076,334,486	1,203,049,706
Current financial assets				
Held-to-maturity investments	-	350,000	-	350,000
Loans and receivables	1,982,832,938	1,552,483,290	1,982,832,938	1,552,483,290
	1,982,832,938	1,552,833,290	1,982,832,938	1,552,833,290
Total	3,059,167,424	2,755,882,996	3,059,167,424	2,755,882,996

These amounts are disclosed in the balance sheet as follows:

(€)	Loans, derivatives and other financial assets		Total	
	2017	2016	2017	2016
Non-current financial assets				
Investments in group companies and associates				
Loans to companies (Note 19.1)	1,002,606,984	1,123,308,947	1,002,606,984	1,123,308,947
Debt Securities	35,942,500	38,362,500	35,942,500	38,362,500
Non-current investments	0	0	0	0
Credits to third parties	37,783,802	37,460,509	37,783,802	37,460,509
Hedging derivatives (Note 14.2)	-	3,916,550	-	3,916,550
Other financial assets	1,200	1,200	1,200	1,200
	1,076,334,486	1,203,049,706	1,076,334,486	1,203,049,706
Current financial assets				
Current investments in group companies and associates:				
Loans to companies (Note 19.2)	520,296,740	369,136,709	520,296,740	369,136,709
Other financial assets (Note 19)	1,462,536,198	1,183,346,581	1,462,536,198	1,183,346,581
Current investments				
Other financial assets (Note 9.1)	-	350,000	-	350,000
	1,982,832,938	1,552,833,290	1,982,832,938	1,552,833,290
	3,059,167,424	2,755,882,996	3,059,167,424	2,755,882,996

“Loans to companies” relates mainly to loans granted to Group employees for the purchase of shares of the Parent from Acek Desarrollo y Gestión Industrial, S.L., for €37,110 thousand. These loans are secured with a pledge on the shares. The main financial terms of the loans are interest at the official interest rate prevailing for each calendar year and duration of six years from signing (Note 19.2).

The fair value of the shares sold by Acek Desarrollo y Gestión Industrial, S.L. to the employees is calculated using the operation performed during the first quarter of 2017 between the significant shareholders.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

The following tables provide a breakdown by maturity of the assets in 2017 and 2016:

(€)	2017						Total, non-current
	Total, current	1-2 years	2-3 years	3-4 years	4-5 years	Subsequent	
Loans to companies (Note 19.2)	520,296,740	47,863,570	368,492,657	15,319,800	49,000,000	521,930,957	1,002,606,984
Credits to third parties	1,462,536,198	-	-	-	-	1,200	1,200
Debt Securities	-	-	37,783,802	-	-	-	37,783,802
Other financial assets (Note 19)	-	-	-	-	-	35,942,500	35,942,500
	1,982,832,938	47,863,570	406,276,459	15,319,800	49,000,000	557,874,657	1,076,334,486

(€)	2016						Total, non-current
	Total, current	1-2 years	2-3 years	3-4 years	4-5 years	Subsequent	
Loans to companies (Note 19.2)	369,136,709	356,152,238	40,086,114	288,499,823	378,800,747	59,770,026	1,123,308,947
Hedgings derivatives	-	-	-	3,916,550	-	-	3,916,550
Other financial assets	1,183,346,581	-	-	-	-	1,200	1,200
Credits to third parties	-	-	-	-	37,460,509	-	37,460,509
Debt Securities	-	-	-	-	-	38,362,500	38,362,500
Other financial assets (Note 19)	350,000	-	-	-	-	-	-
	1,552,833,290	356,152,238	40,086,114	292,416,373	378,800,746	59,771,226	1,203,049,706

9.1 Debt securities

“Debt securities” relates to the subscription by the Company on March 10, 2016 of 2,750 bonds with a nominal value of 1.000.000 Indian rupees per bond issued by Group Company Gestamp Automotive Chennai Private Limited. All the bonds mature on April 15, 2021, and carry an 11.5% coupon, which is paid annually. The bonds are admitted for trading on the SEBI (Securities and Exchange Board of India). Unmatured accrued interest at the year-end stood at €3,387,081, recognized under “Current investments in group companies and associates.”

10. CASH AND CASH EQUIVALENTS

The breakdown of “Cash and cash equivalents” at December 31 is as follows:

(€)	2017	2016
Cash	15,724	269
Demand current accounts	574,478,092	48.147.689
	574,493,816	48.147.958

Current accounts earn market interest rates.

11. EQUITY – CAPITAL AND RESERVES**11.1 Registered capital**

At December 31, 2017, the Company's capital consisted of 575,514,360 indivisible and accumulable registered shares (2016: 4,795,953 shares, par value of €60.10 each) with a par value of €0.50 each. All the shares are of the same class and confer the same rights. 27.20% of them are trading shares. All of them are fully subscribed and paid.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

Shareholders at December 31 are as follows:

Shareholder	2017	2016
Acek Desarrollo y Gestión Industrial S.L	21.17%	37.62%
Gestamp 2020, S.L.	50.10%	50.10%
Risteel Corporación B.V	-	10.75%
Stock Market	27.20%	-
Others	1.53%	1.53%
	100.00%	100.00%

Movements – 2017

On March 3, 2017, the Company:

- Reduced the share capital in €479,595 decreasing the par value of the shares on €0,10 per share by making a restricted reserve.
- After the agreement above, the Company carried out a stock split by reducing their par value from €60 to €50 per share. Issuing 120 new shares per each original one, without changing the amount of the share capital.
- Applied for admission in to official listing in the Stock Exchange markets of Madrid, Barcelona, Bilbao and Valencia, as well as the addition to the Spanish Stock Exchange Interconnection System and modification of the Articles of Association so the Company would be adapted to the listed company statutes.

On April 7, 2017, after the Company's shares are effectively listed, the 27.20% of the capital, started to be listed on the Stock Exchange markets of Madrid, Barcelona, Bilbao and Valencia.

Movements – 2016

On February 1, 2016 ArcelorMittal Spain Holding S.L. and ArcelorMittal Aceralia Basque Holding S.L. formalized a private contract to sale their full shareholding in the Parent Company to Acek Desarrollo y Gestión Industrial S.L. for €875 million.

This transaction meant that Acek Desarrollo y Gestión Industrial S.L. increased its shareholding in the Parent Company from 54.25% in 2015 to 89.25% in 2016.

On September 20, 2016 Acek Desarrollo y Gestión Industrial S.L. signed an investment agreement by which 50,10% shares in Gestamp Automoción S.A. were sold to Gestamp 2020 S.L. and Mitsui & Co. Ltd. acquired a 25% shareholding in Gestamp 2020 S.L. and thus indirectly a 12.525% shareholding in Gestamp Automoción S.A. On December 23, 2016, once the competition review was completed, the agreement was executed.

In addition, in 2017 Acek Desarrollo y Gestión Industrial S.L. sold shares representing a 1.53% stake in Gestamp Automoción S.A. to employees (Note 9.1).

There are no by-law restrictions on the transfer of the registered shares and they are not listed.

11.2 Share premium

At December 31, 2017 and 2016, the Company recognized a share premium amounting to €61.591.287. The share premium account is freely distributable, subject to the limitations provided for in the Capital Enterprises Act (Note 3.1).

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****11.3 Reserves**

Details and movements of the different items of “Reserves” are as follows:

2017

(€)	Opening balance	Distribution of 2015 result	Capital reductions	Distribution of dividends	Closing balance
Prior periods' losses	(621,649)	621,649	-	-	-
Legal reserve	46,130,220	980,219	-	-	47,110,439
Reserves for adaptation to the Spanish General Chart of Accounts	75,488,583	-	-	-	75,488,583
Other special reserves:	68,113,438	0	479,595	-	68,593,033
Voluntary reserves	81,818,248	8,200,318	-	(66,356,806)	23,661,760
	270,928,840	9,802,186	479,595	(66,356,806)	214,853,815

2016

(€)	Opening balance	Distribution of 2015 result	Distribution of dividends	Closing balance
Prior periods' losses	(7,957,611)	7,335,962	-	(621,649)
Legal reserve	45,251,696	878,524	-	46,130,220
Reserves for adaptation to the Spanish General Chart of Accounts	75,488,583	-	-	75,488,583
Other special reserves:	67,542,685	570,753	-	68,113,438
Voluntary reserves	130,262,248	-	(48,444,000)	81,818,248
	310,587,601	8,785,239	(48,444,000)	270,928,840

“Other special reserves” includes €63,655,935 arising from the following transactions:

- On September 1, 2010, the Company contributed its stakes in Gestamp Araluce y Matricerías Deusto, with a carrying amount of €21.197.962, to acquire 60% of Gestamp Global Tooling, S.L. The Company measured this stake at the carrying amount of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements at the date of the transaction. The difference between the carrying amount and the fair value of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements was recognized, net, in “Other special reserves” for €11,484,761.
- On November 19, 2010, the Company participated in the capital increase carried out by Gestamp Servicios, contributing its shares of Gestamp Paraná, with a carrying amount of €17.700.004. The Company measured the stake at the carrying amount of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements at the date of the transaction. The difference between the carrying amount and the fair value of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements was recognized, net, in “Other special reserves” for €52,171,174.

In addition, “Other special reserves” includes the goodwill reserve of €4,455,425.

Shareholders at the Ordinary General Shareholders Meeting held on June 30, 2017, agreed to distribute €66,356,806 in dividends, charged to reserves.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

In accordance with the Capital Enterprises Act, until the balance of the legal reserve is equivalent to at least 20% of share capital, it cannot be distributed to shareholders and can only be used to offset losses if no other reserves are available. This reserve can be used to increase share capital by the amount exceeding 10% of the increased capital amount (Note 3.1).

12. EQUITY – VALUATION ADJUSTMENTS

Details and movements in “Valuation adjustments” are as follows:

(€)	Opening balance	Movements, net	Closing balance
2017			
Cash flow hedges	(15,299,636)	6,388,175	(8,911,462)
	(15,299,636)	6,388,175	(8,911,462)
2016			
Cash flow hedges	(16,887,875)	1,588,239	(15,299,636)
	(16,887,875)	1,588,239	(15,299,636)

The breakdown of net movements in 2017 and 2016 is shown in the statement of changes in equity, which forms an integral part of the financial statements.

The differences in this section reflect the change in the value of the cash flow hedges explained in Note 14.2.

13. PROVISIONS AND CONTINGENCIES

The non-current provision mainly reflects the obligations assumed by the Company, as parent of the Group, related to certain contingencies arising from possible interpretations of legal requirements of past events at subsidiaries, the settlement of which is expected to result in an outflow of resources and the amount of which can be measured reliably.

14. FINANCIAL LIABILITIES

The breakdown of “Financial liabilities” at December 31, is as follows:

(€)	Debt with financial institutions		Derivatives and other		Total	
	2017	2016	2017	2016	2017	2016
Non-current financial liabilities:						
Debts and payables	1,584,166,452	1,014,361,946	515,114,220	512,338,346	2,099,280,672	1,526,700,292
Derivatives	-	-	55,561,090	62,272,801	55,561,090	62,272,801
	1,584,166,452	1,014,361,946	570,675,310	574,611,147	2,154,841,762	1,588,973,093
Current financial liabilities:						
Debts and payables	586,534,770	339,216,573	906,069,395	948,934,997	1,492,604,165	1,288,151,570
	586,534,770	339,216,573	906,069,395	948,934,997	1,492,604,165	1,288,151,570
	2,170,701,222	1,353,578,519	1,476,744,705	1,523,546,144	3,647,445,927	2,877,124,663

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

These amounts are disclosed in the balance sheet as follows:

(€)	Debt with financial institutions		Derivatives and other		Total	
	2017	2016	2017	2016	2017	2016
Non-current financial liabilities:						
Non-current payables	1,584,166,452	1,014,361,946	55,561,090	62,272,801	1,639,727,542	1,076,634,747
Group companies and associates, non-current (Note 19)	-	-	515,114,220	512,338,346	515,114,220	512,338,346
	1,584,166,452	1,014,361,946	570,675,310	574,611,147	2,154,841,762	1,588,973,093
Current financial liabilities:						
Current payables:						
Debt with financial institutions	586,534,770	339,216,573	-	-	586,534,770	339,216,573
Other financial liabilities	-	-	3,360,642	6,065	3,360,642	6,065
Group companies and associates, current (Note 19)	-	-	900,695,878	948,063,892	900,695,878	948,063,892
Trade and other payables	-	-	2,012,874	865,040	2,012,874	865,040
	586,534,770	339,216,573	906,069,395	948,934,997	1,492,604,165	1,288,151,570
	2,170,701,222	1,353,578,519	1,476,744,706	1,523,546,144	3,647,445,927	2,877,124,663

14.1 Debt with financial institutions

The breakdown of “Debt with financial institutions” at December 31 is as follows:

(€)	2017	2016
Non-current		
Loans and debts with financial institutions	1,584,166,452	1,014,361,946
	1,584,166,452	1,014,361,946
Current		
Loans and debts with financial institutions	582,524,007	336,747,410
Accrued interest payable	4,010,763	2,469,163
Other financial liabilities	3,360,642	6,065
	589,895,412	339,222,638
	2,174,061,864	1,353,584,584

Loans and debts with financial institutions

The maturity schedule of the main loans and debts with financial institutions at December 31, 2017, is as follows:

Loans	Total, current	1 year	1 - 2 years	2 - 3 years	3-4 years	4-5 years	Total, non-current
Syndicated	-	-	110,821,472	213,118,216	528,533,175	-	852,472,863
Deferred expenses (Syndicated)	(1,587,238)	(1,587,238)	(1,430,269)	(1,156,094)	(456,588)	-	(4,630,189)
Financial loans	361,487,603	97,529,511	264,196,178	142,931,422	71,666,667	160,000,000	736,323,778
Debt represented in other negotiable securities	75,000,000	-	-	-	-	-	-
Various bank facilities	147,623,642	-	-	-	-	-	-
	582,524,007	95,942,273	373,587,381	354,893,544	599,743,254	160,000,000	1,584,166,452

The maturity schedule of the main loans and debts with financial institutions at December 31, 2016, is as follows:

Loans	Total, current	1 year	1 - 2 years	2 - 3 years	3-4 years	4-5 years	Total, non-current
Syndicated	37,361,201	37,361,201	72,350,585	124,861,635	242,964,524	387,709,222	827,885,966
Financial loans	190,177,362	190,177,362	6,475,980	20,000,000	-	160,000,000	186,475,980
Various bank facilities	109,208,847	109,208,847	-	-	-	-	-
	336,747,410	336,747,410	78,826,565	144,861,635	242,964,524	547,709,222	1,014,361,946

The average interest accrued on these loans in 2017 ranged between 0.65% and 5.80% (2016: between 0.69% and 5.80%).

At December 31, 2017, the Company had arranged credit facilities with a number of banks for a total of €147,623,642 (2016: €109,208,847), of which it had drawn €413,476,358 (2016: €419,171,000). Interest accrued and not paid in 2017 on the credit facilities amounted to €358,782 (2016: €317,587).

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

March 2012 loan

On March 21, 2012, the Company arranged a loan for an initial amount of €60 million. It has been fully repaid as of December 31, 2017 and the nominal amount outstanding at December 31, 2016 was €60 million.

This loan is for five years, with final maturity on March 21, 2017. The Company undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- A net debt/EBITDA ratio below 3.50.
- An EBITDA/finance expenses ratio over 4.00.

At December 31, 2017 and 2016, these ratios were within the limits.

Certain Gestamp Automoción Group companies, which represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan. These companies are:

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha France Engineering, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Grive Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Gestamp Galvanizados, S.A.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
Gestamp Toledo, S.A.	Edscha Santander, S.A.

In addition, a pledge was issued on 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.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

2013 Syndicated loan

On April 19, 2013 Gestamp Automoción, S.A. signed a syndicated loan with a group of banks for an initial total amount of 850 million euros distributed in two tranches, the first tranche (loan A1) amounting to €570.000 thousand and the second tranche (Revolving Credit Facility) amounting to €280.000 thousand than has not been used neither at December 31, 2017, nor December 31, 2016.

On May 20, 2016 Gestamp Automoción, S.A. signed an agreement for modifying the syndicated loan from April 2013. There are modifications to the amount granted (increase of 340 million euros, tranche A2) and to the covenants.

On July 27, 2017 Gestamp automoción, S.A. signed an agreement for modifying the syndicated loan. There are modifications on maturities and on the interests rate.

The nominal amount drawn down at December 31, 2017 comes to €852.473 thousands (€865.247 thousand at December 31, 2016), everything with long term maturity (at December 31, 2016, €37.361 thousand were registered in the short term).

The final installment on this facility is due on July 15, 2022.

After the realisation of the related required analyses, the transaction has been considered as a syndicated loan refinancing, since there were no substantial changes in the debt.

Gestamp Automoción, S.A. has agreed to comply with certain financial covenants based on its Consolidated Financial Statements throughout the duration of the loan. These covenants are:

- “Net debt/EBITDA” below 3,50x
- EBITDA/Financial expense” above 4,00x

At December 31, 2017 and December 31, 2016 Gestamp Automoción, S.A. was not in breach of any of these covenants.

Certain Group Gestamp Automoción 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.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha France Engineering, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Grive Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Gestamp Galvanizados, S.A.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tourman en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB

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Gestamp Wroclaw, Sp. Z.o.o.
Sofedit, S.A.S.
Gestamp Toledo, S.A.

Edscha Burgos, S.A.
Gestamp Levante, S.A.
Edscha Santander, 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.

May 2013 and May 2016 bond

In May 2013, the Group completed a bond issue through subsidiary Gestamp Funding Luxembourg, S.A., which belongs to the Western Europe segment, in two tranches. The first consisted of €500 million of 5,875% bonds and the second of US\$350 million of 5,625% bonds. With the same date, Gestamp Automoción, S.A., signed with Gestamp Funding Luxembourg, a loan with the same terms that the mentioned bond.

The bonds have an initial maturity of May 31, 2020, with interest payable every six months (in November and May).

The Group bought back part of the bonds issued in September and October of 2015, for total amounts of US\$16,702 thousand and €5,500 thousand.

On May 11, 2016, it carried out another issue through subsidiary Gestamp Funding Luxembourg, S.A. of €500 million worth of 3,5% bonds, using the proceeds to cancel in full the euro tranche of the previous May 2013 bond issue and pay the interest accrued up to that date. With the same date, Gestamp Automoción, S.A., cancelled the previous loan with Gestamp Funding Luxembourg, S.A., by the sign of a new loan contract with the same terms of the new bond issue.

After conducting the required analysis, it considered the transaction to be a bond refinancing, since there was not a substantial change in terms of the debt.

In addition, with the drawdown of tranche A2 of the new syndicated facility of €340 million on May 20 (see section I), the Group canceled, on June 27, 2016, the entire US dollar tranche of the previous bond issued in May 2013 and paid the interest accrued up to that date.

After conducting the required analysis, it considered this to be a new debt. Therefore, it recognized a finance cost of €9.8 million in the income statement.

The new bond issue has an initial maturity of May 15, 2023, with interest payable every six months (in November and May).

The amortized cost of the bond issued in May 2016, at December 31, 2017, amounted to €485 million. The amortized cost of the bond issued in May 2016, at December 31, 2016, amounted to €486 million.

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Notes to the financial statements for the year ended December 31, 2017

Certain Group companies, which represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of these bonds.

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha France Engineering, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Gestamp Galvanizados, S.A.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
Gestamp Toledo, S.A.	Edscha Santander, 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.

This debt of the bond issue is clasificated as a payable to Group companies and Associates, since the issuer was Gestamp Funding Luxembourg that at the time of the reception of the funds, formalized a loan with Gestamp Automoción (see note 19.1).

March 2014 loan

On March 31, 2014 the Company arranged a loan for an initial amount of €25 million. This loan has been fully amortized as of December 31, 2017 (the outstanding principal at December 31, 2016 was €15 million). Interest is payable annually.

The loan had a maturity of 3 years, with due date on March 31, 2017.

July 2015 loan

On July 1, 2015, the Company arranged a loan for €8,032,161 maturing on July 1, 2018. During 2017 it has been partially amortized in the amount of €2,679,773 (during 2016, €2,648,580). The capital outstanding at December 31, 2017 is €2,703,807 (€5,383,580 in 2016). Interest is payable annually.

June 2016 loans

On June 21, 2016, the Company arranged a loan for an initial amount of €15 million maturing on June 21, 2018. Durin 2017 it has been partially amortized in the amount of €7,500,026 (€3,730,239 during 2016). The outstanding principal on the loan at December 31, 2017 was €3,769,735 (€11.269.761 in 2016). Interest is payable monthly.

On June 30, 2016, the Company arranged a loan for €20 million maturing on June 29, 2020. Interest is payable monthly.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

European Investment Bank

On June 15, 2016, the Company arranged finance with the European Investment Bank for €160 million.

This loan is for seven years and matures on June 22, 2023. The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An “EBITDA/finance expenses” ratio over 4.00.
- A “Net financial debt/EBITDA” ratio below 3.50.

In addition, there is a limitation on the distribution of dividends, whereby the dividend to be distributed each year may not exceed 50% of consolidated profit for the year.

At December 31, 2017 and 2016, these ratios were within the previous limits.

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan.

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha France Engineering, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Gestamp Galvanizados, S.A.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Gestamp Funding Luxembourg, S.A.
Sofedit, S.A.S.	

October 2016 loan

On October 31, 2016, the Company arranged a loan for €50 million maturing on April 30, 2017. The loan has been fully repaid as of December 31, 2017. Interest is payable quarterly.

November 2016 loan

On November 25, 2016, the Company arranged a loan for €55 million maturing on February 24, 2017. On January 25, 2017 this loan has been increased by €50 million. The loan has been fully repaid as of December 31, 2017. Interest is payable monthly.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

March 2017 loan

On March 23, 2017 the Company arranged a loan for an initial amount of €35 million maturing on March 23, 2020. Interest is payable semiannually.

On March 23, 2017 the Company arranged a loan for an initial amount of €60 million maturing on March 23, 2022. Interest is payable semiannually.

On March 24, 2017 the Company arranged a loan for an initial amount of €80 million maturing on September 24, 2018. Interest is payable quarterly.

On March 24, 2017 the Company arranged a loan for an initial amount of €100 million maturing on March 24, 2021. Interest is payable monthly.

April 2017 loan

On April 12, 2017 the Company arranged a loan for an initial amount of €100 million maturing on April 30, 2022. Interest is payable quarterly.

On April 27, 2017 the Company arranged a loan for an initial amount of \$45 million maturing on October 27, 2018. Interest is payable quarterly.

May 2017 loan

On May 10, 2017, the Company arranged a loan for an initial amount of \$50 million, maturing on May 10, 2021. During 2017 it was partially amortized in the amount of €6,146,712. The outstanding principal at December 31, 2017 was €43,853,288 whereof €12,529,511 are registered in the short-term and €31,323,777 in the long-term. Interest is payable quarterly.

On May 10, 2017 the Company arranged a loan for an initial amount of €50 million maturing on March 31, 2020. Interest is payable quarterly.

On May 29, 2017 the Company arranged a loan for an initial amount of €100 million maturing on June 30, 2021. Interest is payable semiannually.

June 2017 loan

On June 26, 2017 the Company arranged a loan for an initial amount of €45 million maturing on June 19, 2022. Interest is payable quarterly.

September 2017 loan

On September 25, 2017 the Company arranged a loan for an initial amount of €175 million maturing on February 26, 2018. Interest is payable at maturity.

October 2017 loan

On October 10, 2017 the Company arranged a loan for an initial amount of €50 million maturing on October 10, 2018. Interest is payable at maturity.

November 2017 loan

On November 24, 2017 the Company arranged a loan for an initial amount of €35 million maturing on November 24, 2020. Interest is payable quarterly, since February 24, 2018 (first settlement date).

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****Accrued interest payable**

Accrued interest payable at December 31, 2017 amounted to €4,010,763, broken down as follows:

- Interest on bank loans of €1,936,350
- Interest on credit facilities of €358,782
- Interest on derivatives of €1,715,631

Accrued interest payable at December 31, 2016 amounted to €2,469,163, broken down as follows:

- Interest on bank loans of €913,988
- Interest on credit facilities of €317,587
- Interest on derivatives of €1,237,588

14.2 Derivatives and other

The breakdown of financial liabilities classified in this category at December 31 is as follows:

(€)	2017	2016
Non-current		
Derivatives	55,561,090	62,272,801
	55,561,090	62,272,801
Current		
Payables to group companies and associates (Note 19)	900,695,878	948,063,892
Trade and other payables	2,012,874	865,040
	902,708,753	948,928,932

Derivatives

This item includes the fair value of cash flow hedges and derivatives held for trading arranged by the Company at December 31:

(€)	2017	2016
Item		
Derivative financial assets	-	3,916,550
Derivatives held for trading	-	3,916,550
Derivative financial liabilities	55,561,090	62,272,801
Cash flow hedges	19,207,052	24,828,060
Derivatives held for trading	36,354,038	37,444,741

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

The breakdown of the fair value of derivative financial assets and liabilities is as follows:

Contract	Type	2017		2016	
		Asset	Liabilities	Asset	Liabilities
1	Cash flow	-	8,145,432	-	10,494.157
5	Cash flow	-	5,916,809	-	7,538.368
3	Cash flow	-	5,144,811	-	6,795.535
Total cash flow hedges		-	19,207,052	-	24,828.060
1	Derivatives held for trading	-	4,025,412	-	4,277.323
2	Derivatives held for trading	-	23,327,049	-	26,373.075
5	Derivatives held for trading	-	3,162,824	-	3,362.342
6	Derivatives held for trading	-	1,760,871	-	3,432.001
9	Derivatives held for trading	-	4,077,882	3,916.550	-
Total derivatives held for trading		-	36,354,038	3,916.550	37,444.741

Contracts 6 and 9 relate to financial products canceled in prior years.

At December 31, 2017, Gestamp Automoción, S.A. implemented its strategy to hedge the interest rate risk related to the notional amounts of its bank borrowings expected for 2017 to 2020 through interest rate swaps, with the following notional amounts existing at December 31 of each year in thousands of euros:

Year	Contract 1	Contract 3	Contract 5
2018	140.000	320.000	110.000
2019	140.000	320.000	110.000
2020	140.000	320.000	110.000

The terms of the interest rate swaps in place at December 31, 2017 are as follows:

Contract	Contract date	Maturity	Floating rate	Fixed rate payable
Contract 1	01/07/2015	01/01/2025	Euribor 3 meses	0,25%(2015),0,45%(2016),1,2%(2017),1,4%(2018), 1,98% (2019), 2,15% (2020)
Contract 3	14/07/2015	01/01/2025	Euribor 3 meses	0,25%(2015-2016-2017),1,40%(2018),1,98%(2019) y 2,15%(2020)
Contract 5	02/01/2015	04/01/2021	Euribor 3 meses	0,15% (2015), 0,4% (2016), 1% (2017), 1,25% (2018), 1,8% (2019), 2,05% (2020)

With a starting date of January 2, 2014, an economic hedge (Contract 8) was arranged on the exchange rate of the loans granted by Mursolar, S.L. to Gestamp Dongguan and Shenyang for US\$79 million. The guaranteed exchange rate by the contract is €1.3745/\$. These contracts have been cancelled at their maturity date, in 2016.

In January, May and September 2016, a series of economic hedges (Contract 9) were arranged on the exchange rate of the loans granted by Mursolar, S.L. to Gestamp Dongguan and Shenyang, for a total of US\$82 million. The guaranteed exchange rates by the contract are €1.172789/\$, €1.158148/\$, €1.190109/\$, €1.163874/\$, €1.143447/\$ and €1.190109/\$.

The Company uses the cash flow hedge method, whereby the change in the fair value of the financial swaps is recognized in equity and the accruals of interest rates are recognized in the income statement. The ineffective portion of the financial swap is classified as held for trading and the change in value is recognized directly in the income statement.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

The financial years in which the hedges affecting profit or loss are expected to be settled are as follows:

Years (€000)	2017	2016
2017	-	(4,584)
2018	(5,987)	(5,459)
2019	(6,847)	(6,475)
2020	(6,306)	(6,695)
2021	(67)	(1,616)
Total	(19,207)	(24,828)

At December 31, 2017, the Company transferred from equity to the income statement an expense of €8.969 thousand for the impact of settlements made in the year related to interest rate hedging transactions. In 2016, the amount recognized in the same connection was €5.927 thousand.

In 2017, income of €1,917,128 related to held for trading transactions was recognized in the income statement, whereas in 2016, net income in this connection recognized in the income statement was €21.966.994.

Trade and other payables

The breakdown of this item at December 31, 2017 is as follows:

(€)	2017	2016
Personnel (salaries payable)	753,416	663
Trade payables	530,149	314,012
Public entities, other (Note 15)	729,309	550,365
	2,012,874	865,040

15. TAXATION

The breakdown of tax assets and tax liabilities at 31 December is as follows:

(€)	2017	2016
Receivable		
Public entities, other	74,400	5,931
Current tax assets	4,476,959	9,175,423
	4,551,359	9,181,354
Payable		
Public entities, other	729,309	550,365
	729,309	550,365

The receivable relates mainly to withholdings of interest on loans of prior years, above all for 2017, for € 3.630.984 ,previous years, for €845.975.

Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by the tax authorities or until the four-year inspection period has expired. The Company is open to inspection of all taxes to which it is liable for the last four years. The Company's directors and their tax advisors consider that, in the event of a tax inspection, no significant tax contingencies would arise as a result of varying interpretations of the tax legislation applicable to the Company's transactions.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****15.1 Calculation of income tax expense**

Gestamp Automoción, S.A. has filed consolidated taxes since 2014 together with its subsidiaries in Gestamp Bizkaia, S.A., Gestamp North Europe Services, S.L., Bero Tools, S.L. y Loire Sociedad Anónima Franco Española, S.A., located in Bizkaia. During 2015 and 2016 the following entities have joined the Group: Gestamp Try Out Services, S.L., Gestamp Tool Hardening, S.L, Gestamp Global Tooling, S.L., Adral Matricería y Puesta a Punto, S.L., Gestamp Technology Institute, S.L., Diede Developments y Matricería Deusto, S.L. The companies of this tax group comprise the Group's total accounting profit or loss and the tax credits and relief, distributed in accordance with the Resolution of the Institute of Accounting and Accounts Auditing (*Instituto de Contabilidad y Auditoría de Cuentas*) of February 9, 2016, regarding the recognition and determination of the individual tax charge. Gestamp Automoción, S.A. files tax under this regime as the parent of the regional tax group.

The reconciliation of net income and expense for the year with taxable income (tax loss) is as follows:

2017

(€)	Income statement			Income and expense recognized directly in equity		
	Increases	Decreases	Total	Increases	Decreases	Total
Income and expense for the year	190,437,236	-	190,437,236	17,841,333	-	17,841,333
Income tax	1,977,417	-	1,977,417	(4,995,582)	-	(4,995,582)
Income and expense for the year before tax	188,459,819	-	188,459,819	12,845,751	-	12,845,751
Permanent differences	7,629,886	202,054,748	194,424,862			
Temporary differences	1,866,667	-	1,866,667			
Taxable income (tax loss)			(4,098,376)			

2016

(€)	Income statement			Income and expense recognized directly in equity		
	Increases	Decreases	Total	Increases	Decreases	Total
Income and expense for the year	9,802,186	-	9,802,186	7,241,940	-	7,241,940
Income tax	(4,783,586)	-	(4,783,586)	(1,386,543)	-	(1,386,543)
Income and expense for the year before tax	14,585,772	-	14,585,772	5,855,397	-	5,855,397
Permanent differences	15,753,593	(14,253,088)	1,500,505			
Taxable income (tax loss)			16,086,277	-	-	-

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

Permanent differences arose as a result of:

2017

Decreases

- Adjustments for income from use of the “GESTAMP” trademark of €9,902,374.
- Decreases relate mainly to the impairment of investments in group companies, amounting to €12,534,660
- Adjustments for capitalization rules in tax group entities of €1.402.619.
- Adjustments for dividends received from group entities of €176.366.606.
- Adjustments for the cancellation of non-deductible accruals of €2.555.550.
- Other adjustments of €2,939.

Increases

- Increases relate mainly to the impairment of investments in group companies, amounting to €696,191 (Note 8.1)
- Trademark and goodwill amortization of €6.933.695.

The temporary differences are due to:

- Non deductible accruals for long term obligations with the company employees

2016

Decreases

- Adjustments for income from use of the “GESTAMP” trademark of € 8,454,425.
- Decreases relate mainly to the impairment of investments in group companies, amounting to €5,798,663

Increases

- Increases relate mainly to the impairment of investments in group companies, amounting to €13,153,803 (Note 8.1)
- Non deductible accruals amounting to € 2,555,555 (Note 13)

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

The reconciliation between income tax expense/(income) and the result of multiplying total recognized income and expenses by the applicable tax rates is as follows:

(€)	Profit/(loss)	
	2017	2016
Income and expense for the year before tax	188,459,818	14,585,772
Tax charge (28% tax rate)	52,768,749	4,084,016
Permanent differences	(54,438,961)	420,141
Recognition of tax credits	(1,545,902)	(1,739,776)
Withholdings abroad	1,545,902	1,739,776
Other/	(307,205)	279,428
Effective tax expense/(income)	(1,977,417)	4,783,586

Applying the established criteria (Note 4.12), at December 31, 2017 and 2016, the Company recognized receivables for the tax debts and credits arising from settlements of tax from companies comprising the tax group of €3,411,362 (2016: €6.935.927) and payables of €1,629,347 (2016: €3.349.394), in accounts with group companies (Note 19), with the following detail:

(€)	Receivables / (payables)	
	2017	2016
Tax credits, Gestamp Bizkaia, S.A.	(591,397)	(3,349,394)
Calculation of tax, Loire, SAFE.	1,240,016	2,188,271
Calculation of tax, Gestamp North Europe Services	323,837	392,355
Offset of tax losses, Berotools, S.L.	(337,075)	830
Gestamp Try Out Services , S.L	(507,576)	161,670
Gestamp Technology Institute, S.L	(192,342)	(248,520)
Diede Developments, S.L	-	(16,552)
Gestamp Tooling Hardening, S.L	209,417	852,874
Gestamp Global Tooling, S.L	579,412	2,835,087
Adral, S.L	1,058,680	769,910
Matriceria Deusto ,S.L	(957)	2
	1,782,015	3,586,533

This net balance payable resulting from the liquidations of the different companies forming the tax group is offset by tax credits provided by the company and other companies in the tax group (see 15.2).

Income tax refundable was calculated as follows:

(€)	2017	2016
Current tax	1,545,902	4,504,156
Deductions applied	(1.,45,902)	(4,504,156)
Withholdings	3,629,919	3,803,487
Income tax refundable	3,629,919	3,803,487

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****15.2 Deferred tax assets and liabilities**

The detail and movements in the items composing "Deferred tax assets" are as follows:

000 €	Opening balance	Changes reflected in			Other	Closing balance
		additions	Profit/(loss) for the year	Total equity		
2017						
Deferred tax assets	13,220,302	1,848,544	(1,545,902)			13,522,944
Unused tax credits and tax relief	3,095,126	1,147,576	(1,147,578)			3,095,124
Carryforward of unused tax losses		522,667				522,667
Tax effect of derivatives	5,949,859			(2,484,290)		3,465,569
	22,265,287	3,518,787	(2,693,480)	(2,484,290)		20,606,304

The "Other" caption relates mainly to the tax credits provided by the company to the settlement of the consolidated tax for the year.

In addition, at December 31, 2017 and 2016, the Company had unused tax credits amounting to €13,520 and €13,520 thousand, respectively. The detail of these credits and their expiry is as follow:

000€ Year generated	Last year of offset	2017	2016
1998	No limit	142	142
1999	No limit	272	272
2000	No limit	119	119
2001	No limit	84	84
2002	No limit	103	103
2004	No limit	-	-
2005	No limit	-	-
2006	No limit	3	3
2007	No limit	3,794	3,794
2009	No limit	17	17
2010	No limit	7,952	7,952
2011	No limit	-	-
2011	No limit	-	-
2012	No limit	9	9
2013	No limit	1,025	1,025
2014	No limit	-	-
		13,520	13,520

The Company has recorded tax credits resulting from the losses pending compensation in the amount of €11,054 thousand generated in 2017 (11,054 thousand euros in 2016) and its pending deductions (according to the details above), since it has been estimated that its future recovery is reasonably assured.

Tax assets recognized for both, tax losses and unused tax credits, that have been obtained before the existence of the tax group, may only be offset with future positive results of the Company that have generated them, provided that the tax group also has the power to set them off.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****16 Revenue and expenses**

The amount of revenue relates in full to the royalty charged to subsidiaries for use of the GESTAMP trademark acquired in 2017.

16.1 Operating income

The breakdown of the net revenue from continuing operations by business category and geographic market is as follows:

	2017	2016
Revenue	280,248,923	107,710,941
Rendering of intellectual property services (Note 19)	30,307,912	28,181,417
Rendering of financial services (Note 19)	73,554,404	79,529,524
Dividend income (Note 19)	176,386,607	-
Other operating income	2,231,968	1,838,683
Non-trading and other operating income (Note 19)	2,231,968	1,838,683
	282,480,891	109,549,624

16.2 Other operating expenses

The breakdown of "Employee benefits expense" is as follows:

(€)	2017	2016
Salaries, wages	2,342,198	76,584
Social Security	237,502	23,589
Other	20,465	1,099
	2,600,165	101,272

16.3 External services

The breakdown of "External services" is as follows:

(€)	2017	2016
Leases	64,177	57,150
Independent professional services	5,659,057	1,574,643
Banking services	1,941,143	3,885,486
Repairs and maintenance	122	-
Insurance premiums	239,412	221,337
Travel expenses	702,589	-
Publicity and public relations	55,699	-
Communications	12,060	-
Hardware	13,759	-
Office supplies	2,967	-
Other services	317,417	15,907
	9,008,402	5,754,523

The cost of banking services corresponds mainly to the commissions on bank guarantees granted in favor of group companies detailed in note 18. These amounts are re-invoiced to the beneficiary companies.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****16.4 Finance income**

The breakdown of "Finance income" is as follows:

(€)	2017	2016
Third-party interest	3,044,109	353,949
	3,044,109	353,949

16.5 Finance expenses

The breakdown of "Finance expenses" is as follows:

(€)	2017	2016
Interest on payables to group companies (Note 19)	23,739,199	36,647,960
Loans and debts with financial institutions	39,677,539	63,161,532
	63,416,738	99,809,492

16.6 Impairment losses and gains/losses on disposal of non current assets

The Company recognized €11,531,700 of impairment losses on investments in group companies (2016: €1.380.713) (Note 8.1).

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****17. FOREIGN CURRENCY**

The Company has assets and liabilities denominated in other currencies. The main amounts in foreign currency and their equivalent values in euros at December 31, 2017 and 2016, are as follows:

2017	Amount in foreign currency	Currency	Amount in euros
Assets			
Current loans to group companies	3,338,516,636	HUF	10,750,024
	8,092,000	USD	6,740,555
Intragroup current accounts	21,502,754	GBP	24,212,316
	2,412,042,586	HUF	7,766,777
	852,790,904	SEK	86,720,307
	102,814,793	USD	85,643,694
Current interest receivable on loans to group companies	2,865,560	HUF	9,227
	259,149,306	INR	3,387,081
Cash	430	CNY	55
	104,406,204	GBP	117,562,430
	504,452,113	HUF	1,624,336
	60,389	JPY	446
	376,318	PLN	90,072
	56,440,515	SEK	5,739,436
	385	TRY	85
	33,351,129	USD	27,781,157
Trade receivables	3,373,529	TRY	769,002
	249,667	GBP	281,128
	72,548,709	HUF	233,607
	7,537,986	SEK	766,538
	922,952	USD	768,814
Debt Securities	2,750,000,000	INR	35,942,500
Liabilities			
Intragroup current accounts	7,279	CNY	933
	73,458,737	GBP	82,715,272
	346,132,431	HUF	1,114,546
	23,586	INR	308
	415,924	PLN	99,551
	2,467,676	SEK	250,938
	158,756,359	USD	132,242,460
Current interest payable to group companies	169	USD	160
Current loans to credit entities	45,000,000	USD	37,484,550
Current interest payable to credit entities	186,450	USD	155,311
Suppliers	10	GBP	13
	822	USD	700

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

2016	Amount in foreign currency	Currency	Amount in euros
Assets			
Current loans to group companies	3,137,273,109	HUF	10,133,392
	5,092,000	USD	4,841,677
Non-current loans to group companies	3,000,000	USD	2,852,520
Intragroup current accounts	21,015,657	GBP	24,622,364
	8,044,636,117	HUF	25,984,175
	649,099,378	SEK	67,791,939
	13,397,388	USD	12,738,772
Current interest receivable on loans to group companies	348,296	GBP	408,071
	104,975,022	HUF	339,069
	217,995,892	INR	3,041,043
	129	PLN	29
	8,654,055	SEK	903,830
	1,066,139	USD	1,013,728
Cash	20,915,671	GBP	24,505,218
	164,023,639	HUF	529,796
	376,188	PLN	85,406
	46,981,889	SEK	4,906,788
	268,180	USD	254,996
Trade receivables	119,304	TRY	35,532
Debt Securities	2,750,000,000	INR	38,362,500
Liabilities			
Intragroup current accounts	7,279	CNY	992
	157,278,860	GBP	184,271,058
	63,745,182	HUF	205,897
	23,586	INR	329
	415,924	PLN	94,427
	2,504,401	SEK	261,560
	136,012,828	USD	129,326,438
Current interest payable to group companies	169	USD	160
Non-current loans to group companies			
Suppliers	10	GBP	13
	5,758	USD	5,475

Exchange gains/(losses) generated in the year are as follows:

(€)	2017	2016
Realized	315,439	24,122,993
Unrealized	2,007,180	(46,223,031)
	2,322,619	(22,100,038)

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017**

Source of exchange differences:

(€)	2017	2016
Real Brasileño	44	41
Renmimbi Yuan chino	(10)	(35)
Corona Checa	-	4
Libra esterlina	138,886	(9,314,644)
Forintos húngaros	182,842	(693,474)
Rupia india	2,764,737	(1,200,336)
Zloty	488	(1,276)
Yen japonés	3	-
Coronas suecas	2,374,076	2,605,248
Dólares americanos	(3,144,279)	(13,533,484)
Lira Turca	5,832	37,917
	2,322,619	(22,100,038)

18. GUARANTEES AND DEPOSITS EXTENDED TO GROUP COMPANIES AND THIRD PARTIES

Guarantees and deposits extended by the Company to credit institutions for loans, credits and deposits granted to group companies at December 31, 2017 and 2016, are as follows:

000€	2017	2016
Gestamp Servicios, S.A.	1,049	1,049
Gestamp Vigo	17	17
Solblank Barcelona	-	528
Loire Safe	1,522	485
Inmobiliaria Acek	181	181
Adral	66	66
Gestamp Aveiro	2,732	2,747
Essa Palau	7,000	7,000
Gestamp Metalbages	1,926	2,580
Gestamp Linares	288	363
Gestamp ESMAR	135	135
Gestamp Cerveira	652	685
Gestamp Palencia	475	475
Gestamp Bizkaia	222	523
Gestamp Toledo	549	624
Autotech Engineering	404	404
Gestamp Navarra	1	1
GMF Holding	-	-
Edscha Holding	-	-
Gestamp Tool Hardening, S.L.	-	-
Gestamp Wroclaw Sp.z.o.o.	392	392
Edscha Santander	-	1,880
Gestamp Chatanooga II	21,736	-
Gestamp Global de Matricería	90	90
Gestamp Hardtech AB	-	-
Gestamp Polska Sp.z.o.o.	-	87,527
Gestamp Sungwoo Stampings and Assemblies PVT LTD	-	-
Gestamp Manufacturing Autochasis	-	-
Gestamp Autotech Engineering R&D USA	931	1,063
Edscha Brugos	274	-
Gestamp South Carolina	19,500	-
Gestamp Technology Institute, S.L.	363	363
Gestamp Griwe Westerborg	573	-
Global Láser Araba	47	-
Gestamp Global Tooling	15,558	23,479
Gestamp Uniformtechnick GMBH	34,686	29,750
	111,367	162,407

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017
19. RELATED PARTY TRANSACTIONS

Related parties with which the Company carried out transactions in 2017 and 2016, and the nature of the relationship, the item and transaction amounts, are as follows:

2017

	Nature of the relationship	Finance income (Note 16.1.a)			Revenue from use of trademark Revenue (Note 16.1.a)	Lease and other income Other operating income (Note 16.1.a)	Intragroup current account and other Finance expenses (Note 16.4)
		Loans and intragroup current accounts	Other items	Dividends			
Acek Desarrollo y Gestión Industrial, S.L.	Group parent	2,184	-	-	-	-	1,676,883
Adral	Group Company	4,751	-	-	-	11,572	-
Almatros S.I.U	Group Company	-	-	-	-	15,000	-
Autotech Engineering R&D UK Limited	Group Company	26,353	-	-	-	-	-
Autotech Engineering R&D USA Inc	Group Company	-	35,032	-	-	-	-
Beyçelik Gestamp A.S.	Group Company	-	-	-	1,206,108	-	-
Beyçelik Gestamp SASI Otomotive	Group Company	-	-	-	225,156	-	-
Diede Die Developments	Group Company	4,733	-	-	-	11,572	-
Edscha Automotive Hauzenberg, GMBH	Group Company	-	-	-	-	-	282,871
Edscha Automotive Hengersberg, GMBH	Group Company	-	-	-	-	-	106,906
Edscha Burgos SL	Group Company	-	411	-	-	-	(104,918)
Edscha Hengersberg Real Estate, Gmb	Group Company	-	-	-	-	-	59,523
Edscha Hauzenberg Real Estate, Gmb	Group Company	-	-	-	-	-	12,594
Edscha Holding España	Group Company	-	-	-	-	-	62,617
Edscha Holding GMBH	Group Company	5,338,136	(861)	-	-	-	-
Edscha Santander SA	Group Company	-	2,504	623,745	-	-	-
Gestamp Palau; S.A.	Group Company	-	95,414	-	-	15,000	-
Gestamp Abrera, S.A.	Group Company	892,800	-	85,170	364,514	11,572	-
Gestamp Aragón, S.A.	Group Company	653,333	-	350,700	182,677	11,572	-
Gestamp Auto Components (Chongqing) Co.	Group Company	-	-	-	368,502	-	-
Gestamp Auto Components (Dongguan) Co., Ltd	Group Company	-	-	-	422,136	-	-
Gestamp Auto Components KunshanCo., Ltd	Group Company	-	-	-	805,933	-	-
Gestamp AutoComponets (Shenyang) Co., Ltd	Group Company	-	-	-	536,317	-	-
Gestamp Automotive Chennai Private Ltd	Group Company	-	4,823,614	-	205,574	-	-
Gestamp Aveiro	Group Company	-	27,901	-	34,961	-	-
Gestamp Bizkaia	Group Company	1,044,584	3,927	-	981,645	11,572	-
Gestamp Brasil Ind Aut SA	Group Company	-	-	-	1,013,564	-	-
Gestamp Cerveira	Group Company	1,294,935	12,874	-	57,211	-	-
Gestamp Chattanooga II, LLC	Group Company	-	83,478	-	174,287	-	-
Gestamp Chattanooga, LLC	Group Company	-	-	-	572,923	-	-
Gestamp Córdoba	Group Company	23,458	-	-	-	-	-
Gestamp ESMAR	Group Company	-	1,187	-	219,135	11,572	-
Gestamp Finance Slovakia	Group Company	13,784,344	-	-	-	-	-
Gestamp Funding Luxembourg	Group Company	-	-	-	-	-	21,642,723
Gestamp Galvanizados	Group Company	3,615	-	40,080	-	11,572	-
Gestamp Global Tooling SL	Group Company	-	683	-	-	-	-
Gestamp Griwe Haynrode GmbH	Group Company	(80,204)	-	-	517,030	-	-
Gestamp Griwe Westerburg GmbH	Group Company	2,218,228	1,432	-	404,933	-	-
Gestamp Hard Tech AB	Group Company	1,187,199	-	-	184,224	-	-
Gestamp Holding Argentina	Group Company	3,564	-	-	-	43,875	-
Gestamp Holding China AB	Group Company	1,652	-	-	-	-	-
Gestamp Holding México	Group Company	33,335	-	-	-	43,875	-
Gestamp Hotstamping Japan	Group Company	3,056	-	-	-	-	-
Gestamp Hungaria	Group Company	1,479,562	-	-	307,522	-	-

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

	Nature of the relationship	Finance income (Note 16.1.a)			Revenue from use of trademark Revenue (Note 16.1.a)	Lease and other income Other operating income (Note 16.1.a)	Intragroup current account and other Finance expenses (Note 16.4)
		Loans and intragroup current accounts	Other items	Dividends			
Gestamp Ingeniería Europa Sur, S.L.	Group Company	-	-	-	-	11,573	-
Gestamp Kartek Corporation	Group Company	-	-	-	701,970	-	-
Gestamp Levante	Group Company	710,129	-	-	-	11,573	-
Gestamp Linares	Group Company	85,340	2,299	-	43,293	11,573	-
Gestamp Louny	Group Company	28,742	-	-	353,427	-	-
Gestamp Manufacturing Autochasis	Group Company	31,532	-	300,600	301,017	11,573	-
Gestamp Mason LLC	Group Company	-	-	-	441,142	-	-
Gestamp Mc Calla	Group Company	-	-	-	1,381,713	-	-
Gestamp Metal Forming (Wuhan) LTD	Group Company	-	-	-	326,427	-	-
Gestamp Metalbages, S.A.	Group Company	4,550,375	17,068	109,998,900	432,235	11,573	-
Gestamp Navarra SA	Group Company	727,455	-	14,987,700	604,482	11,573	-
Gestamp Nitra S.R.O.	Group Company	95,151	-	-	-	-	-
Gestamp North América	Group Company	2,261	-	-	-	-	-
Gestamp North Europe SL	Group Company	1,427,473	-	-	-	87,076	-
Gestamp Noury	Group Company	612,393	-	-	306,362	-	-
Gestamp Palencia	Group Company	2,834,963	1,870	27,999,824	763,734	11,573	-
Gestamp Polska, Sp.z.o.o.	Group Company	-	#####	-	124,790	-	-
Gestamp Pitesti	Group Company	17,815	-	-	-	-	-
Gestamp Pune Automotive Private	Group Company	-	-	-	-	12,070	-
Gestamp Ronchamp	Group Company	124,302	-	-	175,426	-	-
Gestamp Servicios	Group Company	5,854,291	5,246	15,999,984	6,416,316	70,504	-
Gestamp Severstal Kaluga	Group Company	1,420,963	-	-	-	-	-
Gestamp Severstal Vsevolozhsk LLC.	Group Company	1,856,634	-	-	-	-	-
Gestamp Solblank Barcelona	Group Company	166,890	2,032	-	87,203	11,573	-
Gestamp Solblank Navarra	Group Company	-	-	-	2,268	11,573	-
Gestamp South Carolina	Group Company	-	97,500	-	1,234,292	-	-
Gestamp Sweden	Group Company	2,946,803	-	-	-	-	-
Gestamp Tallent Ltd	Group Company	3,947,673	-	-	2,661,202	-	-
Gestamp Technology Institute, S.L.	Group Company	-	2,178	-	-	-	-
Gestamp Toledo	Group Company	1,701,186	5,459	-	114,678	11,573	-
Gestamp Try Out Services, S.L.	Group Company	6,076	-	-	-	-	-
Gestamp Umformtechnik GMBH	Group Company	-	67,999	-	2,155,354	-	-
Gestamp Vendas Novas Unip.	Group Company	9,731	-	-	93,419	-	-
Gestamp Vigo	Group Company	1,026,996	144	-	65,697	1,713,116	-
Gestamp Washington UK Limited.	Group Company	213,727	-	-	228,869	-	-
Gestamp West Virginia. LLC	Group Company	-	-	-	668,334	-	-
Gestamp Wroclaw Sp. Z.o.o.	Group Company	1,824,999	6,857	-	67,389	-	-
Gestión Global Matriceria	Group Company	3,972	-	-	-	-	-
Global Láser Araba, S.L.	Group Company	-	140	-	-	-	-
GMF Holding GMBH	Group Company	6,673,131	-	-	-	-	-
Ingeniería Global Metalbages, S.A.	Group Company	-	-	-	-	11,573	-
Inmobiliaria Acek SL	Group Company	-	2,312	-	-	-	-
Loire SA Franco Española	Group Company	26,122	18,387	5,999,904	-	11,573	-
Matricerías Deusto	Group Company	214,213	-	-	-	11,573	-
Metalbages P51, S.L.	Group Company	8,613	-	-	-	-	-
Mursolar	Group Company	345,778	-	-	-	-	-
Prisma SAS	Group Company	377,462	-	-	93,720	-	-
Sofedit SAS	Group Company	2,066	-	-	1,678,801	-	-
Total		67,794,875	5,759,529	176,386,607	30,307,912	2,231,969	23,739,199

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

2016

	Nature of the relationship	Finance Income (Note 16.1.a)			Revenue from use of trademark	Lease and other income	Intragroup current account and other
		Loans and intragroup current accounts	Other items	Dividends	Revenue (Note 16.1.a)	Other operating income (Note 16.1.a)	Finance expenses (Note 16.4)
Adral	Group company	3877.71	-	-	-	-	-
Acek Desarrollo y Gestión Industrial, S.L.	Group parent	10894.63	-	-	-	-	1,850,598
Edscha Holding GMBH	Group company	4406412.13	3,803	-	-	-	-
Edscha Holding España	Group company	-	-	-	-	-	90,463
GMF Holding GMBH	Group company	7619196.89	88,440	-	-	-	-
Edscha Burgos SL	Group company	-	-	-	-	-	337,026
Edscha Santander SA	Group company	-	9,226	-	-	-	-
Edscha Automotive Hauzenberg, GMBH	Group company	-	-	-	-	-	123,852
Gestamp Bizkaia	Group company	1,738,355	3658,58	-	778,926	-	-
Gestamp ESMAR	Group company	-	1,187	-	244,219	-	-
Gestamp Galvanizados	Group company	44,468	-	-	600	-	-
Gestamp Severstal Káuga	Group company	32,984	-	-	-	-	-
Gestamp Severstal Vsevolozhsk LLC.	Group company	21,631	-	-	-	-	-
Gestamp Aveiro	Group company	-	3,1662	-	12,853	-	-
Gestamp Córdoba	Group company	35,284	-	-	-	-	-
Gestamp Finance Luxemburgo	Group company	118,097	-	-	-	-	-
Gestamp Finance Slovakia	Group company	17,266,473	-	-	-	-	-
Gestamp Hungraria	Group company	1,582,913	-	-	236,636	-	-
Gestamp Linares	Group company	313,746	3,961	-	24,533	-	-
Gestamp Noury	Group company	946,921	-	-	254,773	-	-
Gestamp Palencia	Group company	2,985,275	3100,92	-	381,444	2,704	-
Gestamp Polska, Sp.z.o.o.	Group company	2,888,734	1,632,747	-	13,936	-	-
Gestamp Oveira	Group company	1,350,139	22176,74	-	36,980	-	-
Autotech Engineering Deutschland GMBH	Group company	4197,76	-	-	-	-	-
Autotech Engineering R&D UK Limited	Group company	25660,88	-	-	-	-	-
Autotech Engineering R&D USA Inc	Group company	-	35,743	-	-	-	-
Inmobiliaria Acek SL	Group company	-	2312,28	-	-	-	-
Gestamp Ronchamp	Group company	145,367	-	-	148,650	-	-
Gestamp Services	Group company	11,412,026	12,179	-	6,017,827	58,932	-
Gestamp Sweden	Group company	3,140,927	-	-	-	-	-
Gestamp Toledo	Group company	1,463,386	7,578	-	179,535	-	-
Gestamp Try Out Services, S.L.	Group company	692	-	-	-	-	-
Gestamp Tooling Services	Group company	6,356	-	-	-	-	-
Gestamp South Carolina	Group company	-	-	-	1,213,747	-	-
Gestamp North América	Group company	687	-	-	-	-	180
Gestamp UK	Group company	353,295	-	-	296,885	-	-
Gestamp Vigo	Group company	145,893	144	-	17,188	-	-
Gestamp Griwe Westerberg GmbH	Group company	654,294	-	-	842,301	1,701,544	-
Matricerías Deusto	Group company	443,823	-	-	-	-	-
Gestamp Abrebra, S.A.	Group company	1,152,000	-	-	381,239	-	-
Gestamp Aragón, S.A.	Group company	560,000	-	-	141,091	-	-
Gestamp Levante	Group company	640,718	-	-	1,294	-	-
Gestamp Navarra SA	Group company	1,467,335	-	-	493,568	-	-
Gestamp Metalbages, S.A.	Group company	3,118,148	28,576	-	496,187	-	-
Gestamp Soblbank Barcelona	Group company	693,065	7,627	-	88,633	-	-
Metalbages P&I, S.L.	Group company	106,000	-	-	-	-	-
Gestamp Technology Institute, S.L.	Group company	-	545	-	-	-	-
Gestamp Automotive Chennai Private Ltd	Group company	-	3,073,804	-	268,839	-	-
Essa Palau, S.A.	Group company	-	131,918	-	-	-	-
Gestamp Global Tooling SL	Group company	20,322	691	-	-	-	-
Gestamp Manufacturing Autochasis	Group company	582,120	2,553	-	339,761	-	-
Loire Safe	Group company	13,365	13,077	-	-	-	-
Gestamp North Europe SL	Group company	935,837	-	-	-	75,503	-
Prisma SAS	Group company	515,800	-	-	124,118	-	-
Sofedit SAS	Group company	7,381	-	-	1,175,048	-	-
Gestamp Tallent Ltd	Group company	2,123,249	-	-	3,186,631	-	-
Gestamp Vendas Novas Unip.	Group company	1,020	-	-	114,027	-	-
Gestamp Holding Argentina	Group company	3,334	-	-	-	-	-
Gestamp Holding México	Group company	13,388	-	-	-	-	-
Gestamp Mc Calla	Group company	-	-	-	1,471,050	-	-
Gestamp Funding Luxembourg	Group company	57,255	-	-	-	-	34,251,735
Diede Die Developments	Group company	5,985	-	-	-	-	-
Mursolar	Group company	342,887	-	-	-	-	-
Gestamp Louny	Group company	862	-	-	274,557	-	-
Gestamp Wroclaw Sp. Z.o.o.	Group company	1,012,793	7,946	-	73,632	-	-
Gestamp Beyceik	Group company	-	-	-	864,829	-	-
Gestamp Auto Components (Dongguan) Co., Ltd	Group company	-	-	-	348,442	-	-
Gestamp Auto Components Kunshan Co., Ltd	Group company	-	-	-	978,427	-	-
Gestamp AutoComponents (Shenyang) Co., Ltd	Group company	-	-	-	517,067	-	-
Gestamp Chattanooga, LLC	Group company	146	-	-	344,645	-	-
Gestamp Chattanooga II, LLC	Group company	-	411,128	-	-	-	-
Gestamp Hard Tech AB	Group company	1,401,783	(232)	-	448,194	-	(5,893)
Gestamp Mason LLC	Group company	-	-	-	483,786	-	-
Gestamp Metal Forming (Wuhan) LTD	Group company	-	-	-	567,034	-	-
Gestamp Brasil Intd Aut SA	Group company	-	-	-	732,178	-	-
Gestamp West Virginia, LLC	Group company	-	-	-	1,231,616	-	-
Gestamp Kartek Corporation	Group company	-	-	-	418,756	-	-
Gestamp Soblbank Navarra	Group company	-	-	-	5,897	-	-
Gestamp Holding China AB	Group company	2,254	-	-	-	-	-
Gestamp Auto Components (Chongqing) Co.	Group company	-	-	-	393,339	-	-
Gestamp Umformtechnik GMBH	Group company	21,343	35,853	-	1,379,341	-	-
Beyceik Gestamp SASI Otomotive	Group company	-	-	-	139,743	-	-
Total		73,958,119	5,571,405	-	28,181,417	1,838,683	36,647,960

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

The breakdown of balances with related parties at December 31, 2017 and 2016 is as follows:

2017

Nature of the relationship	Intragroup current account		Debt Securities	Loans		Interest and other		
	Payables (Note 9)	Receivables (Note 19.3)		Non-current payables (Note 9)	Current payables (Note 9)	Current receivables (Note 14)	Non-current receivables (Note 14)	Debtors (Note 9)
Acek Desarrollo y Gestión Industrial, S.L.	-	-	-	-	2,285,428	-	1,769	2,099
Adiral	9,282,268	-	-	-	-	-	4,751	47,558
Anhui Edscha Auto Parts Co., L	-	-	-	-	-	-	680,908	-
Autotech Engineering GMBH	-	2,208,000	-	-	-	-	-	-
Autotech Engineering R&D UK Limited	2,725,521	11,808,358	-	-	-	-	26,353	-
Autotech Engineering R&D USA	-	-	-	-	-	-	2,416	-
Diede Die Developments	84,011	-	-	-	-	-	4,733	-
Edscha Automotive Hengersberg GMBH	-	-	-	-	-	-	-	53,453
Edscha Automotive Hengenberg GMBH	-	-	-	-	-	-	-	38,756
Edscha Hengersberg Real Estate	-	-	-	-	-	-	-	6,273
Edscha Hengenberg Real Estate	-	-	-	-	-	-	-	6,297
Edscha Holding España	-	-	-	-	-	-	-	-
Edscha Holding GMBH	23,423,782	78,825	-	80,254,248	971,046	7,418,579	5,437,826	-
Gestamp Abreia	-	-	-	14,000,000	-	-	-	-
Gestamp Aragón SA	-	-	-	-	-	-	-	-
Gestamp Autocomponents Kunshan Co. LTD	-	-	-	-	-	83,000,000	5,437,826	-
Gestamp Automotive Chennai Private Ltd	-	-	35,942,500	-	-	19,200,000	1,214,400	-
Gestamp Aveiro	-	-	-	-	-	-	607,833	-
Gestamp Baires	-	-	-	-	-	-	275,556	-
Gestamp Bizkaia	200,348,613	79,351,603	-	-	-	-	3,715,836	-
Beto Tools, S.L.	-	337,926	-	-	-	-	6,899	-
Gestamp Cerveira	-	-	-	40,537,632	-	-	133,426	-
Gestamp Chattanooga LLC	-	506,718	-	-	-	-	1,045,266	2,377
Gestamp Chattanooga II, LLC	-	-	-	-	-	-	-	-
Gestamp Córdoba	-	-	-	-	-	-	-	-
Gestamp Finance Slovakia	-	-	-	-	-	-	-	-
Gestamp Funding Luxembourg	397,717,713	1,226,464	-	66,000,000	(1,001,840)	483,148,913	13,196,092	-
Gestamp Global Tooling	-	139,843,152	-	-	-	-	-	-
Gestión Global Matriceria	-	-	-	-	-	-	-	-
Gestamp Griwe Haynrode GmbH	49,709,603	295	-	108,341,942	-	-	83,478	-
Gestamp Griwe Westerbürg GmbH	-	-	-	-	-	-	582,464	-
Gestamp Hard Tech AB	86,297,080	52,895,274	-	-	-	-	1,964,712	-
Gestamp Holding Argentina	356,371	-	-	13,777,456	-	-	1,187,199	-
Gestamp Holding China, AB	170,451	6,016	-	-	-	-	2,887	-
Gestamp Holding México	3,333,476	416,412	-	-	-	-	1,652	-
Gestamp Hotstamping Japan	-	-	-	-	-	-	27,001	-
Gestamp Hungraria	-	-	-	-	-	-	28,200	-
Gestamp Levanie	44,534,969	-	-	10,678,631	-	-	839,781	-
Gestamp Linare	174	570,193	-	8,374,626	-	-	675,423	-
Gestamp Loury	8,383,593	-	-	-	-	-	304,652	-
Gestamp Metalbagas	64,186,717	48,143,532	-	57,000,000	-	-	28,742	-
Gestamp Navarra	-	-	-	17,203,720	-	-	4,220,335	-
Gestamp Nitra, SRO	-	25,334	-	-	-	-	671,542	-
Gestamp North America	-	3,131,233	-	-	-	-	95,151	-
Gestamp North Europe SL	154,843,965	-	-	-	161	-	1,427,473	-
Gestamp Noury	4,513,777	-	-	25,209,453	-	-	612,393	-
Gestamp Palau	-	-	-	-	-	-	(27,787)	-
Gestamp Palencia	-	21,140,348	-	91,389,318	-	-	2,923,456	-
Gestamp Pitesli	-	-	-	-	-	-	17,815	-
Gestamp Polska	-	-	-	-	-	-	(65,745)	-
Gestamp Ronchamp	12,585,436	-	-	-	91,565,401	-	124,302	-
Gestamp Servicios	81,813,645	55,795,948	-	179,465,038	-	-	20,197,614	1,840

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Notes to the financial statements for the year ended December 31, 2017

Nature of the relationship	Intragroup current account			Debt Securities	Loans		Interest and other	
	Payables (Note 9)	Receivables (Note 19.3)	Debt Securities		Current payables (Note 9)	Current receivables	Non-current receivables (Note 14)	Debtors (Note 9)
Gestamp Severstal Vsevolozhsk LLC.	-	-	-	-	-	-	1,327,244	-
Gestamp Sobhanik Barcelona	-	-	-	14,125,493	-	-	105,870	-
Gestamp South Carolina	-	-	-	-	-	-	48,750	-
Gestamp Sweden	48,725,018	12,494,696	-	22,235,925	-	-	6,015,654	-
Gestamp Sungwoo Hitech (CHENNAI)	-	-	-	-	-	28,904,254	-	-
Gestamp Tallent	45,868,743	82,367,312	-	190,389,187	-	-	6,060,008	-
Gestamp Tech SL	-	2,224	-	-	10	-	-	-
Gestamp Technology Institute, S.L	-	398,170	-	-	-	-	545	-
Gestamp Toledo	-	1,539,864	-	-	-	-	1,583,580	-
Gestamp Tool Hardening SL	1,049,131	-	-	-	-	-	-	-
Gestamp Tooling Services	-	22,395,148	-	-	-	-	-	-
Gestamp Try Out Services	3,321,526	-	-	-	-	-	6,076	-
Gestamp Umformtechnik GMBH	-	133,319,425	-	-	-	-	12,340	-
Gestamp Vigo	-	-	-	4,783,381	-	-	943,603	-
Gestamp Washington UK Limited	21,372,730	78,901,227	-	-	-	-	213,727	-
Gestamp Wroclaw SP. Z.O.O	13,612,900	-	-	51,000,000	-	4,500,000	2,928,991	-
Gestamp Vendas Novas	-	6,340,422	-	-	-	-	9,731	-
GMF Holding GMBH	132,210,569	-	-	-	-	85,076,590	2,830,469	-
Inmobiliaria Acek	-	-	-	-	-	-	-	-
Loire SA Franco Espafola	2,257,626	26,147,428	-	-	-	132,689	23,182	-
Matricerías Deusto	3,896,624	-	-	-	-	-	286,281	-
Mursolar	8,496,652	-	-	7,840,934	-	-	803,438	-
Prisma SAS	37,413,514	-	-	-	-	-	377,462	-
Sofedit SAS	-	25,325,472	-	-	-	-	2,066	-
Sungwoo Gestamp Hitech (Chennai) Limited	-	-	-	-	-	-	120,010	-
Total	1,462,536,198	806,717,019	35,942,500	1,002,606,984	93,820,206	429,386,359	515,114,220	156,653

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

2016

	Intragroup current account			Loans			Interest and other		Use of trademark	
	Payables (Note 9)	Receivables (Note 19.3)	Debt Securities	Non-current payables (Note 9)	Current payables (Note 9)	Current receivables (Note 9)	Non-current receivables (Note 14)	Debtors (Note 9)		Creditors
Adral	402,860	183,751	-	-	-	-	-	5,085	-	-
Anhui Edscha Auto Parts Co., L	-	-	-	-	-	-	-	680,908	-	-
Autotech Engineering AIE	-	-	-	-	-	-	-	334	-	-
Autotech Engineering Deutschland GMBH	-	208,000	-	-	-	-	-	4,198	-	-
Autotech Engineering R&D UK Limited	2,334,588	8,124,404	-	-	-	-	-	25,661	-	-
Autotech Engineering R&D USA	-	-	-	-	-	-	-	2,579	-	-
Acek Desarrollo y Gestión Industrial, S.L.	7,947,940	7,980,357	-	-	-	977,644	25,297,725	8,825	1,383,464	-
Diède Die Developments	787,471	-	-	-	-	-	4,000,000	4,848	1,942,018	-
Edscha Burgos, S.L.	-	-	-	-	-	3,034,000	2,966,000	-	908,428	-
Edscha Holding España	-	-	-	-	-	-	-	-	-	-
Edscha Holding GmbH	29,447,836	89,977	-	144,454,248	-	-	-	4,406,412	-	-
Edscha Automotive Hauenberg GmbH	-	-	-	-	-	-	-	-	123,852	-
Gestamp Esmar	-	-	-	-	-	-	-	5,898	-	71,953
Gestamp Galvanizados	-	-	-	-	-	-	-	44,812	-	182
Gestamp Mc Calla	-	-	-	-	-	-	-	-	-	332,599
Gestamp Aragón SA	-	-	-	-	14,000,000	-	-	564,206	-	39,428
Gestamp Auto Components (Shenyang), Co., Ltd.	-	-	-	-	-	-	-	-	-	416,011
Gestamp Auto Components (Dongguan) Co., Ltd.	-	-	-	-	-	-	-	-	-	100,239
Gestamp Auto Components (Chongqing) Co., Ltd.	-	-	-	-	-	-	-	-	-	179,798
Gestamp Aveiro	-	-	-	-	-	-	-	14,708	-	3,263
Gestamp Baires	-	-	-	-	-	-	-	133,426	-	-
Gestamp Beyceik	-	-	-	-	-	-	-	-	-	85,928
Beyceik Gestamp SASI Otomotive	-	-	-	-	-	-	-	(3,335)	-	50,244
Gestamp Bizkaia	3,469,535	82,635,822	-	-	-	-	-	1,755,785	-	205,279
Gestamp Brasil Ind. Autopecas S.A	-	-	-	-	-	-	-	-	-	3,617,711
Gestamp Chattanooga LLC	-	506,718	-	-	-	-	-	-	-	80,679
Gestamp Córdoba	-	-	-	1,156,852	-	-	-	132	-	-
Gestamp Finance Slovakia	400,593,075	-	-	181,000,000	-	-	-	559,006	-	-
Gestamp Funding Luxembourg	-	1,372,972	-	-	-	(3,214,543)	479,783,887	17,266,473	2,379,158	-
Gestamp Global Tooling	-	100,966,471	-	-	-	-	-	57,255	-	-
Gestamp Global Mairicería	-	-	-	-	-	-	-	28,738	-	-
Gestamp Gravalat S.A.	-	-	-	-	-	-	-	60	-	-
Gestamp Hard Tech AB	67,515,499	55,639,403	-	2,852,520	4,841,677	-	-	1,401,783	-	1,242,125
Gestamp Holding Argentina	384,065	-	-	-	-	-	-	2,701	-	101,688
Gestamp Holding México	3,333,476	475,325	-	-	19,381,520	-	-	10,844	-	66,630
Gestamp Hungría	62,214,537	-	-	-	-	-	-	983,108	-	427,501
Gestamp Autocomponents Kunshan Co. LTD	-	-	-	-	-	-	-	275,556	-	109,505
Gestamp Kartek Corporation	-	-	-	-	-	-	-	-	-	6,615
Gestamp Linares	174	388,182	-	2,174,800	6,185,327	-	-	305,656	-	73,789
Gestamp Louny	-	8,700,000	-	-	-	-	-	862	-	98,888
Gestamp Manufacturing Autochasis	-	-	-	-	-	-	-	589,723	-	36,119
Gestamp Mason LLC	-	-	-	-	-	-	-	-	-	141,029
Gestamp Navarra	-	-	-	-	-	-	-	-	-	-
Gestamp North America	-	-	-	17,203,720	-	-	-	1,389,884	160	-
Gestamp North Europe SL	111,725,683	2,376,794	-	-	-	-	-	618	-	-
Gestamp Noury	10,529,207	-	-	-	25,209,453	-	-	935,837	-	60,261
Gestamp Palencia	2,852,831	26,248,898	-	69,698,078	21,318,649	-	-	953,128	-	104,181
Gestamp Polska	-	-	-	-	-	138,181,935	-	3,017,339	-	-
Gestamp Cerveira	-	-	-	40,537,632	-	-	-	2,888,734	-	8,145
Gestamp Ronchamp	9,561,791	-	-	-	-	-	-	2,895,637	-	35,504
Gestamp Servicios	1,878,334	50,599,986	-	101,865,038	77,652,640	-	-	149,111	684	1,865,381
Gestamp Solblank Barcelona	-	-	-	3,425,493	14,714,696	-	-	21,930,877	-	21,247
Gestamp Solblank Navarra	-	-	-	-	-	-	-	681,515	-	-
Group company	-	-	-	-	-	-	-	353	-	-

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

Nature of the relationship	Intragroup current account			Loans		Interest and other		Use of trademark group companies and associates
	Payables (Note 9)	Receivables (Note 19.3)	Debt Securities	Non-current payables (Note 9)	Current payables (Note 9)	Current receivables (Note 14)	Debtors (Note 9)	
Gestamp South Carolina	-	-	-	-	-	-	-	78,551
Gestamp Automotive Chennai Private Ltd	-	-	38,362,500	-	-	-	3,369,798	268,839
Gestamp Tool Hardening SL	852,874	-	-	-	-	-	4,491	-
Gestamp Sweden	49,560,334	14,065,460	-	22,235,925	28,904,254	-	5,338,328	-
Gestamp Tallent	132,877,470	183,979,989	-	190,389,942	17,395,962	-	3,430,000	751,449
Gestamp Tech SL	-	2,224	-	-	-	-	-	10
Gestamp Toledo	-	66,945	-	15,943,942	20,640,698	-	1,472,189	47,536
Gestamp Tooling Services	-	21,989,371	-	-	-	-	6,358	-
Gestamp Trv Out Services	-	2,421,852	-	-	-	-	692	-
Gestamp Technology Institute, S.L	-	206,387	-	-	-	-	545	-
ISM SAU	-	-	-	-	-	-	1	-
Gestamp UK	22,238,450	57,097,822	-	-	-	-	353,295	64,636
Gestamp Vigo	-	-	-	16,000,000	8,783,381	-	123,221	5,821
Gestamp Vendas Novas	-	5,161,431	-	-	-	-	3,635	30,123
GMF Holding GMBH	147,204,082	-	-	85,076,590	-	-	3,741,518	-
Gestamp Metal Forming Wuhan	-	-	-	69,560,405	-	-	549,764	162,267
G.Gniwe Westerborg GMBH	26,737,946	336	-	-	-	-	-	202,411
Gestamp West Virginia, LLC.	-	-	-	-	-	-	-	317,437
Inmobiliaria Acec	-	-	-	-	-	290,734	-	-
Loire Safe	-	19,068,422	-	132,689	-	-	8,003	-
Matriferías Deusto	4,984,146	-	-	6,000,000	2,289,195	-	445,495	-
Gestamp Abrera	-	-	-	19,200,000	-	-	1,163,875	106,907
Gestamp Levante	-	-	-	10,678,631	-	-	650,461	-
Gestamp Metalbagages	34,273,795	19,810,914	-	29,571,181	18,086,047	11,826,511	2,081,251	136,945
Metalbagages P51 SL	-	-	-	-	-	-	106,000	-
Mursolar	10,135,971	-	-	7,840,934	-	-	541,910	-
Prisma SAS	36,564,100	-	-	-	-	-	518,180	32,402
Sofredit SAS	-	16,305,488	-	-	-	-	28,450	569,737
Gestamp Wrocław SP. Z.O.O	2,775,900	-	-	48,500,000	-	-	1,147,253	22,149
Sungwoo Gestamp Hitech (Chennai) Limited	-	-	-	-	-	-	780,425	-
Gestamp Holding China, AB	162,015	6,870	-	-	-	-	2,254	-
Gestamp Umformtechnik GMBH	-	103,849,056	-	-	-	-	21,343	598,394
Gestamp Nitra. SRO	596	-	-	-	-	-	0	-
Gestamp Severstal Vsevolozhsk LLC.	-	-	-	14,975,330	-	-	21,631	-
BTH - Bero Tools, S.L.	-	850	-	-	-	-	-	-
	1,183,346,581	790,520,470	38,362,500	1,123,308,947	279,403,500	150,805,548	89,922,632	6,737,775
								12,977,524

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

19.1 Loans to companies

The Company recognized the following non-current loans to group companies at December 31, 2017 and 2016:

Recipient of the loan	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2017 (in €)	Outstanding balance at 12/31/2016 (in €)	Maturity	Interest rate 2017	Accrued interest receivable, 2017	Accrued interest receivable, 2016
Gestamp Palencia, S.A.	Financial Loan	2005	41,000,000	41,000,000	41,000,000	31/12/2020	2.00%	1,148,406.13	1,721,891
	Financial Loan	2004	88,698,078	28,698,078	28,698,078	31/12/2019	2.00%	-	-
	Financial Loan	2017	21,691,241	21,691,241	-	21/12/2023	2.00%	-	-
Gestamp Vigo, S.A.	Participating	2002	11,000,000	-	11,000,000	31/12/2018	(a)	78,567.04	-
	Participating	2004	5,000,000	-	5,000,000	31/12/2020	(a)	-	-
	Financial Loan	2005	4,783,381	4,783,381	-	31/12/2020	2.00%	-	-
Gestamp Cerveira, Ltda	Financial Loan	2003	1,803,036	1,803,036	1,803,036	31/12/2019	2.00%	4,125,903.48	2,885,208
	Financial Loan	2014	40,000,000	38,734,596	38,734,596	31/12/2020	3.25%	-	-
Gestamp Noury, S.A.	Financial Loan	1999	3,111,492	3,111,492	-	Ver Corto Plazo	2.00%	511,191.69	-
	Credit Line	2001	6,000,000	6,000,000	-	Ver Corto Plazo	2.00%	-	-
	Financial Loan	1999	6,097,961	6,097,961	-	Ver Corto Plazo	2.00%	-	-
	Financial Loan	2017	10,000,000	10,000,000	-	31/12/2020	2.00%	-	-
Gestamp Linares, S.A.	Financial Loan	2017	6,199,826	6,199,826	-	21/12/2023	2.00%	36,754.39	53,728
	Financial Loan	2005	2,174,800	2,174,800	2,174,800	31/12/2021	2.00%	-	-
Gestamp Solblank Barcelona, S.A.	Financial Loan	2004	3,425,493	3,425,493	3,425,493	31/12/2020	2.00%	58,047.05	84,627
	Financial Loan	2017	10,700,000	10,700,000	-	21/12/2023	2.00%	-	-
Gestamp Servicios, S.A.	Participating	2004	41,025,525	41,025,525	41,025,525	31/12/2020	(a)	19,774,024.11	18,124,257.00
	Financial Loan	2007	52,500,000	52,500,000	-	31/12/2020	2.00%	-	-
	Credit Line	2013	59,770,026	59,770,026	59,770,026	07/02/2023	6.55%	-	-
	Financial Loan	2016	1,069,488	1,069,488	1,069,488	31/12/2016	2.00%	-	-
	Financial Loan	2017	25,100,000	25,100,000	-	21/12/2023	3.00%	-	-
Gestamp Sweden	Financial Loan	2011	13,145,000	13,145,000	13,145,000	30/03/2021	7.00%	1,193,327.95	1,193,328
	Financial Loan	2010	12,013,425	9,090,925	9,090,925	29/03/2020	7.00%	-	-
Gestamp Metalbagas, S.A.	Participating	2002	28,692,843	-	27,645,489	31/12/2018	Ver corto plazo	9,500.00	1,129,562.00
	Financial Loan	2017	57,000,000	57,000,000	-	21/12/2023	2.00%	-	-
Gestamp Levante, S.L.	Participating	2002	6,732,292	6,732,292	6,732,292	31/12/2020	(a)	675,423.40	640,718
	Participating	2001	2,742,380	2,742,380	2,742,380	31/12/2020	(a)	-	-
	Participating	2003	1,203,958	1,203,958	1,203,958	31/12/2020	(a)	-	-
Gestamp Navarra	Participating	2003	6,000,000	6,000,000	6,000,000	31/12/2020	(a)	671,542.42	1,376,298
	Participating	2003	8,000,000	8,000,000	8,000,000	31/12/2020	(a)	-	-
	Participating	2004	3,203,720	3,203,720	3,203,720	31/12/2020	(a)	-	-
	Participating	2008	13,000,000	-	13,000,000	31/12/2018	Ver corto plazo	-	1,152,000
Gestamp Abrera	Participating	2008	6,200,000	6,200,000	6,200,000	31/12/2018	Ver corto plazo	-	-
	Participating	2009	-	-	2,852,520	26/03/2018	Ver corto plazo	-	206,949
Gestamp Hardtech AB Griwe	Financial Loan	2011	3,585,000	3,585,000	3,585,000	30/03/2019	5.50%	1,553,177.47	263,252
	Financial Loan	2013	1,218,463	-	1,218,463	29/05/2018	Ver corto plazo	-	-
	Financial Loan	2017	40,000,000	40,000,000	-	26/12/2022	2.00%	-	-
	Financial Loan	2016	64,756,942	64,756,942	64,756,942	31/12/2026	2.00%	-	-
Gestamp Aragón SA	Financial Loan	2017	14,000,000	14,000,000	-	21/12/2023	2.00%	607,833.33	-

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Notes to the financial statements for the year ended December 31, 2017

Recipient of the loan	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2017 (in €)	Outstanding balance at 12/31/2017 (in €)	Maturity	Interest rate 2017	Accrued interest receivable, 2017	Accrued interest receivable, 2016
Edscha Holding GMBH	Financial Loan	2013	75,000,000	-	(c)	25/07/2018	Ver corto plazo	1,558,807.77	3,449,519
	Financial Loan	2017	1,800,000	1,800,000		12/09/2023	2.00%		
	Financial Loan	2017	9,000,000	9,000,000		04/09/2022	2.00%		
Gestamp Finance Slovakia	Financial Loan	2016	69,454,248	69,454,248		31/12/2026	2.00%		
	Participating	2015	66,000,000	66,000,000		31/12/2020	(a)	2,854,500.00	10,860,000
GMF Holding GMBH	Participating	2013	115,000,000	-	(c)	31/12/2018	Ver corto plazo		
	Financial Loan	2013	85,076,590	-	(c)	29/05/2018	Ver corto plazo	-	1,294,963
Loire S.A.F.E.	Financial Loan	2013	132,689	-	(c)	29/05/2018	Ver corto plazo	-	2,020
	Financial Loan	2006	1,156,852	-	(c)	29/05/2018	Ver corto plazo	-	506,798
Gestamp Córdoba Sp.z.o.o.	Financial Loan	2016	51,000,000	51,000,000		31/12/2020	3.25%	2,839,860.61	1,102,277
	Credit Line	2016	4,500,000	-	(c)	01/09/2017	Ver corto plazo		
Gestamp Severstal Vsevolozhsk LLC.	Financial Loan	2016	14,975,330	13,777,456		30/03/2019	12.52%	1,327,243.60	-
	Financial Loan	2016	22,834,997	-	(b)	30/03/2019	12.52%		32,984
Gestamp Severstal-Kaluga Ltd	Financial Loan	2016	190,389,187	190,389,187		31/12/2026	12.52%	4,082,790.33	275,008
	Financial Loan	2015	7,840,934	7,840,934		10/02/2020	3.25%	732,637.27	474,268
Mursolar 21, S.L.	Financial Loan		1,002,606,984	1,123,308,947				43,839,538.04	49,472,681

(a) Remuneration consists of an annual percentage of the Company's net profit.

(b) Canceled in 2016

(c) Recognized under current assets at December 31, 2017

(d) Recognized under current assets at December 31, 2016

(*) Interest rate reviewed annually

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****19.2 Loans to Gestamp Group employees**

Loans to Gestamp Group employees correspond to loans granted to employees of different subsidiaries of the Gestamp Group for the purchase of shares of Acek Desarrollo y Gestión Industrial, S.L. amounting to 37,110 thousand euros. These loans are guaranteed by the constitution of a pledge on such actions. The main economic conditions of these loans are an interest rate equal to the legal rate of the currency in force for each year, and its duration is of six years from the date of the signing of the loans.

19.3 Current loans and interest receivable

The Company recognized part of the current loans to and interest receivable from group companies in "Current investments in group companies and associates - Loans to companies". The detail of this item at December 31, is as follows:

€	2017	2016
Interest and other receivables from group companies	90,910,381	89,733,209
Current loans receivable from group companies	429,386,359	279,403,500
	520,296,740	369,136,709

a) Current interest receivable

The breakdown of current interest receivable from group companies is as follows:

€	2017	2016
Interest on non-current loans	43,839,538	49,472,681
Interest on current loans	26,418,526	15,070,365
Interest on intragroup current account and other	20,652,321	25,190,162
	90,910,385	89,733,209

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

b) Current loans to group companies

The breakdown of current loans to group companies at December 31, 2017 and 2016 is as follows:

Recipient of the loan	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2017 (in €)	Outstanding balance at 12/31/2016 (in €)	Maturity	Interest rate 2017	Accrued interest receivable, 2017	Accrued interest receivable, 2016
Gestamp Hungría	Credit Line	2004	25,000,000	9,248,128	9,248,128	23/09/2017	2.50%	243,641	235,057
	Financial Loan		-	10,750,023	10,133,392	26/09/2017	6.19%	-	-
Edscha Holding, GmbH	Participating	2006	6,185,327	-	6,185,327	31/12/2017	(a)	3,281,861	-
	Financial Loan	2013	75,000,000	75,000,000	-	25/07/2018	4.68%	-	-
Gestamp Hardtech AB	Financial Loan	2017	8,000,000	8,000,000	-	29/12/2018	1.75%	-	-
	Financial Loan	2009	-	76,635	87,477	05/02/2018	6.20%	423,719	299,673
	Financial Loan	2009	-	2,498,970	(c) (b)	26/03/2018	6.20%	-	-
	Financial Loan	2009	-	4,164,950	(c)	09/07/2017	6.20%	-	-
Gestamp Finance Slovakia	Participating	2013	115,000,000	115,000,000	-	31/12/2018	(a)	4,973,750	-
	Financial Loan	2017	13,000,000	13,000,000	-	13/12/2018	1.00%	3,972	-
Gestamp Global Matriceria	Financial Loan	2013	1,218,463	1,218,463	-	29/05/2018	5.96%	18,546	-
	Financial Loan	2013	132,689	132,689	-	29/05/2018	5.96%	2,020	-
Loire S.A.F.E.	Financial Loan	2013	85,076,590	85,076,590	-	29/05/2018	5.96%	1,294,963	-
	Financial Loan	2017	2,000,000	2,000,000	-	16/11/2018	1.00%	3,056	-
GMF Holding GMBH	Financial Loan	2016	4,500,000	4,500,000	-	01/09/2018	1.50%	-	-
	Financial Loan	2013	30,000,000	28,904,254	28,904,254	21/07/2018	3.00%	4,320,785	3,453,657
Gestamp Wroclaw Sp.z.o.o.	Financial Loan	2017	370,000	370,000	-	31/01/2018	1.00%	17,815	-
	Financial Loan	2017	1,580,034	1,580,034	-	10/04/2018	1.00%	-	-
	Financial Loan	2017	1,419,966	1,419,966	-	10/04/2018	1.00%	-	-
Gestamp Piesti	Financial Loan	2013	100,000,000	17,395,962	17,395,962	30/06/2017	5.50%	1,406,077	1,837,328
	Participating	2008	13,000,000	13,000,000	-	31/12/2018	(a)	1,214,400	-
Gestamp Tallent	Participating	2008	6,200,000	6,200,000	-	31/12/2018	(a)	-	-
	Participating	2000	15,355,430	-	15,355,430	31/12/2017	(a)	1,582,286	825,628
Gestamp Abrera	Participating	2001	5,285,267	-	5,285,267	21/12/2017	(a)	-	-
	Participating	2001	5,285,267	-	5,285,267	21/12/2017	(a)	-	-
Gestamp Toledo, S.L.	Participating	2013	4,000,000	-	4,000,000	31/12/2017	(a)	865,000	118,173
	Financial Loan	2005	4,783,381	-	4,783,381	31/12/2017	2.00%	-	-
Gestamp Aragón S.A.	Participating	2012	4,000,000	-	4,000,000	31/12/2017	(a)	-	560,000
	Participating	2012	3,000,000	-	3,000,000	31/12/2017	(a)	-	-
	Participating	2012	3,000,000	-	3,000,000	31/12/2017	(a)	-	-
	Participating	2012	4,000,000	-	4,000,000	31/12/2017	(a)	-	-
Gestamp Vigo, S.A.	Participating	2001	17,038,693	-	17,038,693	31/12/2017	(a)	3,807,150	723,442
	Participating	2002	28,692,843	28,692,843	-	31/12/2018	(a)	-	-
Gestamp Córdoba Matricerías Deusto	Financial Loan	2017	1,156,852	1,156,852	-	31/12/2018	(a)	530,256	-
	Participating	2002	2,289,195	-	2,289,195	31/12/2017	(a)	257,367	91,568
Gestamp Noury, S.A.	Financial Loan	1999	3,111,491	-	3,111,491	31/12/2017	2.00%	-	768,888
	Credit Line	2001	6,000,000	-	6,000,000	31/12/2017	2.00%	-	-
	Financial Loan	1999	6,097,961	-	6,097,961	31/12/2017	2.00%	-	-
Gestamp Palencia, S.A.	Credit Line	2003	18,000,000	-	10,000,000	31/12/2017	2.00%	-	-
	Participating	2000	18,583,774	-	7,185,198	31/12/2017	(a)	1,774,778	1,279,119
Gestamp Servicios, S.A.	Participating	2001	14,133,451	-	14,133,451	31/12/2017	(a)	-	-
	Participating	2001	2,237,954	-	2,237,954	31/12/2017	(a)	81,746	3,309,224
	Participating	2007	6,551,000	-	6,551,000	31/12/2017	(a)	-	-
Gestamp Metalbages, S.A.	Participating	2007	16,363,686	-	16,363,686	31/12/2017	(a)	-	-
	Participating	2007	16,363,686	-	16,363,686	31/12/2017	(a)	-	-

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017

Recipient of the loan	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2017 (in €)	Outstanding balance at 12/31/2016 (in €)	Maturity	Interest rate 2017	Accrued interest receivable, 2017	Accrued interest receivable, 2016
Gestamp Solblank Barcelona, S.A.	Financial Loan	2007	52,500,000	-	52,500,000	31/12/2017	Verlargo plazo		
	Participating	2000	6,863,196	(e)	6,863,196	31/12/2017	(a)	47,823	588,588
	Participating	2001	7,851,500	(e)	7,851,500	31/12/2017	(a)		
TOTAL			208,048,000	429,386,359	279,403,500			26,418,526	15,070,365

- (a) Remuneration consists of an annual percentage of the Company's net profit.
- (b) Classified under non-current at December 31, 2016
- (c) Loans granted in US dollars. The initial amounts were US\$2 and US\$3 million.
- (d) Classified under non-current at December 31, 2017
- (e) Canceled in 2017
- (f) Classified partially under non-current and under current at December 31, 2016

GESTAMP AUTOMOCIÓN, S.A.
Notes to the financial statements for the year ended December 31, 2017
19.4 Payables to group companies

(€)	2017	2016
Non-current		
Non-current guarantees received	290,734	290,734
Loans payable to group companies (Note 14)	514,823,486	512,047,612
Current		
Loans payable to group companies	92,609,819	154,020,090
Payables from current accounts	806,717,019	790,295,080
Interest payable	1,369,040	3,748,722
Other payables and deferred expenses, group companies (current portion)		
	1,415,810,098	1,460,402,238

The breakdown of this item at December 31, 2017 and 2016 is as follows:

Non-current loans

Company granting the loan	Loan type	Grant date	Initial amount in euros or credit limit	Amount outstanding at 12/31/2017 (€)		Amount outstanding at 12/31/2016 (€)	Maturity	Interest rate 2017
Gestamp Funding Luxembourg	Financial loan	2013	500,000,000	483,148,913	(a)	479,783,887	31/05/2023	3.72%
Acek Desarrollo y Gestión Industrial, S.L.	Financial loan	2013	31,060,000	24,255,994		25,297,725	31/03/2032	6.60%
Edscha Holding España	Financial loan	2017	4,452,579	4,452,579		-	22/12/2022	2.00%
	Financial loan	2010	6,000,000	2,966,000		2,966,000	23/12/2019	4.70%
Edscha Burgos, S.L.	Financial loan	2010	4,000,000	-	(b)	4,000,000	23/12/2019	4.70%
			541,060,000	514,823,486		512,047,612		

(a) Loan refinanced in May 2016

(b) Loan cancelled in 2017

Loans with Gestamp Funding Luxembourg, S.A. are related to the bond issue described in Note 14.1.

The loan with Acek Desarrollo y Gestión Industrial, S.L. is related to the acquisition of the GESTAMP trademark described in Note 5.1.

Current loans

The breakdown of current loans to group companies at December 31, 2017 and 2016 is as follows:

Company granting the loan	Loan type	Grant date	Initial amount in euros or credit limit	Outstanding amount at 12/31/2017 (€)		Outstanding amount at 12/31/2016(€)	Maturity	Interest rate 2016
Edscha Burgos SL	Financial loan	2011	3,034,000	-		3,034,000.00	11/07/2017	4.70%
Acek Desarrollo G. I. S.L.	Financial loan	2013	-	1,041,729	(a)	977,643.69	See Long Term	See Long Term
Gestamp Polska, Sp.z.o.o.	Financial loan	2004	138.181.935	91,565,401		138,181,935	31/12/2017	4.17%
			141,215,935			142,193,579.00		

(a) Short term part of a long-term loan.

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017***Intragroup current accounts*

The Company recognized current accounts held with group companies related to the Gestamp Automoción Group's funding system under "Current investments in group companies and associates - Other financial assets". In 2017, these current accounts earned nominal annual interest of 1% (2016: 1.5%).

19.5 Directors and senior management

From March 23, 2017 to December 31, 2017, directors remunerations have been accrued by the amount of €2.368 thousand, as follows:

*Director Retribution (000€)***Non-Executives**

Mr. Alberto Rodríguez Fraile	78,75
Mr. Noboru Katsu	67,50
Mr. Gonzalo Urquijo Fernández de Araoz	67,50
Mr. Pedro Sainz de Baranda	67,50
Mr. Javier Rodríguez Pellitero	78,75
Mrs. Ana García Fau	67,50
Mr. Juan María Riberas Mera	67,50
Mr. Tomofumi Osaki	56,25
Mr. Cesar Cernuda	56,25
Mr. Geert Maurice Van Poelvoorde	0,00
TOTAL	607,50

*(From March 24, 2017 to December 31, 2017)***Executives**

Mr. Francisco José Riberas Mera	751,15
Mr. Francisco López Peña	1.013,34
TOTAL	1.764,48

*(From March 24, 2017 to December 31, 2017)***TOTAL** **2.371,98**

€4,9 thousand of the previous retributions are life assurances.

The loans granted amount €3.000 thousand:

Loans ganted by the Company.

(000€)

Director	Principal
Mr. Francisco López Peña (Executive Director)	3.000

(Active Directors at December 31, 2017)

In the years ended December 31, 2016, members of the Board of Directors did not receive any remuneration or any advances, loans, pension obligations or life insurances were granted to them.

GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2017

The Company considers as senior management personnel who discharge duties related to the Grouping's general objectives, such as business planning, management and control, autonomously and with full responsibility, limited solely by the criteria and instructions of the Company's legal owners or the governing and management bodies that represent them. The Company does not have any employee on staff considered to be a senior executive in accordance with this definition.

19.6 Information on compliance with Section 229 of the Corporate Enterprises Act (*Ley de Sociedades de Capital*)

According to the articles 229 and 231 of the Spanish Corporate Enterprises Act and with the aim of reinforcing the transparency of capital companies, the joint administrators of the Parent Company and their representative natural persons have reported they have no situations of conflict with the interest of the Parent 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 Parent Company, have reported that they are shareholders and board members of ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. and several subsidiaries of the ACEK Desarrollo y Gestión Industrial Group.

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.

By other hand, ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L holds a direct and indirect investment of 17.909 % 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.

Finally, ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. holds a direct investment of 50.00% in the company Sideacero, S.L., of which Mr. Francisco José Riberas Mera and Mr. Juan María Riberas Mera are also directors.

Siceacero, S.L. is the parent company of an industrial group which in engaged in, among othe things, import, export, purchase and sale of ferrous, non-ferrous products, steel materials and recoverymaterials.

20. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management

In managing risk, the Company takes an accounting view that enables it to assess the status and trends of the various situations of risks.

20.1 Financial risk factors

In compliance with prevailing accounting standards, the Company discloses the financial risks to which its business is exposed, which are basically:

- Market risk
 - Foreign currency risk
 - Interest rate risk
- Liquidity risk

Foreign currency risk

Fluctuations in the exchange rates of currencies in which a given transaction is carried out against the accounting currency can have a negative or positive effect on profit or loss for the year, specifically impacting the financial management of borrowings.

The Company operates primarily in the following currencies:

- Euro
- US dollars
- Swedish krona
- Hungarian forints
- Pound sterling

To manage currency risk, the Company uses a series of financial instruments that provide it with a certain degree of flexibility. These instruments are basically:

- A. Forward purchases and sales of currencies: This establishes a known fixed rate of exchange at a specific date, which may also be adjusted over time to adapt and apply to cash flows.
- B. Other instruments: Other derivative financial hedging instruments may be used, such as those that lock in a maximum and minimum exchange rate (collars or tunnels) at a specific settlement date.

The following table presents, in euros, the sensitivity of profit and loss and equity to changes in the exchange rates of the currencies in which the Company operates against the euro.

The sensitive of profit and loss to changes in exchange rates is as follows (in euros):

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****2017**

Currency	IMPACT ON PROFIT OR LOSS	
	+5% change	-5% change
BRL	353	(353)
CNY	6	(6)
GBP	(12,322)	12,322
HUF	(44,131)	44,131
INR	(241,181)	241,181
JPY	17	(17)
SEK	(35,925)	35,925
TRY	(59,739)	59,739
USD	(3,034)	3,034
Impact in absolute amounts	(395,956)	395,956

2016

Currency	IMPACT ON PROFIT OR LOSS	
	+5% change	-5% change
BRL	161	(161)
CZK	657	(657)
GBP	(18,948)	18,948
HUF	(46,944)	46,944
INR	(152,052)	152,052
PLN	3	(3)
SEK	(43,420)	43,420
TRY	(57,880)	57,880
USD	766,570	(766,570)
Impact in absolute amounts	448,146	(448,146)

Interest rate risk

Regarding floating rate borrowings, the Company is exposed to the risk that its cash flows will be affected by changes in market interest rates. The Company mitigates its interest rate risk using interest rate derivatives, mainly arranging interest rate swaps through which it converts the reference variable interest rate of a loan into a fixed reference, covering either the entire amount or part of the amount of the loan, and affecting either the entire life or part of the life of the loan.

Virtually all debt is issued at variable rates and indexed to the Euribor rate.

With all other variables held constant, a 5% higher or lower interest rate in 2017 on the Company's borrowings would result in a higher or lower net financial result of €2,982 thousand (2016: €4.446 thousand).

Liquidity risk

Liquidity risk is defined as the risk that a company may not be able to meeting its obligations as a result of adverse situations in debt and/or capital markets that hinder or prevent it from raising the necessary funds.

The Group manages liquidity risk by holding sufficient available funds to negotiate, under the best possible terms and conditions, the replacement of forthcoming transactions close to maturing with new ones and to meet its short-term cash management requirements, thereby avoiding the need to raise funds under unfavorable terms and conditions.

The Group had available undrawn credit facilities at December 31, 2017 amounting to € 642.9 million (2016: €457.3 million).

GESTAMP AUTOMOCIÓN, S.A.**Notes to the financial statements for the year ended December 31, 2017****21. OTHER INFORMATION****21.1 Structure of personnel**

The number of employees by professional category is as follows:

	Number of employees at the end of the year			Average number of employees in the year
	Men	Women	Total	
2017				
Senior executives	1	0	1	1
Administrative staff	8	11	19	17
Others	3	2	5	4
	12	13	25	22

	Number of employees at the end of the year			Average number of employees in the year
	Men	Women	Total	
2016				
Senior executives	-	-	-	-
Administrative staff	1	2	3	3
	1	2	3	3

21.2 Audit fees

Audit fees accrued for services rendered by the statutory auditor are as follows:

(€)	217	2016
Fees for the audit of separate and consolidated financial statements	594,092	311,981
Other audit services	361,130	5
	955,222	316,981

'Other audit services' includes fees regarding the work on procedures to achieve financial ratios.

22. DISCLOSURES ON DEFERRED PAYMENTS TO SUPPLIERS IN COMMERCIAL TRANSACTIONS

The information on average supplier payment period is as follows:

	2017	2016
(Days)		
Average supplier payment period	43	61
Ratio of transactions paid	43	60
Ratio of transactions outstanding	59	87
€ 0		
Total payments made	8,909,528	1,520,097
Total payments outstanding	39,093	31,884

23. EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred subsequent to the reporting period that could alter or have any effect on these financial statements or on their going concern basis.

Additional note for English Translation

These Consolidated Financial Statements were originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version prevails.



Management Report

Gestamp Automoción, S.A.

February 26, 2018

Gestamp Automoción S.A. (hereafter “Gestamp” and together with its consolidated subsidiaries “the Group”) is one of the world’s largest suppliers of automotive components and assemblies. We are an international group focused on the design, development and manufacture of components for the automotive industry with a client oriented business model. We specialize in offering high-added-value products with innovative designs and technological complexity for vehicles that are increasingly safer and lighter and therefore better with regards to energy consumption and environmental impact.

Since we were founded in 1997, we have had an ongoing commitment to incorporate new technologies into our manufacturing processes and to develop traditional technologies. As of December 31st 2017, more than 20 years since its foundation, Gestamp is present in 21 countries over four regions (Europe, North America, South America and Asia), has 102 manufacturing plants, 13 R&D centers and a workforce of over 41,000 employees worldwide. As of February 2018, Gestamp has 105 production facilities with 7 plants under construction, out of which the acquisition of two production facilities and one plant under construction are subject to the approval of the relevant competition authorities.

Gestamp produces a diverse range of products, many of which are critical to the structural integrity of a vehicle. The product portfolio covers body-in-white and chassis, mechanisms, as well as tooling and other products.

Gestamp has become one of the largest strategic suppliers of automotive components and assemblies thanks to the Group’s technological leadership, an extensive geographical and customer footprint and a proven track record in executing complex projects. . Gestamp is a worldwide reference for almost all major OEMs (Original Equipment Manufacturer), including BMW, Daimler, Fiat Chrysler, Ford, Geely-Volvo, General Motors, Honda, PSA, Renault Nissan, Tata JLR, Toyota and Volkswagen, which represented its top 12 customers for the year ended December 31, 2017.

Our approach to expanding on a customer-oriented basis has been the key to maximize the potential growth of our technological leadership and global presence. Finally, the operational excellence is deeply rooted in our corporate culture, all this promoted by the reliability and efficiency.

ORGANIZATIONAL STRUCTURE

The Board of Directors is the highest governing body of Gestamp Automoción Group and it is a decision-making center for the management of the Company. The composition of the Board of Directors brings together, as a whole, the necessary knowledge, skills and experience to guarantee an adequate governance of the Company, in accordance with its activities, including its main risks, and ensuring effective capacity for independent and autonomous decision-making for the benefit of the Society.

There is also a Management Committee composed by the managers of the geographical Divisions, the managers of the Business Units, the Human Resources corporate director and the Legal corporate director.

On December 20th, 2017, the Group announced that the Board of Directors had approved the appointment of the Vice-President and CFO (Mr. Francisco López Peña) as the new CEO of the Company to become effective in 2018. As CEO he will assume the oversight of industrial operations within the Group, finance direction and other corporate duties.

Francisco J. Riberas will keep his functions as Executive Chairman. From this position he will focus on Strategy and Corporate Development, including key commercial relationships with Gestamp's customers. He will also enhance Corporate Governance and institutional representation of the Group.

MACROECONOMIC AND SECTOR EVOLUTION DURING 2017

Global economic growth during 2017 has been stronger than expected, with the second half of the year confirming the recovery path seen during the first half. Signs of recovery in the US have been confirmed during the second half of the year, adding to the solid performance of the Eurozone and Japan. Political developments in Europe and the ongoing negotiations on Brexit, have had a limited impact on growth during the year.

In this context, the evolution of the automotive sector has been positive. Global light vehicle production, according to IHS data as of January 2018, grew by 2.1% during 2017 compared to 2016. The growth in Gestamp's footprint stood at 1.7%, driven by strong market production in particular in Mercosur (+20.8%) and Eastern Europe (+6.9%).

Global OEM's have continued to focus on "CASE" (*Connectivity, Autonomous driving, Shared mobility and Electrification*), which supports the outsourcing of the components of a vehicle to global suppliers, such as Gestamp. OEM's are facing increasing capital needs to match new market requirements in relation to CASE, which generates more opportunities for key strategic suppliers. Whether a vehicle has an internal combustion engine or is electrically powered, Gestamp is well positioned to benefit from the current trends, as lightweight and safety will continue to be key for OEM's. During 2017, several OEM's have announced new electrified car models, including: (i) BMW's launch of 25 models by 2025 with an electrified drive system of which 12 are expected to be pure-electric, (ii) VW's strategy for electrification called 'Roadmap E', with 80 new electric vehicles by 2025. These model launches announced by OEM's are expected to lead to an increase in the levels of outsourcing to global suppliers, such as Gestamp.

In general, macroeconomic and auto sector conditions have been positive, driving growth globally. Mature and developing markets have each been influenced by their respective trends and dynamics. The aforementioned macro and auto trends provide a solid foundation and continue to reinforce Gestamp's vision, strategy and objectives.

Results for the full year 2017 were solid and ahead of guidance despite the operational project launch issues announced in September in North America, as well as the impact of foreign exchange rates.

FINANCIAL RESULTS OVERVIEW

Within this environment, the Company, at an individual level, continues to develop its financial activity in favor of the group, materializing the group's growth in new acquisitions as well as through the financing new investments by the granting loans and equity investments, through the raising of financing in the financial agents with which it operates

During fiscal year 2017, pre-tax income has improved substantially, reaching a figure of € 188,459 thousand, due to the notable improvement of dividend income item.

At the end of 2017, the company has a positive working capital fund of €1,086 million; moreover, the company has additional liquidity sources through the Revolving Credit Facility of € 280.0 million as part of its Senior Facilities with maturity in 2021 that are not currently being used, the company also maintains at December 31, 2016 availability in credit policies that together

amounts to €414 million. These credit lines are usually renewed annually, have no guarantees and have common clauses.

NON-FINANCIAL RESULTS OVERVIEW

The Company presents in the Management Report enclosed the Annual Accounts of the Consolidated Group, the statement of non-financial information.

CORPORATE GOVERNANCE

Rules

Gestamp's Corporate Governance is currently based on the following rules, all of which are available on our [website](#):

- Company Bylaws
- Regulations of the General Shareholders' Meeting
- Regulations of the Board of Directors, which include rules for the Audit Committee and the Nomination and Compensation Committee
- Code of Conduct
- Internal code of conduct in Securities Markets
- Certain corporate policies

The Corporate Governance rules were reviewed by the relevant authority upon the Initial Public Offering in April 2017 and since then are reviewed and updated from time to time. The contents are inspired and based on our commitment to the best practices in good corporate governance.

Governing bodies

Governing bodies that carry out differentiated strategy and oversight functions, and leadership and management functions:

- **The General Shareholders' Meeting:** this is the main way shareholders take part in Gestamp and its highest decision-making body. Through this body, its shareholders deliberate and decide through voting, subject to the majorities applicable by law or the by-laws, on the matters within their remit.
- **The Board of Directors:** this focuses its activity on the definition, oversight and follow-up of the policies, strategies and general guidelines that the Company and the companies of its consolidated group must follow. The Board of Directors comprises 12 members, of whom 5 are independent directors, 3 are proprietary, 2 are executive, and 2 are other external directors.
- **Committees of the Board of Directors:** to carry out its work, the Board of Directors has the support of specialized internal committees. In this regard, the Board of Directors has set up an Audit Committee and a Nomination and Compensation Committee, both comprising non-executive directors and chaired by an independent director.
- **The Management Committee:** this is responsible for the Group's organization and strategic coordination, by disseminating, implementing and monitoring the business strategy and guidelines.

Diversity in the Board of Directors

The composition and profiles of the members of Gestamp's Board of Directors are available on the Company's [website](#).

The selection and nomination of members is carried out according to Gestamp's Director Selection Policy as well as the Guidelines on the knowledge, skills and experiences of the Board of Directors. Both documents include criteria for promoting diversity in governance bodies. The Nomination and Compensation Committee is the body that, on an annual basis, shall conduct an assessment in which it explicitly takes into account the diversity of the representation of the members on the Board.

MAIN RISKS AND UNCERTAINTIES

Risk Management is an essential part of our corporate culture and principles. Gestamp has an Integral Risk Management System (IRMS) in place. It is defined as a process driven by the Board of Directors and Senior Management, which aim is to develop the organization's capacity to properly detect measure, control and mitigate the significant risks; but, as an integrated system, it is the responsibility of each and every member of the Group. It helps us to accomplish our general goals, enhance sustainability and increase the confidence of investors, consumers and society in general.

This IRMS, which Gestamp continued to develop and evolve in 2017, is based on the COSO ERM model (a detailed, systematic approach that allows us to identify events, assess, prioritize and respond to risks related to the accomplishment of our business goals), on the best practices defined in the Good Governance Code of Listed Companies and on the Technical Guide 3/2017 on Audit Committees at Public Interest Entities.

To facilitate and promote an effective, integrated and uniform management, the Group has established the Integrated Risk Management System Policy (henceforth, the "IRMS Policy"), which is applicable to all the companies belonging to the Group, and its scope includes all activities, processes, projects and lines of business, as well as all the geographic areas in which the Group operates.

The IRMS Policy was approved by the Gestamp Board of Directors and establishes the main principles, guidelines and general framework for systematically and uniformly detecting financial and non-financial risks (including environmental, social, labor-related and human rights-related risks, as well as those related to the fight against corruption and bribery), preventing them and mitigating any existing or potential negative effects; thereof, keeping them within the risk levels (tolerance) accepted by Gestamp in line with the due diligence procedures set forth in Royal Decree-Law 18/2017.

While the IRMS is a process that affects and involves all the Group's employees, the parties that are in charge of ensuring that it functions smoothly and their main duties are as follows:

The Specific Risk Owners, in charge of identifying, assessing and monitoring risks that pose a threat to achievement of their goals.

- The Risk Committees, which ensure that the risks are kept aligned with the accepted risk appetite and inform the Audit Committee.
- The Board of Directors and the Audit Committee, in their approval, monitoring and supervision of the IRMS.

- The Internal Audit and Risk Management Function, which provides support to the Audit Committee and coordinates the risk identification and assessment processes, in addition to coordinating the Risk Committees.

Information on the nature and level of risks arising from financial instruments is set out in note 20 of the accompanying report.

SUBSEQUENT EVENTS

No significant events have occurred subsequent to 2017 year-end.

FORESEABLE EVOLUTION OF THE COMPANY

For 2018, global economic growth is expected to confirm the pace gathered in 2017, which according to International Monetary Fund's January 2018 World Economic Outlook will stand at approximately 3.9%. The higher growth is expected to bring inflationary pressure, as first signs of price and wage increases appear, particularly in the United States.

With an improvement in economic activity, Gestamp expects a good performance in the automotive sector globally. According to IHS January 2018 data, global light vehicle production is expected to increase by 1.9% in 2018.

In a favorable environment, and on the back of the strong investments made in recent years in projects that will ramp up this year, Gestamp expects a positive performance of its operations in 2018. In line with the last few years, the Group expects solid revenue and income growth, well above that of the market, at constant FX. Although the level of global uncertainty remains high and there are latent geopolitical risks, Gestamp will continue to focus its efforts on improving the efficiency of its processes and adequate management of the large number of projects the Group is working on.

R&D ACTIVITIES

The Company, at an individual level, has not performed any R&D activity in the current year.

OPERATIONS WITH OWN SHARES

As at December 31, 2017 the Company had no treasury shares, and during the course of the year did not trade in its own shares.

OTHER RELEVANT INFORMATION

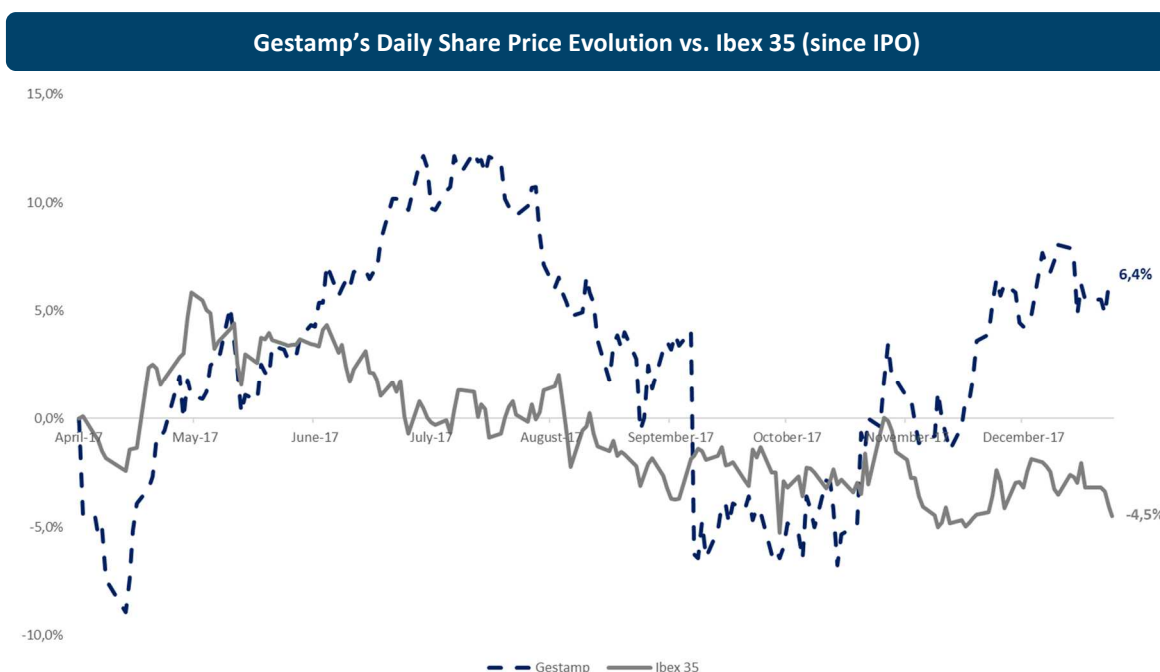
Stock Exchange Evolution

On April 7th, 2017, Gestamp made its debut as a publicly listed company on the Spanish stock exchanges (Madrid, Barcelona, Bilbao, and Valencia) under the "GEST" ticker. The final offering consisted of 156,588,438 shares (initial offering of 155,388,877 plus final over-allotment option of 1,199,561 shares corresponding to Greenshow of 23,308,331 shares). The price was set at €5.60 per share, representing an initial market capitalization of €3,222 million.

As of December 31st of 2017, the Company's total Free Float amounted to 28.73%. The remaining shareholding of 71.27% is controlled (directly and indirectly) by Acek Desarrollo y Gestión

Industrial S.L. (Acek, the Riberas Family industrial holding) being 58.745% owned by Acek and 12.525% by Mitsui.

Please see below for Gestamp's share price evolution since April 7th, 2017:



Source: Bloomberg

Gestamp's shares increased by +6.4% since IPO, implying a market capitalization of €3,428 million. Total volume traded during 2017 was 275m shares or €1,550.5m.

The shares hit a high for the year on July 17th 2017 (€6.29) and a low on April 18th 2017 (€5.10). Since IPO, our average share price has been €5.75.

The Group reported earnings per share of €0.42 in 2017. The most relevant information regarding the stock's evolution in 2017 is shown in the table below:

(€)	2017	2016*
Total Number of Shares	575.514.360	-
Share Price	5,96	-
Market Cap. (in Thousands)	3.428	-
Maximum Price in 2017	6,29	-
Date of Max. Price	17/07/2017	-
Minimum Price in 2017	5,10	-
Date of Min. Price	18/04/2017	-
Average Price in 2017	5,75	-
Total Volume (in Shares)	231.549.084	-
Average of Daily Volume Traded (in Shares)	1.244.888	-
Total Turnover (in Millions)	1.321,08	-
Average of Turnover Traded (in Thousands)	7.102,58	-

* The Company was listed on April 7th, 2017. There is no information regarding 2016.

Dividend policy

In 2017 the Company maintained its policy to distribute dividends corresponding to 30% Consolidated Profit Attributable to Equity holders of the Company.

Average period for payment to suppliers

The internal processes and payment policy terms of the Spanish companies of the Group comply with the legal provision of the Law 15/2010, which establishes actions against late payment in commercial transactions. As a result, the contractual conditions in the year 2017 with commercial suppliers for parts manufactured in Spain have included periods of payment equal to or less than 60 days in 2017 and in 2016, according to the second transitory legal provision of the Law. (Refer to Note 34).

For efficiency reasons and in line with common standards, the Spanish subsidiaries of the Group have in place a schedule for payments to suppliers, under which payments are made on fixed days, and twice a month in the case of the larger entities.

In general terms, during the fiscal periods 2017 and 2016, payments, for contracts agreed after the entry into force the Law 15/2010 made by Spanish entities to suppliers have not exceeded the legal limits of payment terms. Payments to Spanish suppliers which have exceeded the legal deadline for years 2017 and 2016 have been negligible in quantitative terms and are derived from circumstances or incidents beyond the established payment policy, which primarily include the closing of agreements with suppliers at the delivery of goods or provision of services or handling specific processes.

Additionally, as of December 31, 2017 and 2016 there were no outstanding amounts to suppliers located in Spanish territory that exceeded the legal term of payment.

MODEL ANNEX I

**ANNUAL CORPORATE GOVERNANCE REPORT OF
LISTED COMPANIES**

IDENTIFICATION DETAILS OF THE

END OF REPORTING PERIOD 31/12/2017

Tax Identification Code. A48943864

Registered Name:
GESTAMP AUTOMOCIÓN, S.A.

Registered Address:
Polígono Industrial de Lebario, s/n, Abadiano, 48220, Bizkaia

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

A OWNERSHIP STRUCTURE

A.1 Complete the following table about the share capital of the company:

Date of last change	Share capital (€)	Number of shares	Number of voting rights
03/03/2017	287,757,180	575,514,360	575,514,360

State whether or not there are different classes of shares with different associated rights:

Yes No

Category	Number of shares	Nominal value per share	Number of voting rights per share	Different rights

A.2 Provide a breakdown of the direct and indirect holders of significant shareholdings in your company as of the end of the financial year, excluding directors:

Individual or company name of the director company name of the shareholder	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct holder of the interest	Number of voting rights	
Acek Desarrollo y Gestión Industrial, S.L.	121,842,522	Gestamp 2020, S.L.	288,332,760	71.27

State the most significant changes in the shareholding structure that have occurred during the financial year:

Individual or company name of shareholder	Date of transaction	Description of transaction

A.3 Complete the following tables about members of the board of directors of the company who have voting rights attached to the shares of the company:

Individual or company name of the director company name	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct holder of the interest	Number of voting rights	

of the director				
Mr. Francisco López Peña	804,885		0	0.14
Mr. Javier Rodríguez Pellitero	11,000		0	0.00
Mr. Alberto Rodríguez-Fraile Díaz	33,458		0	0.01
Total percentage of voting rights held by the board of directors				0.15

Complete the following tables about members of the board of directors of the company who have rights attached shares of the company:

Individual or company name of director	Number of direct rights	Indirect rights		Number of equivalent shares	% of total voting rights
		Direct holder	Number of voting rights		

A.4 State, if applicable, the family, commercial, contractual, or corporate relationships between significant shareholders, to the extent known to the company, unless they are immaterial or result from the ordinary course of business:

Related individual or company name	Type of relationship	Brief description

A.5 State, if applicable, the commercial, contractual, or corporate relationships between significant shareholders and the company and/or its group, unless they are immaterial or result from the ordinary course of business:

Related individual or company name	Type of relationship	Brief description
Acek Desarrollo y Gestión Industrial, S.L. Gestamp Automoción, S.A.	Contractual	Gestamp Automoción, S.A. (the "Company") and companies belonging to its group, of which the Company is the parent entity, (hereinafter referred to as the "Group"), have a commercial, contractual or corporate relationship with a significant

		<p>shareholder or companies belonging to its group, which results from the ordinary course of business undertaken under market conditions.</p> <p>The relationship referred to is described in section D of this Annual Corporate Governance Report.</p>
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A.6 State whether any private shareholders' agreements (*pactos parasociales*) affecting the company pursuant to the provisions of Articles 530 and 531 of the Companies Act (*Ley de Sociedades de Capital*) have been reported to the company. If so, briefly describe them and list the shareholders bound by the agreement:

Yes No

Participants in the private shareholders' agreement	% of share capital affected	Brief description of the agreement
Acek Desarrollo y Gestión Industrial, S.L. Mitsui & Co., Ltd Gestamp 2020, S.L.	71.27	This private shareholders' agreement was formalised on 23 December 2016 and it was reported by virtue of a Significant Event on 7 April 2017 (Record No. 250532). It regulates, among other aspects, corporate governance matters relating to the General Shareholders' Meeting and the Board of Directors of both Gestamp 2020, S.L., and the Company, as well as the transmission regime of shares of the Company. For further information, see note included in Section H.
Mr. Francisco José Riberas Mera Halekulani S.L. Mr. Juan María Riberas Mera Ion-Ion, S.L. Acek Desarrollo Y Gestión Industrial S.L.	71.27	This protocol was formalised on 21 March 2017 and it was reported by virtue of a Significant Event on 7 April 2017 (Record No. 250503). It regulates specific aspects relating to the ownership and management of the Acek group (business group comprising Acek Desarrollo y Gestión Industrial, S.L., and its subsidiaries, which include the Company and Gestamp 2020, S.L.). In particular, the protocol regulates the procedure for deciding the direction of the vote of Acek

		Desarrollo y Gestión Industrial, S.L., with respect to the agreements adopted in the General Shareholders' Meeting of the Company and of Gestamp 2020, S.L., the first refusal and tag along rights regarding shares of Acek Desarrollo y Gestión Industrial, S.L., and the regime to solve deadlock situations that could affect the Company. For further information, see note included in Section H.
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State if the company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

Yes No

Participants in concerted action	% of share capital affected	Brief description of the concerted action

Expressly state whether or not any of such agreements, arrangements or concerted actions have been modified or terminated during the financial year:

Not applicable.

A.7 State whether there is any individual or legal entity that exercises or may exercise control over the company pursuant to section 5 of the Securities Market Act (*Ley del Mercado de Valores*). If so, identify it:

Yes No

Individual or company name
Acek Desarrollo y Gestión Industrial, S.L.

Observations
<p>Acek Desarrollo y Gestión Industrial, S.L., controls and has a 75% participation in the capital of Gestamp 2020, S.L. It is also the holder of 50.10% of the share capital and voting rights of Gestamp Automoción, S.A. Furthermore, Acek Desarrollo y Gestión Industrial, S.L., holds a 21.171% direct share in the capital of Gestamp Automoción, S.A. Therefore, Acek Desarrollo y Gestión Industrial, S.L., controls 71.271% of the voting rights of the Company.</p> <p>The Riberas family has control of Acek Desarrollo y Gestión Industrial, S.L., given that it is the indirect holder of the entire social capital through the companies Halekulani, S.L., and Ion-Ion, S.L. At present, Mr. Francisco José Riberas has control of Halekulani, S.L., and Mr. Juan María Riberas has control of Ion-Ion, S.L. The management body of Acek Desarrollo y Gestión Industrial, S.L., comprises two joint directors: Halekulani, S.L., (represented by Mr. Francisco José Riberas) and Ion-Ion, S.L., (represented by Mr. Juan María Riberas).</p>

A.8 Complete the following tables about the company's treasury shares:

As of year-end:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
0	0	0

(*) Through:

Individual or company name of direct holder of the interest	Number of direct shares
Total :	

Explain any significant changes, pursuant to the provisions of Royal Decree 1362/2007, that have occurred during the financial year:

Explain any significant changes

A.9 Describe the conditions and duration of the powers currently in force given by the shareholders to the board of directors in order to issue, repurchase or transfer own shares of the company:

The Company's General Shareholders' Meeting, held on 3 March 2017, agreed, under point nine of the agenda, to authorise the Company's Board of Directors to acquire treasury shares subject to the following conditions:

- The acquisitions shall be undertaken by the Company itself or through subsidiary companies.
- The acquisitions shall be undertaken through purchases, swaps, dation in payment or through any other legally valid transaction.
- The maximum number of own shares shall not exceed that legally established.
- The minimum price shall be the nominal value.
- The maximum price shall be the market value on the date of the acquisition, increased by 10%.
- The authorisation is granted for a maximum term of 5 years starting from the date the agreement is adopted.

A.9 bis Estimated free-float:

	change
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Estimated free-float:	28.58
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A.10 State whether there are any restrictions on the transfer of securities and/or any restrictions on voting rights. In particular, disclose the existence of any restrictions that might hinder a takeover of the company through the acquisition of its shares in the market.

Yes No

As stated in Section A.6 of this Annual Corporate Governance Report, Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd and Gestamp, 2020, S.L., formalised an agreement on 23 December 2016, which governs, among other aspects, the transmission regime of the shares of the Company, owned by the shareholders who formalised said agreement. In this regard, this transmission regime could hinder a takeover of the Company through the acquisition of its shares in the market. For further information see the Significant Event of 7 April 2017 (Record No. 250532).

Similarly, as stated in the aforementioned section, Mr. Francisco José Riberas Mera, Halekulani, S.L., Mr. Juan María Riberas Mera, Ion Ion, S.L., and Acek Desarrollo y Gestión Industrial, S.L., formalised a protocol on 21 March 2017, which governs, among other aspects, the procedure for deciding the direction of the vote of Acek Desarrollo y Gestión Industrial, S.L. in the Company. In this regard, the procedure for deciding the direction of the vote could hinder a takeover of the Company through the acquisition of its shares in the market. For further information, see the Significant Event of 7 April 2017 (Record No. 250503).

A.11 State whether or not the shareholders acting at a general shareholders' meeting have approved the adoption of breakthrough measures in the event of a takeover bid pursuant to the provisions of Law 6/2007.

Yes No

If applicable, explain the approved measures and the terms on which the restrictions will become ineffective.

A.12 State whether or not the company has issued securities that are not traded on a regulated market within the European Community.

Yes No

If applicable, specify the different classes of shares, if any, and the rights and obligations attached to each class of shares.

The Company has issued promissory notes that are traded on the Alternative Fixed-Income Market (MARF).

Similarly, the Company, through the wholly-owned company, Gestamp Funding Luxembourg, S.A., has issued senior notes that are traded on the Luxembourg Stock Exchange's Euro MTF market.

For further information relating to these debt instruments, go to the website of the markets referred to: www.bmerf.es and www.bourse.lu, respectively.

B GENERAL SHAREHOLDERS' MEETING

B.1 State and, if applicable, describe whether or not there are differences with the minimum requirements set out in the Companies Act (LSC) regarding the quorum needed to hold a general shareholders' meeting.

Yes No

	Quorum % different from that established in Article 193 of the Companies Act for general circumstances	Quorum % different from that established in Article 194 of the Companies Act for special circumstances
Required quorum upon 1st call		
Required quorum upon 2nd call		

Description of the differences

B.2 State and, if applicable, describe any differences from the rules set out in the Companies Act for the adoption of corporate resolutions:

Yes No

Describe how they differ from the rules provided by the Companies Act.

	Qualified majority other than that established in Article 201.2 of the Companies Act for the cases set forth in Article 194.1 of the Companies Act	Other instances in which a qualified majority is required
% established by the entity for the adoption of resolutions		
Describe the differences		

B.3 State the rules applicable to the amendment of the by-laws of the company. In

particular, disclose the majorities provided for amending the by-laws, and any rules provided for the protection of the rights of the shareholders in the amendment of the by-laws.

The By-laws of the Company do not establish different or additional rules to those set out by law for the amendment of by-laws.

In this regard, according to the provisions under Article 13.3 of the Company's By-laws, in order for the General Shareholders' Meeting to validly agree any by-law amendment, the following shall be required: on first call, the absolute majority of shareholders present, either in person or by proxy, provided they hold at least fifty percent of the subscribed share capital with voting rights; and, on second call, the favourable vote of two thirds of shareholders present, either in person or by proxy, at the General Shareholders' Meeting, when there are shareholders representing twenty-five percent or more of the subscribed share capital with voting rights, without reaching fifty percent.

B.4 State the data on attendance at the general shareholders' meetings held during the financial year referred to in this report and those of the prior financial year:

Date of general shareholders' meeting	Attendance data				Total
	% of shareholders present in person	% of shareholders represented by proxy	% absentee voting		
			Electronic voting	Others	
22/03/2017	98.48	1.52	0	0	100
03/03/2017	98.48	1.52	0	0	100
13/12/2016	98.48	1.52	0	0	100
27/06/2016	100	0	0	0	100
10/06/2016	100	0	0	0	100
29/04/2016	100	0	0	0	100
01/02/2016	100	0	0	0	100

B.5 State whether or not there are any by-law restrictions requiring a minimum number of shares to attend the general shareholders' meeting:

Yes No

Number of shares required to attend the general shareholders'	
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B.6 Section eliminated.

B.7 State the address and method for accessing the company's website to access information regarding corporate governance and other information regarding general shareholders' meetings that must be made available to the shareholders through the Company's website.

On the Company's website (www.gestamp.com), there is a Corporate Governance section, which can be accessed from the home page via the "Investors and Shareholders" section. In this section on Corporate Governance, information on the

Company's corporate texts, the Shareholders' Meeting and on the Board of Directors, among other contents, can be accessed.

This section of “Corporate Governance” is accessible in two clicks from the home page.

C STRUCTURE OF THE COMPANY’S MANAGEMENT

C.1 Board of directors

C.1.1 Maximum and minimum number of directors set out in the by-laws:

Maximum number of directors	15
Minimum number of directors	9

C.1.2 Complete the following table identifying the members of the board:

Individual or company name of the director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
Mr. Francisco José Riberas Mera		Executive	Executive Chairman and CEO	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement
Mr. Francisco López Peña		Executive	Member	05/03/2010	24/03/2017	General Shareholders' Meeting Agreement
Mr. Juan María Riberas Mera		Proprietary	Vice-President	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement
Mr. Noboru Katsu		Proprietary	Member	23/12/2016	24/03/2017	General Shareholders' Meeting Agreement
Mr. Tomofumi Osaki		Proprietary	Member	23/12/2016	24/03/2017	General Shareholders' Meeting Agreement

Mr. Alberto Rodríguez-Fraile Díaz		Coordinating Independent Director	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Mr. Javier Rodríguez Pellitero		Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Mr. Pedro Sainz de Baranda Riva		Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Ms. Ana García Fau		Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Mr. César Cernuda Rego		Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Mr. Geert Maurice Van Poelvoorde		Other external directors	Member	29/06/2015	24/03/2017	General Shareholders' Meeting Agreement
Mr. Gonzalo Urquijo Fernández de Araoz		Other external directors	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement

Total number of directors	12
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State the vacancies on the board of directors during the reporting period:

Individual or company name of director	Class of director at time of vacancy	Date of vacancy

C.1.3 Complete the following tables about the members of the board and each member's status:

EXECUTIVE DIRECTORS

Individual or company name of director	Position within the company's structure
Mr. Francisco José Riberas Mera	Executive Chairman of the Board of

	Directors
Mr. Francisco López Peña	Member of the Board of Directors, Vice-President and CFO

Total number of executive directors	2
Total % of the board	16.67%

EXTERNAL PROPRIETARY DIRECTORS

Individual or company name of director	Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.
Mr. Noboru Katsu	Acek Desarrollo y Gestión Industrial, S.L.
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.

Total number of proprietary directors	3
Total % of the board	25%

EXTERNAL INDEPENDENT DIRECTORS

Individual or company name of director	Profile
Mr. Alberto Rodríguez-Fraile Díaz	<p>He holds a Degree in Business Administration from the University of Miami and participated in the PADE programme (<i>Senior Business Management</i>) at the IESE Business School of Madrid. He also has certifications from the Securities Exchange Commission and the National Association of Securities Dealers, such as: Registered Options Principal, Financial and Operation Principal, Securities Principal.</p> <p>Over the last 30 years he has worked for Asesores y Gestores Financieros, a company of which he is a founding partner, shareholder and the Chairman of its Board of Directors. Furthermore, he is a member of the management body of the companies of the A&G Group. He started his professional career as a financial</p>

	consultant at Merrill Lynch.
Mr. Javier Rodríguez Pellitero	<p>He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid.</p> <p>He is Secretary General of the Spanish Banking Association (AEB). He is also the Chairman of the Fiscal and the Legal Committee of the AEB, member of the Legal Committee of the European Banking Federation and member of the Consultation Committee of the National Securities Market Commission (CNMV). He started his professional career at the law firm Uría & Menéndez and was subsequently a Head State Lawyer in Zamora. At the CNMV, he held several important positions, such as Managing Director of Legal Services and Secretary of the Board. He also acted as Secretary of the Special Work Group that produced the 2006 Unified Code of Good Governance for Listed Companies. He was also a member of the Commission of Experts that produced the 2015 Code of Good Governance for Listed Companies. Furthermore, he is a Director of GDF Energía España.</p>
Mr. Pedro Sainz de Baranda Riva	<p>He holds a Degree in Mine Engineering from the University of Oviedo and a PhD in Engineering from Rutgers University in New Jersey. He also holds a Master's Degree in Business Administration from the MIT, Sloan School of Management, Massachusetts.</p> <p>He is currently the founding partner of the investment company, Sainberg Investments. A large part of his professional career was undertaken at the United Technologies Corporation Group, where he held different managerial positions with an international scope. He started as an R&D engineer at United Technologies, Connecticut, and later became the General Manager of Engineering and of New Technologies. He was the General Manager of New Installations at Otis Elevator in Mexico, Managing Director of Otis in Portugal, CEO of Zardoya Otis and Chairman of the Southern Europe and Middle East area at Otis Elevator Company and, finally, Executive Chairman of the Otis Elevator Company group.</p> <p>He is member of the following Board of</p>

	<p>Directors: Mecalux, Zardoya Otis and Social Board of Carlos III University of Madrid. In the past, he formed part of the management bodies of certain companies belonging to the Zardoya Otis Group.</p>
Ms. Ana García Fau	<p>She holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid. She also holds a Master's Degree in Business Administration from the MIT, Sloan School of Management, Massachusetts.</p> <p>She currently forms part of the following Board of Directors: Renovalia, Technicolor, Eutelsat Communications and Merlin Properties, DLA Piper and Globalvia. She started her professional career working at McKinsey & Company for Wolff Olins and Goldman Sach. At TPI- Páginas Amarillas (Telefónica Group) she was Head of Planning, Managing Director of the Corporate Development area and subsequently a Finance Director. She formed part of the Boards of Directors of different companies under the TPI Group. In the Hibu Group (formally Yell) she held different managerial positions, such as Chief Executive of Yell for business in Spain and Latin America for 7 years, and as Global Managing Director of Business Strategy and Development, as well as being a member of its International Management Committee. She was also Manager of the company, Cape Harbour Advisors.</p>
Mr. César Cernuda Rego	<p>He holds a Degree in Business Administration and Marketing from the ESIC University, Business & Marketing School, Madrid. Furthermore, he participated in the Managerial Development Programme (<i>PDD</i>) at the IESE Business School in Madrid, as well as in the Executive Leadership programme at Harvard University, Massachusetts.</p> <p>He is currently the Chairman of Microsoft Latin America and Vice-chairman of Microsoft Corporation. He started his professional career in the banking sector at Banco 21 (Banco Gallego) and subsequently worked at Software AG. Over the last 20 years he has held different managerial positions on an international level for Microsoft. These positions include being Managing Director of Microsoft Business Solutions in Europe, the Middle</p>

	East and Africa; Global Vice-chairman of Microsoft Business Solutions; Vice-chairman of Sales, Marketing and Services at Microsoft Latin America, and Chairman of Microsoft for Asia-Pacific. He is currently a member of the Board of Directors of the Americas Society/Council of the Americas, as well as of the Trust of the Americas, representing Microsoft.
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Total number of independent directors	5
Total % of the board	41.67%

State whether or not any director classified as independent receives from the company or its group any amount or benefit for items other than director remuneration, or maintains or has maintained during the last financial year a business relationship with the company or with any company of its group, whether in the director's own name or as a significant shareholder, director or senior officer of an entity that maintains or has maintained such relationship.

If applicable, include a reasoned statement of the director regarding the reasons for which it is believed that such director can carry out the duties thereof as an independent director.

Individual or company name of director	Description of the relationship	Reasoned statement

Not Applicable.

OTHER EXTERNAL DIRECTORS

Identify the other external directors and describe the reasons why they cannot be considered proprietary or independent directors as well as their ties, whether with the company, its management or its shareholders:

Individual or company name of director	Reasons	Company, officer or shareholder with which the director has ties
Mr. Geert Maurice Van Poelvoorde	In recent years, he has had a significant business relationship with the Company, Companies of its Group or with companies of the group of its significant shareholder as director and senior manager of an entity that is part of this relationship.	ArcelorMittal, S.A.
Mr. Gonzalo Urquijo Fernández de Aroz	He was a director of the Company for a continuous period of over 12 years.	Gestamp Automoción, S.A.

Total number of other external directors	2
Total % of the board	16.67%

State the changes, if any, in the class of each director during the period:

Individual or company name of director	Date of change	Former class	Current class

C.1.4 Complete the following table with information regarding the number of female directors for the last 4 financial years, as well as the status of such directors:

	Number of female directors				% of total directors of each class			
	Year t	Year t-1	Year t-2	Year t-3	Year t	Year t-1	Year t-2	Year t-3
Executive	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Proprietary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Independent	1	0	0	0	8.33	0	0	0
Other external	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

C.1.5 Explain any measures adopted, where applicable, to seek to include on the board of directors a number of women that allows for a balanced presence of men and women.

Article 7 of the Regulations of the Board establishes that the Board of Directors shall approve a director selection policy that favours knowledge, experience and gender diversity. Said policy was approved by the Board of Directors, on the proposal of the Nomination and Compensation Committee, in a meeting held on 14 December 2017. It sets out, among other aspects, the following inspirational principles that shall govern the director selection process:

- Equal treatment and transparency: The Board of Directors Selection Policy shall ensure a transparent director selection system that is not implicitly biased, providing the same opportunities to all qualified candidates.
- Diversity. The Board of Directors Selection Policy shall favour experience, knowledge and gender diversity.

Furthermore, the Board of Directors Selection Policy establishes that the Board of Directors shall ensure that the selection procedures of the members of the Board of Directors favour gender, experience and knowledge diversity, and that they entail no implicit biases that could involve any type of discrimination. In this respect, the policy states that the selection of possible directors shall be based on an analysis of the duties and the skills required to adequately meet the diversity profile of the Board of Directors, among other profiles.

The Company started trading on the market in April 2017 and, in this short period of time, no vacancies have opened up on the Board of Directors and it has not been deemed necessary to increase the number of its members. As such, undertaking a selection process of which the aforementioned measures or new measures that favour a balanced presence of men and women has not been necessary.

- C.1.6 Explain any measures, if appropriate, approved by the appointments committee in order for selection procedures to be free of any implied bias that hinders the selection of female directors, and in order for the company to deliberately search for women who meet the professional profile that is sought and include them among potential candidates:

As set out in Section C.1.5. of the Board of Directors Selection Policy, which was approved, on the proposal of the Nomination and Compensation Committee, by the Company's Board of Directors in a meeting held on 14 December 2017, equal treatment and diversity shall be inspirational principles of director selection processes. The policy establishes that the selection process of possible directors shall be based on an analysis of the duties and the skills required to adequately meet the diversity profile of the Board of Directors, among other profiles, based on that set out in the Knowledge, Skills, Diversity and Experience Guide of the Board of Directors. The guide was approved by the Board of Directors, on the proposal of the Nomination and Compensation Committee, in said meeting and it contains the main criteria that were followed, and that will be followed while no amendments are made, in designing the composition of the current Board of Directors.

Some of the stand-out principles include favouring the selection of candidates and the re-election of directors, who have the necessary knowledge and experience, favouring diversity and preventing discrimination on the grounds, among others, of gender.

Furthermore, pursuant to the provisions under Article 41 of the Regulations of the Board of Directors, the duties of the Nomination and Compensation Committee include informing the Board of Directors on matters of gender diversity, establishing a target of representation for the least represented sex on the Board of Directors and drafting guidelines on how to achieve said target. Given that the Company went public in April 2017, the Committee has had no reason to establish representation target for the least represented sex. However, it has set the objective to undertake this task in the next financial year.

If there are few or no female directors despite any measures adopted, if applicable, describe the reasons why:

Given the short period of time between the admission of the Company to trade its shares and the end of the 2017 financial year, a representation target of the least represented sex has not been set. Furthermore, as from the date in which the management body of the Company was formed, no vacancy has opened up on the Board of Directors that has given rise to the application of the Board of Directors Selection Policy.

- C.1.6.bis Explain the conclusions of the appointments committee regarding

verification of compliance with the director selection policy. In particular, explain how said policy is fostering the goal that the number of female directors represents at least 30% of all members of the board of directors by 2020.

The Board of Directors Selection Policy was approved by the Board of Directors on 14 December 2017. As a year had not elapsed since its approval and no vacancy had opened up that gave rise to its application, the Nomination and Compensation Committee has not had the opportunity to verify compliance with said policy. However, the Nomination and Compensation Committee envisages verifying its compliance during the forthcoming financial years.

C.1.7 Explain the form of representation on the board of shareholders with significant holdings.

As set out in Section C.1.3. of this Annual Corporate Governance Report, the proprietary directors of the Company represent Acek Desarrollo y Gestión Industrial, S.L., a shareholder with 71.271% of the share capital of the Company.

Notwithstanding the foregoing, it is hereby stated that the appointments of Mr. Noboru Katsu and Mr. Tomofumi Osaki were proposed by Mitsui & Co. Ltd., to Acek Desarrollo y Gestión Industrial, S.L., pursuant to the provisions in the agreement between shareholders formalised between Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd., and Gestamp 2020, S.L.

C.1.8 Explain, if applicable, the reasons why proprietary directors have been appointed at the proposal of shareholders whose shareholding interest is less than 3% of share capital:

Individual or company name of shareholder	Reason

State if there has been no answer to formal petitions for presence on the board received from shareholders whose shareholding interest is equal to or greater than that of others at whose proposal proprietary directors have been appointed. If so, describe the reasons why such petitions have not been answered:

Yes No

Individual or company name of shareholder	Explanation

C.1.9 State if any director has withdrawn from his or her position before the expiration of the director's term of office and if the director has given reasons to the board and by what means, and in the event that the director gave reasons in writing, describe at least the reasons given:

Name of director	Reason for withdrawal

C.1.10 State, if applicable, any powers delegated to the managing director(s):

Individual or company name of director	Brief description
Mr. Francisco José Riberas Mera	In a meeting held on 3 March 2017, the Board of Directors of the Company appointed Mr. Francisco José Riberas Mera as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, but excluding powers that could not be delegated by law or under the By-laws.

C.1.11 Identify, if applicable, the members of the board who are directors or officers of other companies that form part of the listed company's group:

Individual or company name of director	Name of entity within the group	Position	Does he/she have executive duties?
Mr. Francisco José Riberas Mera.	Adral Matricería y Puesta a Punto, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering Deutschland GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D, UK Limited	Chairman	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering, AIE	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Erandio, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Vice-President	NO
Mr. Francisco José Riberas Mera.	CP Projects limited	Board Member	YES
Mr. Francisco José Riberas Mera.	Die de Die Development, S.L.	Representative (natural person) of Sole Director (legal person).	YES
Mr. Francisco José	Edscha Automotive	Chairman	YES

Riberas Mera.	Components (Kunshan) Co., Ltd		
Mr. Francisco José Riberas Mera.	Edscha Automotive Hauzenberg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Hengersberg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Italia, S.R.L	Chairman	NO
Mr. Francisco José Riberas Mera.	Edscha Automotive Kamenice, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Michigan, INC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive SLP, S.A.P.I. DE C.V.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Briey, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Burgos, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Edscha Engineering France, S.A.S	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Engineering, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hauzenberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hengersberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Holding, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hradec, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Kunststofftechnik, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Santander, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Edscha Velky Meder, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp 2008, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Finance	Joint and	YES

Riberas Mera.	Slovakia, S.R.O.	Several Director	
Mr. Francisco José Riberas Mera.	Almussafes Mantenimiento de Troqueles, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Palau, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Automotive Sanand, Private Limited	Board Member	NO
Mr. Francisco José Riberas Mera.	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Francisco José Riberas Mera.	Gestamp Holding Mexico, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding Argentina, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Dongguan, Co. Ltd	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Kunshan, Co. Ltd	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Abrera, S.A.	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Aguas calientes, S.A. de C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Alabama, LLC	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Aragón, S.A.	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Aveiro-Industria e accesorios de Automoveis, S.A.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Bizkaia, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Cartera de Mexico, S.A. de C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga, LLC	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Esmar, S.A.	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Finance Slovakia, s.r.o.	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Galvanizados, S.A.	Representative (natural person)	YES

		person) of sole director (legal person)	
Mr. Francisco José Riberas Mera.	Gestamp Global Tooling, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Griwe Haynrode, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Griwe Westerburg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Hardtech, Ab	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding China, Ab	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding Rusia, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hungária Kft	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Ingeniería Europa Sur, S.L.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Kartek Corp.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Levante, S.A.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Linares, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Louny S.R.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Manufacturing Autochasis, S.L	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Mason, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metallbages, S.A.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Mexicana De Servicios Laborales, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Mexicana De Servicios Laborales II, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Navarra, S.A.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp North America, Inc.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp North Europe Services, S.L.	Representative (natural person) of sole	YES

		director (legal person)	
Mr. Francisco José Riberas Mera.	Gestamp Noury S.A.S	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Palencia, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Polska Sp. Z. O. O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Puebla II, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Puebla S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Ronchamp, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Services India Private Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Servicios Laborales De Toluca S.A. De C.V	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Servicios, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Barcelona, S.A.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Navarra, S.L.U	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp South Carolina, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Automotive Chennai Private Limited	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Sweden, A.B.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Tech, S.L.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Toledo, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Toluca S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Tool Hardening, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Services, A.I.E.	Representative (natural person)	YES

		person) of Managing Director/Chair man (legal person)	
Mr. Francisco José Riberas Mera.	Gestamp Vendas Novas Unipessoal, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Vigo, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Washington Uk Limited	Managing Director/Chair man	YES
Mr. Francisco José Riberas Mera.	Gestamp West Virginia, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Automotive Chassis Products Uk Limited	Managing Director/Chair man	YES
Mr. Francisco José Riberas Mera.	Gestamp Metal Forming (Wuhan) Ltd.	Managing Director/Chair man	YES
Mr. Francisco José Riberas Mera.	Gestamp Prisma, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Tallent Limited	Managing Director/Chair man	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Şasi Otomotiv	Vice-President	NO
Mr. Francisco José Riberas Mera.	Gestamp Wrocław Sp.Z.O.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Sofedit S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Ingeniería Global Metalbages, S.A.U	Sole Director	YES
Mr. Francisco José Riberas Mera.	Loire, Safe	Representative (natural person) of Managing Director/Chair man (legal person)	YES
Mr. Francisco José Riberas Mera.	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco José Riberas Mera.	Çelik Form Gestamp Otomotiv, A.S.	Vice-President	NO
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Teknoloji Ve Kalip Sanayi Anonim Şirketi	Board Member	NO
Mr. Francisco José Riberas Mera.	Matricería Deusto, S.L	Representative (natural person) of	YES

		Managing Director/Chairman (legal person)	
Mr. Francisco José Riberas Mera.	Metalbages Aragón P21, S.L.U.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Mexicana De Servicios Laborales S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Societe Civile Immobilière De Tournan	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Pune Automotive Private Limited	Chairman	NO
Mr. Francisco José Riberas Mera.	Todlem, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Try Out Services, S.L	Representative (natural person) of Managing Director/Chairman (legal person)	YES
Mr. Francisco José Riberas Mera.	Mursolar 21, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp 2017, S.L.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Technology Institute, S.L.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Engineering Deutschland GmbH	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Umformtechnik GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga II, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D USA, Inc.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Slp, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Edscha Automotive Slp Servicios Laborales, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Wuhan) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components	Chairman	YES

	(Chongqing) Co., Ltd.		
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Shenyang) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Tianjin) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Nitra, S.R.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp San Luis Potosí, S.A.P.I. De C.V	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Washtenaw, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering (Shanghai) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hot Stamping Japan Co. Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp (China) Holding Co., Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autotech Japan K.K	Sole administrator	YES
Mr. Francisco López Peña.	Autotech Engineering, Aie	Secretary	NO
Mr. Francisco López Peña.	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Board Member	NO
Mr. Francisco López Peña.	Edscha Automotive Hauzenberg, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Automotive Hengersberg, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Automotive Italia, S.R.L	Board Member	NO
Mr. Francisco López Peña.	Edscha Automotive Kamenice, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Engineering France, S.A.S	Board Member	YES
Mr. Francisco López Peña.	Edscha Engineering, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Hauzenberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Hengersberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Holding, GmbH	Joint and Several	YES

		Director	
Mr. Francisco López Peña.	Edscha Hradec, S.R.O.	Joint and Several Director	NO
Mr. Francisco López Peña.	Edscha Kunststofftechnik, Gmbh	Joint and Several Director	YES
Mr. Francisco López Peña.	Edscha Velky Meder, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña.	Gestamp 2008, S.L.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Finance Slovakia, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña.	Gestamp Automotive Sanand, Private Limited	Board Member	NO
Mr. Francisco López Peña.	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Francisco López Peña.	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Francisco López Peña.	Gestamp Autocomponents Dongguan, Co. Ltd	Board Member	NO
Mr. Francisco López Peña.	Gestamp Autocomponents Kunshan, Co. Ltd	Board Member	NO
Mr. Francisco López Peña.	Gestamp Auto Components (Shenyang) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Auto Components (Tianjin) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Aguas calientes, S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Aveiro-Industria E Acessorios De Automoveis, S.A.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Cartera De Mexico, S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Cerveira, Lda	Board Member	NO
Mr. Francisco López Peña.	Gestamp Holding China, Ab	Board Member	NO
Mr. Francisco López Peña.	Gestamp Holding Rusia, S.L.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Kartek Corp.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Mexicana De Servicios Laborales, S.A. De C.V.	Vice-President	NO

Mr. Francisco López Peña.	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco López Peña.	Çelik Form Gestamp Otomotiv, A.S.	Board Member	NO
Mr. Francisco López Peña.	Beyçelik Gestamp Teknoloji Ve Kalip Sanayi Anonim Şirketi	Board Member	NO
Mr. Francisco López Peña.	Gestamp Mexicana De Servicios Laborales II, S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp North America, Inc.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Puebla II, S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Puebla S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Servicios Laborales De Toluca S.A. De C.V	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Automotive Chennai Private Limited	Board Member	NO
Mr. Francisco López Peña.	Gestamp Toluca S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Vendas Novas Unipessoal, Lda	Board Member	NO
Mr. Francisco López Peña.	Gestamp Metal Forming (Wuhan) Ltd.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Tallent Limited	Board Member	NO
Mr. Francisco López Peña.	Gestamp Umformtechnik GmbH	Joint and Several Director	NO
Mr. Francisco López Peña.	GMF Holding GmbH	Joint and Several Director	YES
Mr. Francisco López Peña.	Beyçelik Gestamp Şasi Otomotiv	Board Member	NO
Mr. Francisco López Peña.	Mexicana De Servicios Laborales S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Todlem, S.L	Board Member	NO
Mr. Francisco López Peña.	Mursolar 21, S.L	Board Member	NO
Mr. Francisco López Peña.	Gestamp Auto Components (Wuhan) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Auto Components (Chongqing) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña.	Gestamp San Luis Potosí, S.A.P.I. De C.V	Vice-President	NO
Mr. Francisco López Peña.	Gestamp San Luis	Vice-President	NO

Peña.	Potosí Servicios Laborales, S.A.P.I. De C.V.		
Mr. Francisco López Peña.	Gestamp Hot Stamping Japan Co. Ltd.	Board Member	NO
Mr. Francisco López Peña.	Gestamp (China) Holding Co., Ltd	Board Member	NO
Mr. Juan María Riberas Mera.	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Board Member	NO
Mr. Juan María Riberas Mera.	CP Projects Limited	Board Member	YES
Mr. Juan María Riberas Mera.	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Juan María Riberas Mera.	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Juan María Riberas Mera.	Gestamp Cartera De Mexico, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Mexicana De Servicios Laborales, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Puebla II, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Puebla S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Servicios Laborales De Toluca S.A. De C.V	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Toluca S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Juan María Riberas Mera.	Gestamp Holding Rusia, S.L.	Board Member	NO
Mr. Juan María Riberas Mera.	Gestamp North America, Inc.	Board Member	NO
Mr. Juan María Riberas Mera.	Beyçelik Gestamp Şasi Otomotiv	Board Member	NO
Mr. Juan María Riberas Mera.	Gestamp Mexicana De Servicios Laborales S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Mexicana De Servicios Laborales II, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Todlem, S.L	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp San Luis Potosí, S.A.P.I. De C.V	Secretary of the Board	NO
Mr. Juan María Riberas Mera.	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Secretary of the Board	NO
Mr. Noboru Katsu.	Gestamp Holding	Board Member	NO

	Mexico, S.L		
Mr. Noboru Katsu.	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Noboru Katsu.	Gestamp North America, Inc.	Board Member	NO
Mr. Tomofumi Osaki.	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Tomofumi Osaki	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Tomofumi Osaki.	Gestamp North America, Inc.	Board Member	NO

C.1.12 Identify, if applicable, the directors of your company who are members of the board of directors of other companies listed on official stock exchanges, other than those of your group, that have been reported to your company:

Individual or company name of director	Name of listed company	Position
Ms. Ana García Fau	Merlin Properties Socimi, S.A.	Director
	Technicolor, S.A.	Director
	Eutelsat Communications, S.A.	Director
Mr. Francisco López Peña	CIE Automotive, S.A.	Director
Mr. Francisco José Riberas Mera	CIE Automotive, S.A.	Director
	Global Dominion Access, S.A.	Director
	Telefónica, S.A.	Director
Mr. Juan María Riberas Mera	CIE Automotive, S.A.	Director
Mr. Pedro Sainz de Baranda Riva	Zardoya Otis, S.A.	Director
Mr. Gonzalo Urquijo Fernández de Araoz	Abengoa, S.A.	Chairman
	Vocento, S.A.	Director
	Atlantica Yield, Plc.	Director

C.1.13 State and, if applicable, explain whether or not the regulations of the board establish rules regarding the maximum number of company boards of which its directors may be members:

Yes No

Pursuant to the provisions under Article 17 of the Regulations of the Board of Directors of the Company, neither natural persons who represent a director that is a legal entity, nor natural or legal persons who hold the position of director of more than eight (8) companies, of which, at most, four (4) have their shares admitted to trade on national or foreign stock exchanges, shall be directors. For that purpose, positions held in asset-holding companies shall be excluded from the count and companies belonging to the same group are to be considered as one company.

C.1.14 Section eliminated.

C.1.15 State the overall remuneration of the board of directors:

Remuneration of the board of directors (thousands of euros)	2,370
Amount of pension rights accumulated by the current directors (thousands of euros)	0
Amount of pension rights accumulated by former directors (thousands of euros)	0

C.1.16 Identify the members of the company's senior management who are not executive directors and state the total remuneration accruing to them during the financial year:

Individual or company name	Position/s:
Mr. Unai Agirre Mandaluniz	General Manager of the North Europe Division
Mr. Fernando Macias Mendizabal	General Manager of South Europe Division
Mr. Manuel López Grandela	General Manager of Mercosur Division
Mr. Juan Miguel Barrenechea Izarzugaza	General Manager of Technology, Tooling and Equipment Division, and General Manager of North America Division (see the explanatory note included in section H)
Ms. María José Armendariz Tellitu	General Manager of Chassis Division
Mr. Kevin Stobbs	General Manager of the Asia Division (see the explanatory note included in section H)
Mr. Torsten Greiner	General Manager of the Business Mechanism Unite (Edscha)
Mr. Manuel de la Flor Riberas	Corporate Manager of Human Resources
Mr. David Vázquez Pascual	Legal General Manager

Total senior management remuneration (in thousands of euros)	9,633
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C.1.17 State, if applicable, the identity of the members of the board who are also members of the board of directors of significant shareholder companies and/or in entities of their group:

Individual or company name of director	Company name of the significant shareholder	Position
Mr. Francisco José Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Joint Director
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Joint Director

Mr. Francisco López Peña	Acek Desarrollo y Gestión Industrial, S.L.	Director
Mr. Noboru Katsu	Acek Desarrollo y Gestión Industrial, S.L.	Director
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	Director

Describe, if applicable, any significant relationships, other than the ones stated above, of the members of the board of directors connecting them to significant shareholders and/or companies within their group:

Individual or company name of connected director	Individual or company name of connected significant shareholder	Description of relationship
Mr. Francisco José Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	He has control of Halekulani, S.L., a company that, together with the company Ion Ion, S.L., controls the significant shareholder Acek Desarrollo y Gestión Industrial, S.L.
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	He has control of Ion Ion S.L., a company that, together with the company Halekulani, S.L., controls the significant shareholder Acek Desarrollo y Gestión Industrial, S.L.

C.1.18 State whether or not the regulations of the board have been amended during the financial year:

Yes No

Description of amendments

C.1.19 State the procedures for the selection, appointment, re-election, assessment, and removal of directors. Describe the competent bodies, procedures to be followed and the criteria to apply in each procedure.

Selection

The aim of the Board of Directors Selection Policy is to establish the criteria, procedures and mechanisms that allow, as a whole, the Board of Directors to bring together sufficient knowledge, skills and experience to ensure appropriate governance of the company at all times.

The selection process of possible directors is to be based on an analysis of the duties and the skills required to adequately meet the profile of knowledge, skills, diversity and knowledge of the Board of Directors, based on that set out in the Knowledge, Skills, Diversity and Experience Guide of the Board of Directors. The analysis will be undertaken by the Board of Directors, with advice from the Nomination and Compensation Committee.

The outcome of such analysis will be set out in a justification report of the Board of Directors and of the Nomination and Compensation Committee. The justification report will be published on calling the General Shareholders' Meeting where the appointment or re-election of each director will be subject to ratification.

According to the needs to cover relating to the Board of Directors that the analysis detects, the Board of Directors, with support or guidance from the Nomination and Compensation Committee, will establish the minimum criteria that a candidate must meet to be considered in the selection process for the purpose of being appointed or re-elected as a member of the Board of Directors.

In the event of appointing independent directors, they may be considered as candidates from different external selection sources.

The Nomination and Compensation Committee, pursuant to the conducted prior analysis and establishment of the profile of potential director candidates, will submit a proposal to the Board of Directors regarding the appointment or re-election of independent directors and it will draw up a justification report on said proposal and on the proposal of the other directors.

The Board of Directors will analyse the proposal and the justification report submitted by the Nomination and Compensation Committee. It will consider all of the information available for such purpose and it may decide, if appropriate, to submit its own proposal, or that produced by the Nomination and Compensation Committee, to approval of the General Shareholders' Meeting or, if appropriate, to undertake the appointment by means of cooption.

Appointment and re-election

The appointment and re-election of the members of the Board of Directors is governed under Article 16 and subsequent articles of the Regulations of the Board of Directors of the Company.

In this respect, it corresponds to the General Shareholders' Meeting to appoint and re-elect the members of the Board of Directors, without prejudice to the power of the Board of Directors to appoint members of the Board under its own powers of cooption.

The appointment or re-election of directors will be undertaken at the proposal of the Board of Directors in the case of non-independent directors. In the event of appointing or re-electing independent directors, the proposal must be undertaken by the Nomination and Compensation Committee. In any case, the referred to proposals must precede the report of the Nomination and Compensation Committee and the report of the Board of Directors.

Assessment

Article 36 of the Regulations of the Board of Directors of the Company establishes that the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year, assessing the quality of its work, evaluating the effectiveness of its rules and, where appropriate, adopting an action plan to correct any aspects seen to be of scant functionality. Furthermore, the Board of Directors shall also assess (i) the undertaking of its functions by the Chairman of the Board of Directors and, should the position be held by a different person, by the chief executive of the Company, based on the report submitted to them by the Nomination and Compensation Committee; as well as (ii) the functioning of the committees of the Board of Directors, based on the report they submit to it.

Furthermore, Article 41 of the Regulations of the board of Directors of the Company, which governs the functions of the Nomination and Compensation Committee, establishes, in section h) that it shall be in charge of organising and coordinating the periodic assessment of the Chairman of the Board of Directors, as well as the periodic assessment of the Board of Directors, its Committees and of the Chief Executive of the Company.

Removal

As regards the removal of members of the Board of Directors, Article 20 of the Regulations of the Board of Directors establishes the reasons for which a director should relinquish his or her position. Directors who step down from their position before the end of their term in office, shall send a letter setting out their reasons for such move to all of the members of the Board. Without prejudice to the publication of the resignation as a relevant fact, the reason for it shall be provided in this Report. Furthermore, said Article sets out the powers of the Board of Directors to propose the removal of its members to the General Shareholders' Meeting. As regards Independent Directors, only the Board of Directors may propose their removal, before the expiry of the term under the Bylaws for which they were appointed, when there is just cause, a takeover bid, merger or another similar corporate transaction that entails a change in the capital structure, and prior report of the Nomination and Compensation Committee.

- C.1.20 Explain the extent to which the self-assessment of the board has given rise to significant changes in its internal organisation and regarding the procedures applicable to its activities:

Pursuant to Article 36 of the Board Regulations, the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year, assessing the quality of its work, evaluating the effectiveness of its rules and, where appropriate, adopting an action plan to correct any aspects seen to be of scant functionality. Furthermore, the Board of Directors shall also assess (i) the undertaking of its functions by the Chairman of the Board of Directors and, should the position be held by a different person, by the chief executive of the Company, based on the report submitted to them by the Nomination and Compensation Committee; as well as (ii) the functioning of the Committees of the Board of Directors, based on the report they submit to it.

However, given that in the first meeting of the 2017 financial year it was yet to be a limited listed company, the Company did not have the opportunity to conduct the abovementioned assessments in 2017.

C.1.20 bis Describe the process of self-assessment and the areas assessed by the board of directors, as it may be assisted by an external consultant, regarding diversity in its composition and powers, the operation and composition of its committees, the performance of the chairman of the board and chief executive officer, and the performance and contribution of each director.

This section is not applicable as the Board of Directors did not undertake the assessments referred to in the foregoing section due to the reasons also set out therein.

C.1.20 ter List, if applicable, any business relationships of the consultant or any company of its group with the company or any company of its group.

This section is not applicable as the Board of Directors did not undertake the assessments referred to in Section C.1.20 due to the reasons also set out therein.

C.1.21 State the circumstances under which the resignation of directors is mandatory.

As set out in Article 20 of the Regulations of the Board of Directors, directors shall relinquish their position in the following events:

- when the post, position or duties to which their appointments as executive directors were associated come to an end;
- in the case of proprietary directors, when the shareholders they represent dispose of their ownership interest in its entirety, or they do so in the number that would correspond in the event that said shareholders reduce their ownership interest in the Company;
- in the case of independent directors, when an event unexpectedly arises that prevents them, pursuant to the law, from continuing in their positions;
- when they are subject to any legally established incompatibility or prohibition;
- when the Board requests it with a member majority of at least two-thirds:
 - when, having breached their obligations as directors, they are seriously reprimanded by the Board, prior proposal or report of the Nomination and Compensation Committee; or
 - when their continuance on the Board puts the interests of the Company at risk;
- when their continuance on the Board puts the interests of the

Company at risk.

- when they no longer have the honour, suitability, solvency, competence, availability or commitment to their duties to be a director of the Company. In particular, it is understood that this circumstance arises in the event the director is being investigated, indicted or tried in criminal proceedings for any offence and it is as such acknowledged by the Board of Directors, prior report of the Nomination and Compensation Committee, according to the social interest.

C.1.22 Section eliminated.

C.1.23 Are qualified majorities, different from the statutory majorities, required to adopt any type of decision?

Yes

No

If so, describe the differences.

Description of the differences

C.1.24 Explain whether or not there are specific requirements, other than the requirements relating to directors, to be appointed chairman of the board of directors.

Yes

No

Neither the By-laws nor the Regulations of the Board of Directors establishes specific requirements different from those relating to directors being appointed as Chairman of the Board of Directors. However, in accordance with the provisions in the Board of Directors Selection Policy, it must ensure the capacity of candidates, standing for the position of Chairman of the Board of Directors, in terms of undertaking the position and, in particular, of undertaking the duties relating to the organisation and functioning of the Board of Directors.

C.1.25 State whether or not the chair has a tie-breaking vote:

Yes

No

Pursuant to the provisions under Article 36 of the Regulations of the Board of Directors, in the event of a tie break in the voting of any matter on the agenda of the Board of Directors' meetings, the Chairman shall have the casting vote.

C.1.26 State whether or not the by-laws or the regulations of the board set forth any age limit for directors:

Yes No

Age limit for the Chairman

Age limit for the CEO Age limit for directors

C.1.27 State whether or not the by-laws or the regulations of the Board establish any limit on the term of office for independent directors that is different than the term provided for by regulatory provisions:

Yes No

Maximum number of terms	8
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C.1.28 State whether or not the by-laws or the regulations of the Board establish any specific rules for proxy-voting at meetings of the board of directors, the manner of doing so, and especially the maximum number of proxies that a director may hold, as well as whether or not any restriction has been established regarding the categories of directors to whom proxies may be granted beyond the restrictions imposed by law. If so, briefly describe such rules.

Pursuant to the provisions under Article 36 of the Regulations of the Board of Directors, in the event that the directors cannot attend sessions of Board of Directors in person, they may delegate their vote to another director, together with the instructions deemed appropriate.

In this respect, such representation shall be specially granted for each session through any of the means envisaged for the calling of meetings of the Board of Directors and the Chairman shall decide, where doubt exists, on the validity of the proxies granted by directors who do not attend the session.

Finally, non-executive directors shall only delegate their representation to another non-executive director.

C.1.29 State the number of meetings that the board of directors has held during the financial year. In addition, specify the number of times the board has met, if any, at which the Chairman was not in attendance. Proxies granted with specific instructions shall be counted as attendance.

Number of meetings of the board	8
Number of meetings of the board at which the Chairman was not in attendance	0

If the Chairman is an executive director, state the number of meetings held without his or her presence in person or by proxy of any executive director and chaired by the coordinating director

Number of meetings	0
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State the number of meetings held by the different committees of the board

of directors during the financial year:

Number of meetings of the Executive or delegated Committee	N/A
Number of meetings of the Audit Committee	7
Number of meetings of the Nomination and Compensation Committee	4
Number of meetings of the Appointments Committee	N/A
Number of meetings of the Remuneration Committee	N/A
Number of meetings of the Committee	N/A

C.1.30 State the number of meetings that the board of directors has held during the financial year with the attendance of all of its members. Proxies granted with specific instructions shall be counted as attendance:

Number of meetings attended by all of the directors	5
% in attendance of total votes during the financial year	96.87%

C.1.31 State whether or not the annual individual accounts and the annual consolidated accounts that are submitted to the board for approval are previously certified:

Yes No

Identify, if applicable, the person/persons that has/have certified the annual individual and consolidated accounts of the company for preparation by the board:

Name	Position

C.1.32 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the annual individual and consolidated accounts prepared by the board of directors and submitted to the shareholders at the general shareholders' meeting.

In accordance with the provisions under Article 15 and 40 of the Regulations of the Board of Directors of the Company, the Board of Directors shall seek to definitively prepare the financial statements in such a way that there is no qualification or reservation whatsoever by the auditors. However, when the Board of Directors considers that its criteria should be maintained, the Chairman of the Audit Committee shall explain to the shareholders the content and scope of said qualifications or reservations at the corresponding General Shareholders' Meeting where the financial statements are submitted for approval.

Furthermore, among the duties of the Audit Committee of the Company that

are set out in Article 40 of the Regulation of the Board of Directors, is the duty of informing the Board of Directors on the financial information that, due to its listed status, the Company must periodically make public, as well as the duty of supervising the preparation process, integrity and presentation of regulated financial reporting on the Company, checking that regulatory requirements are met and accounting criteria are correctly applied, thereby increasing the likelihood that there are no reservations in the annual audit reports.

Furthermore, the Audit Committee has to hold meetings with the external auditor without the presence of the finance department to ensure the auditing process of the individual and consolidated financial statements is correctly undertaken.

C.1.33 Is the secretary of the board a director?

Yes

No

If the secretary is not a director, complete the following table:

Individual or company name of the secretary	Representative
Mr. David Vázquez Pascual	N/A

C.1.34 Section eliminated.

C.1.35 State the specific mechanisms, if any, established by the company to preserve the independence of external auditors, financial analysts, investment banks, and of rating agencies.

Gestamp has established diverse mechanisms aimed at preserving the necessary independence as regards the auditing of the financial statements. Among them is one of the fundamental competencies of the Audit Committee (exclusively comprised by non-executive directors, who were appointed based on their knowledge and experience in accounting, auditing and risk management, and with the majority of independent directors –including the Chairman–), which consists of monitoring the independence of the auditor and, particularly, of receiving information on matters that could put such audit at risk.

For such purpose, Article 40 of the Regulation of the Board of Directors of Gestamp establishes that the Audit Committee is entrusted with the following duties:

- Submitting proposals on the selection, appointment, re-election and replacement of the auditor.
- Receiving information and studying issues that may put the independence of the auditor at risk.
- Issuing once a year, prior to issuance of the auditor’s report, a report expressing an opinion about the independence of the auditor of the financial statements. It must also expressly discuss the additional services provided by the auditor.

For that purpose, and in any case, the Audit Committee shall receive from

the auditor the written confirmation of his or her independence in relation to the Company or to the companies connected with it, whether directly or indirectly, as well as detailed and itemised information on any kind of additional services provided and on the corresponding fees (including those provided by persons or companies connected to them), pursuant to the provisions in the legislation on the auditing of financial statements.

Furthermore, the Company has implemented mechanisms that govern the relationships of the Board of Directors with the auditor of the financial statements, ensuring that his or her independence is strictly respected. As established in Article 15 of the Regulation of Board of Directors:

- The Boards relationship with the auditor of the Company's financial statements and of the group's consolidated statements, shall be channelled through the Audit Committee.
- To prevent the work-related remuneration of external auditors from compromising their quality and independence, the Board of Directors shall not propose the hiring of auditing firms when the fees envisaged (for all concepts) exceed ten per cent of the revenue of said firm in Spain in the previous financial year.
- The Board of Directors shall seek to shall seek to definitively prepare the financial statements without qualifications or reservations of the auditor; however, when the Board of Directors considers that its criteria should be maintained, the Chairman of the Audit Committee shall explain to the shareholders the content and scope of such qualifications or reservations at the corresponding General Shareholders' Meeting where the financial statements are submitted for approval.
- The plenary session of the Board of Directors shall hold a meeting once a year with the auditor of the financial statements, in which the auditor shall report on the work undertaken, the evolution of the accounting situation and the risks to the Company.

As regards the mechanisms established to preserve the independence of financial analysts, investment banks, and rating agencies, Articles 13 and 14 of the Regulations of the Board of Directors of Gestamp govern relationships with shareholders and markets, respectively.

Furthermore, Gestamp has established an area of Investor Relations through which consultations with and recommendations from analysts and investors, rating agencies, bondholders, as well as those relating to socially responsible investors (SRI). are undertaken. A telephone number and email address have been set up for such purpose.

C.1.36 State whether or not the Company has changed the external auditor during the financial year. If so, identify the incoming and the outgoing auditor:

Yes No

Outgoing auditor	Incoming auditor

If there has been any disagreement with the outgoing auditor, provide an

explanation:

Yes No

Description of the disagreement

C.1.37 State whether or not the audit firm performs other non-audit work for the company and/or its group. If so, state the amount of the fees paid for such work and the percentage they represent of the aggregate fees charged to the company and/or its group:

Yes No

	Company Name	Group	Total
Amount of other non-audit work (thousands of euros)	0	712	712
Amount of non-audit work / Aggregate amount invoiced by the audit firm (%)	0	13.41%	13.41%

C.1.38 State whether the audit report on the financial statements for the prior financial year has observations or qualifications. If so, state the reasons given by the Chairman of the audit committee to explain the content and scope of such observations or qualifications.

Yes No

Explanation of reasons

C.1.39 State the consecutive number of years for which the current audit firm has been auditing the financial statements of the company and/or its group. In addition, state the percentage represented by such number of financial years audited by the current audit firm with respect to the total number of financial years in which the statements have been audited:

	Company Name	Group
Number of continuous financial years	19	16

	Company Name	Group
Number of years audited by the current audit firm / Number of years in which the company has been audited (%)	95%	100%

C.1.40 State whether or not there is any procedure for directors to hire external advisory services, and if so, describe it:

Yes No

Article 28 of the Regulations of the Board of Directors grants all directors the power to request the services, paid for by the Company, of legal or accounting-financial advisors or any other expert for the purpose of assisting them in undertaking their duties, provided the assignment entails matters of certain importance or complexity.

For that purpose, the directors shall send their request to the Secretary of the Board, who shall subject it to the prior authorisation of the Board of Directors, which may grant it if it is deemed: necessary for the undertaking of the duties of the directors; and that the specialist assistance requested cannot be undertaken by internal advisors.

- C.1.41 State whether or not there is any procedure for directors to obtain in good time the information required to prepare for meetings of management-level decision-making bodies and, if so, describe it:

Yes No

As set out in Article 36 of the Regulations of the Board of Directors, the calling of ordinary sessions of the Board of Directors shall be undertaken at least five (5) days before the meeting is to be held. However, normally the sessions of the Board of Directors of the Company are called with a more extensive time margin than that stated in the Regulations of the Board of Directors.

The agenda of the session, the date and place will always be included in the call of each meeting. The relevant documentation required so that the members of the Board can formulate their opinion and, if appropriate, cast their vote regarding the matters submitted for their consideration, is to be made available as soon as possible.

Furthermore, Article 22 of the Regulation of the Board of Directors establishes the duty of directors to sufficiently find out about and prepare for meetings of the Board and of the delegated bodies to which they belong, seeking sufficient information for it and the collaboration or assistance that they deem appropriate, which is to be paid for by the company.

In this respect, pursuant to the provisions under Articles 30 and 40 of the Regulations of the Board of Directors, the person in charge of channelling the flow of information is the Chairman of the Board of Directors, in collaboration with the secretary. As such, they shall ensure that the directors receive in good time all of the information necessary to deliberate on the points on the agenda of the meetings of the Board of Directors.

Without prejudice to the foregoing provisions relating to the preparation of the sessions of the Board of Directors, Article 27 of the Regulations of the Board of Directors grants directors the power to study the documentation deemed necessary, contact the persons in charge of the departments affected and to visit the corresponding facilities. For that purpose, the request shall be channelled through the secretary of the Board of Directors. Should it be

rejected, delayed or incorrectly handled, it will be sent to the Audit Committee. In the event that said request is unnecessary or hinders the interests of the Company, it shall be definitively rejected.

C.1.42 State whether or not the company has established any rules requiring directors to inform the company —and, if applicable, resign from their position— in cases in which the credit and reputation of the company may be damaged:

Yes No

Explain the rules

Pursuant to the provisions under Article 22 of the Regulations of the Board of Directors, among the duties of directors, is the duty to notify the Company of any type of judicial or administrative claim, or any other, in which they are involved that, due to its importance, could have a serious impact on the reputation of the Company. In particular, all directors shall inform the Company if the they are being investigated, indicted or tried in criminal proceedings for any offence and if any significant events relating to said proceedings occur.

Furthermore, Article 20 of the Regulation of the Board of Directors establishes the obligation of directors to relinquish their position and to formalise, if applicable, the corresponding resignation, when they no longer have the honour, suitability, solvency, competence, availability or commitment to their duties to be a director of the Company. In particular, it is understood that this circumstance arises in the event the director is being investigated, indicted or tried in criminal proceedings for any offence and it is as such acknowledged by the Board of Directors, prior report of the Nomination and Compensation Committee, according to the social interest.

C.1.43 State whether or not any director of the Board of Directors has notified the company that he or she has been indicted or tried in proceedings for any of the offences provided for under Article 213 of the Companies Act:

Yes No

Name of director	Criminal case	Observations

State whether or not the board of directors has analysed the case. If so, provide a duly substantiated explanation of the decision adopted regarding whether or not the director should remain in office or, if applicable, describe the actions taken by the board of directors up to the date of this report or that it plans to take.

Yes No

Decision made / action taken	Duly substantiated
-------------------------------------	---------------------------

	explanation

C.1.44 Describe the significant agreements entered into by the company that go into effect, are amended, or terminate in the event of a change in control at the company as a result of a takeover bid, and effects thereof.

No significant agreements have been made or entered into by the company that go into effect, are amended or terminate in the event of a change in the control of the Company as a result of a takeover bid.

C.1.45 Identify on an aggregate basis and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for indemnities, guarantee or “golden parachute” clauses upon resignation or termination without cause, or if the contractual relationship is terminated as a result of a takeover bid or other type of transaction.

Number of beneficiaries: 4

Type of beneficiary:

Senior Management

Description of agreement:

Firstly, one member of the Senior Management is the beneficiary of a 12-month notice period in the event the Company terminates the working relationship or, alternatively, severance pay equivalent to the sum of remuneration corresponding to one year's fixed and variable salary, which was in effect on the date of termination.

Secondly, one member of the Senior Management is the beneficiary of a gross severance equivalent to 12 months of the fixed and variable remuneration that was in effect on the date of termination, when it arose through a unilateral decision of the Company.

Additionally, two members of the Senior Management are the beneficiaries of a gross severance equivalent to two (2) years of the fixed and variable remuneration that was in effect on the date of termination, when it arose through a unilateral decision of the Company.

State whether or not such agreements have to be reported to and/or approved by the decision-making bodies of the company or its group:

	Board of directors	General Shareholders' Meeting
Decision-making body approving the provisions	Yes	No

	Y E S	NO
Is the General Shareholders' Meeting informed of such provisions?		x

C.2 Committees of the board of directors

- C.2.1 Describe all of the committees of the board of directors, the members thereof, and the proportion of executive, proprietary, independent, and other external directors of which they are comprised:

EXECUTIVE OR DELEGATE COMMITTEE

Name	Position	Category

% of Executive Directors	
% of Proprietary Directors	
% of Independent Directors	
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

State whether or not the composition of the executive or delegate committee reflects the participation of the different directors within the board based on their class:

Yes No

If no, explain the composition of your executive or delegate committee

AUDIT COMMITTEE

Name	Position	Category
Mr. Javier Rodríguez Pellitero	Chairman	Independent
Mr. Juan María Riberas Mera	Member	Proprietary
Ms. Ana García Fau	Member	Independent

% of Proprietary Directors	33.33%
% of Independent Directors	66.67%
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

The procedures and rules of organisation and functioning of the Audit

Committee are outlined in Article 39 of the Regulations of the Board of Directors. Furthermore, Article 40 of the Regulations of the Board of Directors, regulates the duties of the Audit Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Audit Committee in financial year 2017, an activity report was drawn up which, as established in Article 39 of the Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever there is a General Shareholders' Meeting held. The activities undertaken by the Committee in the 2017 financial year include, among others, the revision of the financial information of the Company, as well as the approval of the Parent Company within the scope of the Internal Financial Reporting Control System (SCIIF in Spanish), the proposal –for its approval by the Board of Directors– of the Comprehensive Risk Management System Policy, the creation of the Company's Internal Audit Function, the approval of the Internal Audit Plan and the budget for the 2018 financial year and the review of the Risk Map.

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Identify the director who is a member of the audit committee and who has been appointed taking into account the director's knowledge and experience in the areas of accounting, auditing, or both, and report the number of years that the Chairman of this committee has held office.

Name of director with experience	Ms. Ana García Fau
Number of years the Chairman has held the position	0

NOMINATION AND COMPENSATION COMMITTEE

Name	Position	Category
Mr. Alberto Rodríguez Fraile Díaz	Chairman	Independent
Mr. Noboru Katsu	Member	Proprietary
Mr. Gonzalo Urquijo Fernández de Araoz	Member	Other external directors
Mr. Pedro Sainz de Baranda	Member	Independent

% of Proprietary Directors	25%
% of Independent Directors	50%
% of other External Directors	25%

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

The procedures and rules of organisation and functioning of the Nomination and Compensation Committee are outlined in article 39 of the Regulations of the Board of Directors. Meanwhile, article 41 of the Regulations of the Board of Directors, regulates the responsibilities of the Nomination and Compensation Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Nomination and Compensation Committee in financial year 2017, an activity report was drawn up which, as established in Article 39 of the Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever there is a General Shareholders' Meeting held. Among other information, the activities report for the 2017 financial year includes the proposal, for approval by the Board of Directors, of the Board of Directors Selection Policy and the Knowledge, Skills, Diversity and Experience Guide of the Board of Directors; or the proposal to appoint Mr. Alberto Rodríguez-Fraile Díaz as Coordinating Director of the Company.

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APPOINTMENTS COMMITTEE

Name	Position	Category

% of Proprietary Directors	
% of Independent Directors	
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

REMUNERATION COMMITTEE

Name	Position	Category

% of Proprietary Directors	
% of Independent Directors	

% of other External Directors	
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Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

COMMITTEE _____

Name	Position	Category

% of Executive Directors	
% of Proprietary Directors	
% of Independent Directors	
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

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C.2.2 Complete the following table with information on the number of female directors in the committees of the board of directors at the end of the last four financial years:

	Number of female directors							
	Year t		Year t-1		Year t-2		Year t-3	
	Number	%	Number	%	Number	%	Number	%
Executive Committee	0		0		0		0	
Audit Committee	1	(33.33%)	N/A		N/A		N/A	
Nomination and Compensation Committee	0	(0%)	N/A		N/A		N/A	
appointments committee	0		0		0		0	
remuneration	0		0		0		0	

committee				
committee ____	0	0	0	0

C.2.3 Section eliminated.

C.2.4 Section eliminated.

C.2.5 State, if applicable, the existence of regulations of the board committees, where such regulations can be consulted, and the amendments made during the financial year. Also state in any annual report of the activities performed by each committee has been voluntarily prepared.

The Regulations of the Board of Directors thoroughly regulates the rules of composition and functioning, as well as the responsibilities of the Audit Committee and the Nomination and Compensation Committee, in accordance with the applicable legislation in force and the good governance practices of listed companies.

In favour of greater simplicity, avoiding duplications and aiming to facilitate comprehension and application, a comprehensive regulation integrated into the Regulations of the Board of Directors has been chosen as opposed to a specific regulation for each Committee.

Given that the Regulations of the Board of Directors have been approved recently, including all of the requirements laid down by the legislation in force and the Recommendations of Good Governance (excluding that outlined in section G of this report), so far there has been no need to amend its text.

The current Regulations of the Board of Directors may be consulted on the company's website (www.gestamp.com) in the sections "Investors and Shareholders", "Corporate Governance", "Board of Directors" and "Regulations of the Board".

Likewise, the Regulations of the Board of Directors are registered, and therefore available to interested party, in the National Securities Market Commission, and in the Trade Registry of Biscay.

The activities reports are drawn up by the respective Committees and approved by the Board of Directors to be made available to shareholders at the Annual General Shareholders' Meeting, in accordance with the provisions contained in article 39 of the Regulations of the Board of Directors.

C.2.6 Section eliminated.

D RELATED-PARTY TRANSACTIONS AND INTRAGROUP TRANSACTIONS

D.1 Explain, where applicable, the procedure for approving related-party and intragroup transactions.

Procedure for communicating the approval of related-parted transactions

Article 8 of the Regulations of the Board of Directors assigns the Company's Board of Directors, among other duties, the responsibility of approving transactions that

the Company, or companies belonging to the Group, performs with Directors, major shareholders or shareholders represented in the Board of Directors of the Company or of other companies belonging to the Group, or with persons related to them, following a favourable report from the Audit Committee, and with the abstention of the affected directors, except for exempt cases set out in the legislation in force.

Likewise, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L. (company in which Acek Desarrollo y Gestión Industrial, S.L. has a 65% stake in the share capital) and the Company signed the Protocol for Regulating Transactions with Related Parties of Gestamp Automoción, S.A. and its Subsidiaries. This agreement incorporates the general framework that regulates the relations between the Company, its subsidiaries, and its related parties, particularly the group of companies led by parent company Acek Desarrollo y Gestión Industrial, S.L., as well as the group of companies led by parent company Gonvarri Corporación Financiera, S.L. In this regard, the protocol defines the principles that all related-party transactions must follow, as well as the approval procedure for these transactions, which is the same as that set out in Article 529 ter of the Companies Act.

- D.2 Describe the significant transactions in terms of amount or subject matter made between the company or entities belonging to its group, and the company's major shareholders:

Individual or company name of significant shareholder	Individual or company name of the company or entity within its group	Nature of the relationship	Type of transaction	Amount (thousands of euros)
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Reception of services	4,890
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gomvarri, S.L.	Contractual	Purchase of goods finished or unfinished	1,127,844
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Sale of goods finished or unfinished	43,097
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Reception of services	17,398
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Sideacero, S.L.	Contractual	Sale of goods finished or unfinished	189,269
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Reception of services	2,043
Acek Desarrollo y Gestión Industrial, S.L.	Air Executive, S.L.	Contractual	Reception of services	1,275
Acek Desarrollo	Acek Desarrollo	Contractual	Accrued	1,244

y Gestión Industrial, S.L.	y Gestión Industrial, S.L.		interests and not paid	
Acek Desarrollo y Gestión Industrial, S.L.	JSC Karelsky Okatysh	Contractual	Accrued interests and not paid	1,673

- D.3 Describe the insignificant transactions in terms of amount or subject matter made between the company or entities belonging to its group, and the company's directors or officers:

Individual or company name of the directors or officers	Individual or company name of related party	Relation	Nature of the transaction	Amount (thousands of euros)
Mr. Francisco López Peña	N/A	Loan	Financing agreements: loan	3,000

- D.4 Report on the significant transactions made by the company with other entities belonging to the same group, provided they are not eliminated in the preparation of the consolidated financial statements and they are not part of the ordinary course of business of the company insofar as their purpose and conditions are concerned.

In any case, report any intragroup transaction made with entities established in countries or territories considered to be tax havens:

Name of entity within the group	Brief description of transaction	Amount (thousands of euros)

- D.5 State the amount of transactions made with other related parties.
- D.6 Describe the mechanisms used to detect, determine, and resolve potential conflicts of interest between the company and/or its group, and its directors, officers, or significant shareholders.

Article 22 of the Regulation of the Board of Directors establishes the duty of directors to inform the Company of any direct or indirect situation of conflict that they or persons linked to them may have as regards the interests of the Company.

Furthermore, Articles 24, 25 and 26 of the Regulations the Board of Directors govern the duties of the directors as regards non-competence, the use of non-public information and of company assets and the benefitting of business opportunities. Furthermore, those articles govern the Company's system of exemption, which shall be agreed at the General Shareholders' Meeting or by the Board of Directors, as appropriate, under the provisions set out in the Companies Act, the By-laws or in the Regulations of the Board of Directors of the Company.

D.7 Is more than one company of the group listed in Spain?

Yes

No

Identify the subsidiaries listed in Spain:

Listed subsidiaries

State whether they have publicly and accurately defined their respective areas of activity and any business dealings between them, as well as between the listed subsidiary and other group companies.

Yes

No

Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies with the group:

Mechanisms to resolve possible conflicts of interests

E RISK CONTROL AND MANAGEMENT SYSTEMS

E.1 Explain the scope of the company's Risk Management System, including the system for managing tax risks.

The Group carries out its activities in many countries and regulatory, political and socio-economic environments, whereby it is exposed to different types of risks (strategic, operational, financial, compliance and reporting) that can affect its performance and which, consequently, should be mitigated in the most effective way possible, with the aim of facilitating fulfilment of strategies and set targets,

In this regard, the Group has a Comprehensive Risk Management System (SIGR in Spanish) that identifies, monitors and responds to the different types of financial and non-financial risks to which it is exposed, including within the category of financial or economic risks, those related to tax, contingent liabilities and other off-balance risks.

The SIGR is a process led by the Company's Board of Directors and Senior Management and is the responsibility of each and every member within the Group. It is designed to provide reasonable assurance when achieving the Group targets, providing shareholders, other stakeholders and the general market with an adequate level of guarantee that protects generated value.

This SIGR, which the Group continued to develop and evolve in 2017, is based on the COSO ERM model (a systematic and detailed approach that helps identify occurrences, evaluate, prioritise and respond to risks related to achieving business objectives), in the good practices referred to in the Code of Good of Good Governance for Listed Companies in the Technical Guide 3/2017 on Audit Committees of Public

Interest Entities.

In order to facilitate and promote effective, integral and uniform management, the Group has defined the Comprehensive Risk Management System Policy (hereinafter: “SIGR Policy”), the implementation of which extends to all companies belonging to the Group. Its scope covers all activities, processes, projects and business lines as well as all geographical areas in which it operates.

The SIGR Policy, approved by the Board of Directors on 14 December 2017, covers the organisation, procedures and resources available to the Group to reasonably and effectively manage the risks to which it is exposed, thus making risk management and intrinsic part of the organisation's decision-making processes in terms of both the governance and administrative bodies and the management of operations.

The policy identifies diverse risk categories, details the basic principles and guidelines for action that must be observed in risk management and control, specifies the bodies in charge of ensuring that the internal control and risk management systems function properly, defines their roles and responsibilities and the level of risk deemed acceptable.

The Group continuously tracks and monitors its most significant risks. For this purpose, it uses a Risk Map, which is set as a key element of the SIGR, providing an overall picture of the relevant risks of the organisation based on uniform criteria, thus facilitating early identification of any events that could generate them and enabling anticipatory action aimed at avoiding or, in the event of occurrence, minimising them. During the 2017 financial year, the Group updated its Corporate Risk Map in order to ensure that it responds to the Company’s current situation and indeed represents a management tool that enables decisions to be made in an effective, informed manner.



E.2 Identify the decision-making bodies of the company responsible for preparing and implementing the Risk Management System, including the system for managing tax risks.

Although the Comprehensive Risk Management System is a process that affects and involves all the Group’s personnel, those entrusted with safeguarding its smooth running and its functions are the following:

- The Board of Directors.

It is responsible for approving the SIGR Policy and the levels of risk appetite, as well as periodically monitoring the internal information and risk control systems in order to make sure that they are in line with the Group’s strategy.

- The Audit Committee.

It is responsible for periodically supervising and reviewing the internal control and risk management systems, so that the main risks are adequately identified, managed and reported, receiving support in this task from the Internal Audit and Risk Management Department.

- The Risk Committees.

It is responsible for supporting the Board of Directors and the Audit Committee in their functions in relation with the control and management of risk. They are responsible for ensuring the proper functioning of the SIGR, as well as identifying, quantifying and managing the most significant risks that have an impact on their respective areas and the Group, ensuring that they are aligned with the established risk appetite.

- Specific Risk Officers.

Their key responsibilities involve identifying and monitoring risks, reviewing the effectiveness of controls, overseeing action plans and collaborating on risks assessment and update.

- The Internal Audit and Risk Management Department.

It holds the following basic responsibilities linked to the SIGR: to support the Audit Committee; coordinate risk identification and assessment processes by preparing and updating Risk Maps; and coordination with the Risk Committees and with the specific risk officers in charge of the risk measurement processes, controls, action plans and the necessary procedures to mitigate them.

Within the organisational structure, it reports directly to the Audit Committee, which guarantees autonomy and independence in its functions and in the responsible supervision of the risk control and management system.



E.3 Point out the key risks, including those of a tax nature, that could affect the achievement of business goals.

The Group defines a risk as any internal or external contingency that if materialised, would prevent or hinder the achievement of targets set by the organisation; to this end, it believes that a risk arises as a result of lost opportunities and/or strengths, as well as due to the emergence of a threat and/or reinforced weakness.

In this regard, the organisation is exposed to various risks inherent to different countries and markets in which it operates, which could stand in the way of it achieving its targets and successfully implementing its strategies. The Group has an SIGR and Risk Map, updated in 2017, which is used as a management tool to help the organisation identify and contextualise the risks that could have an adverse effect on corporate targets, and promotes and facilitates decision-making regarding actions required for mitigation.

Executive directors, representatives from all Divisions, Business Units and Corporate Departments within the Group took part in the process to identify and assess the risks that affect the entire Group. This process took into account the following risk factors, for which the Group has put in place monitoring and response plans and measures:

- Operational Risks. Those related with potential losses or a reduction in activity due to inadequacies or failures in operations, systems, resources or processes.
 - Occupational health and safety risk, in view of the characteristics of activities performed in our plants.
 - Cessation of client activity due to various internal or external factors including:
 - Supply problems of our suppliers.
 - Internal business conflicts.
 - Prolonged breakdown of machinery, tools or plants.
 - Technological risks: we work on the strength of the Security,

protecting the assets and systems of the Company from potential cyber-attacks.

- Serious accidents.
 - Other sudden factors (meteorological disasters, earthquakes, floods, etc.).
 - Incidents linked to the quality of our products, with potential repercussions on cost and reputation.
 - Difficulties in hiring or replacing key staff, which is defined as executive staff in strategic positions, as well as highly qualified staff that are a valuable asset to the company.
 - Environmental risks: as an integral part of the automotive sector, we believe that our environmental impact must be analysed from the perspective of a vehicle's life-cycle beyond the direct impact generated purely in the manufacturing process.
- Strategic Risks. Those that may arise as a consequence of choosing a specific strategy, as well as those of an external or internal nature that may significantly affect the attainment of objectives, the reputation and/or vision of the Group in the long term. These include:
- Variances in the profitability of projects that could potentially occur during the launch of new projects as well as during the last phase of production.
 - Political and economic instability in the different countries where the Group operates.
- Reporting Risks. Those related with the reliability in the preparation, collection and presentation of financial and non-financial information, both internal as well as external, relevant to the Group.
- Compliance Risks. Those related with the strict observance of legislation and regulations (external and internal), including tax-related, that affects the Group in the different markets and geographical areas in which it operates.
- This category also includes those derived from potential legislative and regulatory changes, and the organisation's capacity to anticipate and ability to react such.
- Financial Risks. These include market risks, as well as contingent liabilities and other off-balance risks. The main risks in this scope to which the Group is exposed are:
- Fluctuating exchange rates affecting our operations in an international context.
 - Fluctuating interest rates.
 - Fluctuation of the price of raw materials, which may represent a significant part of the cost of our product.



E.4 Identify whether the entity has a risk tolerance level, including one for tax risk.

Risk is an inherent feature of any business and opportunity that can be reduced, but

never fully eliminated: eliminating the risk also excludes the opportunity to generate value. The Group, in delivering its vision "to be the automotive supplier most renowned for its ability to adapt business in order to create value for the client, while maintaining sustainable economic and social development" assumes a prudent level of risk, seeking the right balance between value creation, sustainability and risk.

In this regard, the level of risk tolerance, including tax risks, is defined at corporate level and developed in the SIGR Policy, approved by the Company's Board of Directors. The basic aim is to ensure that all risks that jeopardise compliance with the Group's strategies and targets are kept at a low-acceptable risk level.

The risk assessment scales (probability and impact) are updated at least once a year in order to adapt to the strategy and the changes within our business. These assessment scales cover the different strands of risk impact (financial, operational, regulatory framework and reputation) and entail suitable levels that allow for a standardised risk assessment. These scales are the basis for defining the Group's risk tolerance level.

E.5 State what risks, including tax risks, have materialised during the financial year.

The SIGR, along with the policies and risk control and management systems it develops, takes effective and anticipatory action on the risks inherent to the Group's activity materialised and draws up the relevant action plans.

E.6 Explain the plans for responding to and supervising the entity's main risks, including those of a tax nature.

The Group has defined an SIGR that entails organisation, procedures and resources, making it possible to identify, measure, assess, prioritise, and respond to risks to which the organisation is exposed. In this regard, two risk response levels can be determined: global mechanisms that respond to corporate risk management and other individual mechanisms that respond to each specific risk.

The global response mechanisms are defined and detailed in the SIGR Policy and, as stated in point E.2 of this section, are (brief outline):

- The Specific Risk Officers are responsible for identifying and monitoring the risks that jeopardise compliance with their aims.
- The Risk Committees, which ensure that the risks remain aligned with the established level of risk appetite, and report to the Audit Committee.
- The Board of Directors and Audit Committee in approving, monitoring and following up on the SIGR.
- The Internal Audit and Risk Management Department, which supports the Audit Commission and coordinates the risk identification and assessment processes, as well as the Risk Committees.

In terms of individual risk, the response plans are in line with the characteristics of each specific risk. The Group has individual control, management and monitoring

mechanisms implemented at operational level, which work continuously throughout the day, are carried out by each and every member within the organisation, are integrated within the company's systems and processes, and make sure that operational activities carried out are ultimately aligned with the Group's aims and targets.

The Group currently has various units or departments that analyse, continuously monitor and provide response in various areas specialised in risk management, including: Internal control over financial reporting; Regulatory compliance; Corporate social responsibility; Quality; Operational control; Corporate security; Reporting systems risks; Occupational and environmental risk prevention, Tax risks and Insurance. These units and departments are integrated into the Group's SIGR.



F INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS IN CONNECTION WITH THE PROCESS OF ISSUING FINANCIAL INFORMATION (ICFRS)

Describe the mechanisms making up the risk control and management systems with respect to the process of issuing the entity's financial information (ICFRS).

F.1 Control environment at the entity

Indicate at least the following, specifying the main features thereof:

F.1.1. What bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective internal control over financial reporting system (ICFRS); (ii) the implementation thereof; and (iii) oversight thereof.

The Board of Directors has the ultimate responsibility for the existence and maintenance of an adequate and effective Internal Control over Financial Reporting System (hereinafter ICFRS). The Regulations governing Gestamp's Board of Directors, approved on 3 March 2017, establish in Article 8, section 3.a), as one of the non-delegable competences of this governing body, the approval of the "control and risk management policy, including fiscal risks, as well as regarding the regular monitoring of the internal information and control systems."

In addition, the Company has developed a Policy regarding the Internal Control over Financial Reporting System, in which the managerial responsibilities and the general outline of each component of the ICFRS are assigned (control environment, risk assessment, control activities, reporting and communication and oversight);

The ICFRS Policy, formally approved by the Board of Directors of Gestamp on 3 March 2017, sets forth that the Group's Financial Management (through the Internal Control Function) is responsible for the design, implementation and operation of the ICFRS, promoting the importance of internal control.

Finally, oversight of the ICFRS is the responsibility of the Audit Committee. Article 40, section 6.b) of the Regulations of the Board of Directors sets forth that the Audit Committee has, among others, the competences of "overseeing the preparation process, integrity and presenting regulated financial reports on the Company, ensuring

regulatory requirements are met and accounting criteria are correctly applied” and also “periodically reviewing the internal control and risk management systems, including fiscal risks, so that the main risks can be adequately identified, managed and reported”. To do so, the Audit Committee relies on the Internal Audit Function which, in accordance with the Charter approved by the Audit Committee on 13 November 2017 and, in accordance with its annual audit plan approved by said Committee, must provide support in order to oversee the effectiveness of the ICFRS.

F.1.2 Whether any of the following are in place, particularly as regards the financial information preparation process:

- Departments and/or mechanisms in charge of: (i) the design and revision of the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an appropriate distribution of work and duties; and (iii) ensuring that there are sufficient procedures for the proper dissemination thereof at the entity.

The Group's Human Resources Department, alongside the Group's Organisation Department and the President are the bodies in charge of defining and modifying the organisational structure of the Group at a high level. In addition, the different organisational units have the autonomy to develop and propose changes in their respective organisational structures using the criteria established by the abovementioned bodies. Any proposal for organisational change is communicated to the Group's Human Resources and Organisation Department in order to be validated and registered in the Human Resources Corporate System, the organisational management module SAP HCM. This corporate tool is currently being used in all countries where the Group actively operates, with the exception of France, which is currently in the implementation phase.

Any change in said structures is reflected in organisation charts published on the Gestamp intranet. These organisation charts graphically represent the relationships between the different Group departments.

For each role defined in the organisational chart, the corporate Human Resources Department has descriptions of high level roles called “jobs” which include the managers involved in the process of drawing up the financial reports. In addition, for companies that are production centres where there are quality certifications, the specific jobs are described in accordance with the tasks carried out by the different people in the team at each plant.

- Code of conduct, body that approves it, degree of dissemination and instruction, principles and values included (indicating whether the recording of transactions and the preparation of financial information are specifically mentioned), body in charge of reviewing breaches and of proposing corrective actions and penalties.

The Group has a Code of Conduct approved by the Chairman of Gestamp on 1 December 2011 and ratified by the Board of Directors on 22 January 2014.

The Code of Conduct sets out the standards of ethical conduct that the Group demands from all of its employees and it is available on the Group's website, where any user can download it.

After its launch, the Group presented the Code of Conduct to the Group employees, who were also asked to confirm receipt of the Code of Conduct online. At present, the Code of Conduct is included in the induction plan given to every new employee and adherence thereto is requested.

Regarding training, all Group employees must have carried out, at least once, the

introduction course on the Code of Conduct, which may be taken in one of the following ways:

- Online training (through the Gestamp Corporate University). When a new employee joins the Group, they automatically receive a notification to their email address inviting them to take the training on the Code of Conduct (available in all of the Group's languages), also receiving a copy of the Code of Conduct in electronic format. Moreover, this training course is permanently available and, therefore, it can be seen if any questions arise after the initial training.
- Face-to-face training. For cases where the employee does not have access to a device that allows them to carry out training online. The same documentation as that available in the online training programme is included in the induction plan for people who carry out this type of training.

In either of the two cases, the Group requests acknowledgment from the employee that they have carried out the training on the Code of Conduct; with regards to face-to-face training, this documentation will consist of physical acknowledgment of receipt signed by the employee and which is filed away by the plants; and with regards to online training, the system itself requests confirmation from the user that they have carried out the course on the Code of Conduct.

In addition, and on an annual basis, an external company will perform an audit to check, by interviewing a representative percentage of the staff at each company, their knowledge of the Code of Conduct. The questions include the existence of the Code of Conduct, its accessibility, if it is effective, etc. According to the results, the managers of the Human Resources Department identify whether it is necessary to implement a plan of action in relation to the Code of Conduct.

With regards to financial reporting, the Code includes a section on "Information management" which explicitly indicates that the honest, accurate and objective collection and presentation of information, whether financial or any other kind, is essential for Gestamp. Therefore:

- Employees must not falsify any kind of information, whether financial or any other kind.
- Employees must not deliberately enter any false or misleading data into any report, record, file or expenses claims.
- Employees must not accept contractual obligations on behalf of Gestamp that exceed the authority the company has given them.
- Employees must fully cooperate with auditors, ensuring the accuracy of the information provided.
- Reporting channel that makes it possible to report any irregularities of a financial or accounting nature to the audit committee, as well as any possible breach of the code of conduct and irregular activities at the organisation, specifying, if appropriate, whether it is confidential.

The body in charge of reviewing breaches of the Code of Conduct and of proposing corrective actions and penalties is the Ethics Committee.

The Group has two channels of communication for employee complaints and accusations.

On the one hand, there is the usual channel with the Human Resource managers by means of which employees can present their complaints and accusations. Each month,

the Human Resource managers inform the person in charge of managing complaints at corporate level of the complaints among staff (Compliance Office). This person is part of the Group's Human Resources Department.

On the other hand, there is a reporting channel for complaints which can be used by Group staff, as well as by third parties, such as clients or suppliers, which offers increased confidentiality for the whistle-blower, distinguishing between:

- Internal channel: email address to a generic inbox that goes directly to the person in charge of managing complaints at corporate level (Compliance Office).
- External channel: a complaints channel has been available since December 2016 which is managed by an external company (SpeakUp Line), thus increasing the whistle-blower's trust and confidence with regards to confidentiality. Communication may take place via telephone, web form or email. It is available in 24/7 in over 200 languages. Communications are sent to the Compliance Office.

Both channels are available both on the Gestamp intranet and on the website.

The Group has an Ethics Committee that will ultimately study the complaints and claims received. The operation and regulation of said committee is contained in the Ethics Committee Regulations. Said Committee is made up of senior executives and an external advisor, holding ordinary biannual meetings which are documented in the minutes. The Ethics Committee Regulations set forth that said Committee directly reports to the Board of Directors.

The Ethics Committee Regulations also establish the indemnity of people who report acts in good faith and, in turn, safeguards the honour and presumed innocence of any employee amid malicious or unfounded reports.

In 2017, 121 reports were received, 117 of which were complaints regarding potential breaches and 4 were queries and suggestions. 19 complaints were received through the Representatives, 41 directly through the Compliance Office by email and 57 through Speak Up Line. None of these were related to the ICFRS.

- Regular training and update programmes for personnel involved in the preparation and review of financial information, as well as in the evaluation of the ICFRS, covering at least accounting standards, auditing, internal control, and risk management.

At the beginning of each financial year, the Training and Development Department pertaining to the Group's Human Resources Department draws up a training plan, together with each area including those that are part of the Finance Department. This plan includes the different external and internal training activities aimed at both members of the areas within the Group's Finance Department and also managers of the finance areas in each of the Group's countries and organisational units.

This plan covers both training activities in a business context and also specific programmes.

- Business context training

Aimed at gaining further internal knowledge on each business activity and also on the different departments, with their respective activities, roles and responsibilities within the Group.

These activities include the corporate induction plan, training programmes

relating to Gestamp clients, products and technology, and training activities regarding the Group's internal processes and management systems.

– Specific training

The Gestamp personnel involved in the processes related to drawing up the financial reports take part in training and update programmes on regulatory developments regarding the preparation and oversight of financial reporting, and also regarding the system implemented for internal control over financial reporting.

Furthermore, the Group's Economic-Finance Department implements specific training activities aimed at personnel in finance areas and other related areas of the Group in order to communicate, train or update any subject areas which, from an accounting and financial perspective, are relevant for preparing the financial reports.

Moreover, in a complementary manner, specific courses are provided by internal and external personnel on operation and functioning of the financial IT applications used for drawing up financial reports.

In February 2017, under the supervision of the Group's Finance Director and with the active participation of Group experts in the field of finance, internal control and risk management, the Gestamp Corporate University, belonging to the Human Resources Department, created the Financial Academy, the aim of which is to guarantee that all members of Gestamp know and understand the financial implications of their work, organising the Group's economic, financial and internal control knowledge under one training category and rolling out training sessions adapted to the degree of responsibility that each member of Gestamp has regarding the preparation and review of financial information.

To this end, in financial year 2017, work commenced with regards to establishing the training paths for four major areas of knowledge:

- Short-term finances.
- Management Control.
- Project analysis.
- ICFRS and Internal Control.

Therefore, in financial year 2017, there was a total of 5,567 hours of specific training and 232 training events given in which approximately 600 employees took part from the 21 countries where Gestamp operates. These training activities consist of regular training and update programmes for personnel involved in the preparation and oversight process with regards to financial reporting, and also in the evaluation of the ICFRS, covering accounting standards, auditing, internal control, and risk management, among other areas of knowledge.

F.2 Risk assessment of financial information

Indicate at least the following:

F.2.1. What are the main features of the risk identification process, including the process of identifying the risks of error or fraud, with regards to:

- Whether the process exists and is documented.

The Group bases its process to identify error or fraud risks in financial information on the COSO framework (Committee of Sponsoring Organizations for the Commission of the Treadway Commission), implementing practices aimed at designing and maintaining an internal control system that provides reasonable assurance with regards to the reliability of the regulated financial information.

The Group has a Policy regarding the Internal Control over the Financial Reporting System, approved by the Board of Directors on 3 March 2017 which includes, among other aspects, the general description of the system and its objectives, roles and responsibilities, the method for implementing the system for internal control over financial reporting and also the process to identify error or fraud risks in financial reporting, by defining the scope matrix of the ICFRS.

- Whether the process covers all the objectives of financial reporting (existence and occurrence; integrity; assessment; presentation, breakdown and comparability, and rights and obligations), whether it is updated, and how often.

The Group identified the financial reporting risks by analysing the information contained in the Group's audited consolidated financial statements at 31 December 2016, selecting the most relevant accounts and significant disclosures according to quantitative criteria.

For each of these accounts and significant disclosures, their associated critical processes and subprocesses have been established and the risks that could lead to errors and/or fraud in financial reporting have been identified, covering all of the financial reporting objectives (existence and occurrence; integrity; assessment; presentation and breakdown; and rights and obligations).

As a result of this evaluation, the Group has prepared a scope matrix for the ICFRS, which was approved by the Audit Committee on 24 July 2017. This scope matrix for the ICFRS, which will be updated on an annual basis, after the Consolidated Financial Statements have been prepared aims to identify the accounts and disclosures that have significant risks associated and which have a potential material impact on financial reporting.

- The existence of a process for the identification of the scope of consolidation, taking into account, among other matters, the possible existence of complex corporate structures, holding entities, or special purpose entities.

With regards to the scope of consolidation, the Chairman, the CEO, the Group's Legal Director and the Economic-Finance Director hold meetings as the Finance and Tax Committee, where they deal with topics relating to, among others, purchases or withdrawals of companies in which they have interests, as well as possible changes to be made regarding said interests. In the same way, in the event that the company is to be incorporated from the outset, this decision is also reviewed by this Committee.

The information for the incorporation of new companies or the modification of the state of those in existence is initially gathered by the Group's Legal Department, which is in charge of preparing the legal documentation required regarding the incorporation and updating of information on the scope.

Based on the information received by the Finance and Tax Committee, the Function charged with Consolidation in the Group's Economic-Finance Department updates the scope of consolidation on the consolidation application used by the Group. Furthermore, on a quarterly basis, this information is compared with that contained in the consolidation reporting package that each of the Group companies sends to carry out the Group's quarterly consolidation.

- Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.

Gestamp's Board of Directors approved the Comprehensive Risk Management System Policy on 14 December 2017, the purpose of which is to establish the basic principles, guidelines and the general framework for action to ensure that the risks that may affect the implementation of the Group's strategies and achievement of objectives are identified, analysed, assessed, managed and controlled systematically, with homogeneous criteria and within the risk levels accepted by Gestamp.

Gestamp's Comprehensive Risk Management System Policy is inspired by the following reference frameworks:

- The COSO ERM model, risk management methodology generally accepted in the market.
- The good practices mentioned in the Good Governance Code of listed companies and the CNMV Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

This Policy, which contains five risk categories: strategic, operational, reporting, compliance and financial, is applicable for all Group companies. Reporting risks include those related to the reliability in the preparation, collection and presentation of financial and non-financial information, both internal as well as external, relevant to the Group

These risks generally cover all of those associated with the Group's activities, processes, projects and lines of business in all geographical areas where it conducts business.

- What governance body of the entity supervises the process.

Responsibility for the oversight of the effectiveness of the ICFRS and the Comprehensive Risk Management System lie with the Audit Committee through the Internal Audit Function, according to what is set forth in Article 40 of the Regulations governing Gestamp's Board of Directors.

F.3 Control activities

Indicate whether at least the following are in place and describe their main features:

- F.3.1. Procedures for review and authorisation of financial information, and description of the ICFRS to be published in the securities market, indicating the persons or divisions responsible therefor, as well as documentation describing the flows of activities and controls (including those relating to risk of fraud) of the various types of transactions that could materially affect the financial statements, including the closing process and the specific review of significant judgements, estimates, assessments, and projections.

The Group performs regular reviews of the financial reports drawn up and also of the description of the ICFRS in accordance with different levels of responsibility that aim to ensure the quality of the information.

The Group's Economic-Finance Department draws up consolidated financial statements on a quarterly basis (consolidated accounts and interim financial statements) and submits them for review by the Chairman and Vice-Chairman (and Corporate Finance Director), who shall then proceed to approve them. The annual review and authorisation procedure will conclude with them being submitted to the Audit Committee by the Corporate Finance Director and to the Board of Directors for approval.

In financial year 2017 and, in accordance with the scope matrix of the ICFRS, the Group's Finance Department, (through the Internal Control Function, has started to define the risk and control matrix and to document the processes identified as key and material in all countries where the Group operates. The controls that mitigate the error or fraud risks regarding financial reporting and which affect these processes are identified in said matrix.

These processes/subprocesses cover the different types of transactions which may materially affect the financial statements (purchases, sales, staff costs, etc.), specifically including the closing, reporting and consolidation process, as well as all of those that are impacted by significant judgements, estimates, assessments, and projections.

The documentation in each of the processes comprises:

- Breakdown of accounts and significant disclosures.
- Breakdown of the information systems that impact the subprocesses.
- Breakdown of the internal procedures and standards approved by Management, which regulate these processes/subprocesses.
- Breakdown of the organisational structures.
- Descriptions of each subprocess associated with each process.
- Description of the significant risks involved in financial reporting (including those relating to the risk of fraud) and also others (operational and/or regarding compliance) associated with the different subprocesses and control objectives.
- Detailed description of the key and non-key controls that mitigate each of the risks identified.

For each control, the following have been identified:

- Supporting evidence regarding the controls.
- Organisational structures and/or functions of positions in charge of each key and non-key control identified.
- Frequency of the controls.
- Level of automation of the controls.
- Type of control: preventive or detective.
- Determining whether or not it covers the risk of fraud.
- Owner in charge of each control.

The Group aims to launch a continuous process for updating the internal control

system which guarantees the quality and reliability of financial reporting, not merely limiting itself to yearly or half-yearly financial reports.

To do so, in 2017, the Group began to develop a specific tool in order to increase effectiveness with regards to the management, reporting and document repository of the Group's internal control system with an international dimension.

With regards to the significant judgements, estimates and projections, it is the Group's Economic-Finance Department that sets the assumptions and performs the calculations. To do so, it uses information, such as the budgets for the coming financial years and the strategic plans, which the different Group companies report through a shared platform that is managed by the Group's Controlling Department. In certain cases (such as the valuations of fixed assets and actuarial study calculations), it also uses the information provided by specialists external to the Group. The most significant judgements, estimates and projections are validated prior to the approval process for the consolidated Financial Statements.

F.3.2. Policies and procedures of internal control over reporting systems (including, among others, security of access, control of changes, operation thereof, operational continuity, and segregation of duties) that provide support for the significant processes of the entity in connection with the preparation and publication of financial information.

Gestamp has internal control policies and procedures on the information systems supporting the entity's relevant processes, including the preparation and review process for financial reporting.

In the process to identify technological risks that may affect the confidentiality, integrity and availability of financial information, Gestamp identifies what systems and applications are relevant in each of the areas or processes considered significant. The systems and applications identified include both those that are directly used to prepare the financial information and those that are relevant for the effectiveness of the controls that mitigate the risk of errors arising therein.

Taking this information into account, a risk management model is being developed which identifies threats and establishes the action plans to guarantee the business objectives deriving from the dependence on information systems.

Generally speaking, the following controls exist to provide Gestamp with reasonable assurance concerning the internal control of reporting systems:

- Gestamp has the road map of the most relevant applications, including those with the objective of processing the financial information.
- Only authorised staff have access to the reporting systems using robust authentication mechanisms. In addition, access to information is limited according to the roles assigned to each user. In relation to this, system accessibility is determined by identity management. A feature is currently being rolled out which, by means of an automatic approval flow, enables managers of each system to receive access requests and, in turn, review and approve them.
- The actions performed by users are registered and monitored by people authorised in accordance with operating procedures.
- Periodic review processes are performed on users with access to data, as well as a review of privileged users.
- There are alternative communication systems that guarantee the

continuity of operations.

- Backups of the information are carried out regularly, which are stored in safe locations, and trial restorations thereof are carried out.
- The incident management system is aimed at resolving any type of problem that may arise in the business processes.
- There is a software development methodology and different environments with the aim of ensuring that any changes in the information systems are appropriately authorised and tested.
- Critical business processes have different organisational and technological solutions which ensure the continuity of the information systems. Every year, the financial system recovery plan is tested, identifying the improvement aspects that are included in the plan updates.

The controls on the information technology implemented in the area of financial systems are validated every year in order to ensure their effectiveness. Any incidents identified are evaluated and the appropriate measures adopted to correct them in the time and manner established.

F.3.3. Internal control policies and procedures designed to supervise the management of activities outsourced to third parties, as well as those aspects of assessment, calculation, or valuation entrusted to independent experts, which may materially affect the accounts.

The Group does not usually have activities outsourced to third parties which may materially affect the financial statements. In any case, when the Group outsources certain work to third parties, it ensures the subcontracted company has the technical skills required, independence, competence and solvency.

In financial year 2017, the only significant activity outsourced to third parties with an impact on the financial statements was the use of independent experts for support in the valuation of fixed assets and actuarial study calculations, although they did not have a material effect on the financial information.

This activity was performed by three prestigious firms which were validated as having the necessary competences by personnel in the Group and supervised by Management, which verified the key assumptions used by the external parties, along with the reasonability of the conclusions.

F.4 Information and communication

Indicate whether at least the following are in place and describe their main features:

F.4.1. A specific function charged with defining and updating accounting policies (accounting policy area or department) and with resolving questions or conflicts arising from the interpretation thereof, maintaining fluid communications with those responsible for operations at the organisation, as well as an updated accounting policy manual that has been communicated to the units through which the entity operates.

There is a function charged with Consolidation within the Group's Economic-Finance Department. The functions assigned to said team, and also specifically in the Group's Criteria and Accounting Policies Manual, include the update thereof on an annual basis, at least.

In addition, there is another Function in the Economic-Finance Department charged with the Design and Definition of Financial Processes to be applied in companies using the Corporate SAP system. This Function is in charge of reflecting the accounting policies established in the Group's Criteria and Accounting Policies Manual in this system.

If those in charge of recording the Group's financial information have any queries about how to proceed with regards to daily transaction accounting, the responsibility for resolving queries in relation to these processes lies with the Function charged with the Design and Definition of Financial Processes, whereas any queries regarding accounting policies are resolved by the Function charged with Consolidation, as stated in the Manual. This centralisation of query resolution allows for increased standardisation of criteria.

This Manual includes the main policies applicable to the Group's operations, as well as the criteria that are to be followed by those in charge of recording the financial information, examples of its application and the chart of accounts for consolidation. The last update was in October 2017.

The information required to update the Criteria and Accounting Policies Manual is received by the Function charged with Consolidation through the different channels: by communications from the ICAC (the Spanish Accounting and Auditing Institute) (for modifications to the Spanish National Chart of Accounts, the IFRS or the IAS), by reviewing information alerts sent by the external auditor through the tax updates it receives from the tax advisor or through participation in training sessions given by prestigious companies.

In order to keep all persons in charge of recording financial information throughout the whole Group informed of any possible modifications that arise in the Criteria and Accounting Policies Manual, the Function charged with Consolidation sends them said document on a quarterly basis, along with the consolidation reporting package.

F.4.2. Mechanisms to capture and prepare financial information with standardised formats, to be applied and used by all units of the entity or the group, supporting the principal accounts and the notes thereto, as well as the information provided on the internal control over financial reporting system.

All Group companies report the financial information in a consolidation reporting package in a standardised manner as established by the Function charged with Consolidation (Consolidation Team) within the Group's Economic-Finance Department. This package includes the information structure required to then proceed to add it.

The Consolidation Team has a master in which each account in the local consolidation chart of accounts is associated with the corporate SAP accounts. This association is customised in the Group's consolidation application by the Function charged with the Design and Definition of Financial Processes within the Group's Economic-Finance Department.

Once the Consolidation Team has received the information from the different companies, it verifies that it coincides with the chart of accounts established for the Group and with the Group's Criteria and Accounting Policies Manual and proceeds to upload this information onto the Group's consolidation application.

Regarding the information in the disclosures in the report, in order to draw up the

consolidated Financial Statements, the Consolidation team uses the information reported by the different companies in the reporting packages as a source. Based on this data and the information from the whole Group, it consolidates and draws up the consolidated interim and annual accounts (financial statements and notes) and creates the notes to the financial statements. The Consolidation team ensures that the information in the consolidation application matches the detailed information extracted to draw up the disclosures, and also that the information in the detail of the notes matches the detailed information extracted to draw up the notes.

Finally, the capture and preparation of the information provided regarding the ICFRS is centralised in the Internal Control Function in coordination with the Departments involved. This description is formally validated by these Departments. This process concludes with the approval of the Annual Corporate Governance Report as a whole by the Board of Governors,

F.5 Supervision of the operation of the system

Indicate and describe the main features of at least the following:

F.5.1. The activities of overseeing the internal control over financial reporting system (ICFRS) performed by the audit committee, and also whether or not the entity has an internal audit function whose duties include providing support to the committee in its task of overseeing the internal control system, including the ICFRS. Information is also to be provided concerning the scope of the assessment of the ICFRS performed during the financial year and on the procedure whereby the person or division charged with performing the assessment reports the results thereof, whether the entity has an action plan in place describing possible corrective measures, and whether the impact thereof on financial information has been considered.

As indicated in section F.1.1, the Audit Committee is responsible for overseeing and periodically reviewing the effectiveness of the internal control and the financial reporting process.

In financial year 2017, the Audit Committee approved the scope matrix of the ICFRS established by the Internal Control Function, in accordance with what is stated in section F.2.1, and supervised the progress of the ICFRS project by means of periodic reports submitted by the Group's Finance Director.

The Group has an Internal Audit Function which hierarchically reports to the Group's Vice-Chairman and functionally to the Audit Committee. The Internal Audit Function supports the Audit Committee with regards to overseeing the correct functioning of the ICFRS and reports the results of the review work carried out.

The Internal Audit Function has an Internal Audit Plan for financial year 2018 approved by the Audit Committee on 14 December 2017, which provides for the undertaking of specific work and reviews of relevant financial and non-financial information.

The Internal Audit Function reports the conclusions drawn from their reviews to the Audit Committee in the regular appearances made throughout the financial year. These conclusions include potential corrective actions if weaknesses are detected, and monitoring thereof once approved.

In relation to the activities carried out by the Audit Committee in financial year 2017, an activity report was drawn up which, as established in Article 39 of the

Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever there is a General Shareholders' Meeting held. Among other aspects, the activity report for financial year 2017 includes:

- The periodic review of the Company's financial information
- The approval of the scope matrix of the ICFRS established for financial year 2017
- The review and proposal, for approval by the Board of Directors, of the Comprehensive Risk Management System Policy and the ICFRS Policy
- The creation of the Company's Internal Audit Function, or
- The approval of the Internal Audit Charter

F.5.2. Indicate whether there is a discussion procedure whereby the auditor (pursuant to TAS), the internal audit function and other experts can report any significant internal control weaknesses encountered during their review of the financial statements or other reviews they have been engaged to perform to the company's senior executives and its Audit Committee or Board of Directors. State also whether the entity has an action plan to correct or mitigate the weaknesses identified.

Article 40 of the Regulations of the Board of Directors states the power held by the Audit Committee: "to regularly receive information on the activities of the Internal Audit Function; to verify whether senior management takes into account the conclusions and recommendations in its reports; and to discuss with the auditor or auditing firms any significant weaknesses in the internal control system detected in the course of the audits, never compromising its independence. To this end, and where applicable, recommendations and proposals, with the relevant deadlines for follow-up, may be submitted to the administrative body".

Seven meetings of the Audit Committee were held in 2017.

External auditors attended three Audit Committee meetings to communicate the provisional state of the audit work on the Group's financial statements and the essential facts detected, including any potential weaknesses regarding internal control identified while performing their work, if there were any.

The head of the Group's Internal Control Function regularly intervened in the Audit Committee meetings, presenting the degree of progress of the work performed with regards to the ICFRS.

Furthermore, the Internal Audit Director reported to the Audit Committee the internal control weaknesses identified as a result of the work performed in relation to the review of the ICFRS.

F.6 Other relevant information

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Not applicable.

F.7 External auditor's report

Indicate:

F.7.1. Whether the ICFRS information reported to the markets has been submitted for review by the external auditor. If so, the related report should be included in the corresponding report as an Appendix. If not, give reasons why.

The information sent regarding the ICFRS was not submitted for review by the external auditor given that the Group continues to implement the improvements and recommendations that arose in the ICFRS adaptation process, launched as a result of recently going public on the Continuous Market on 7 April 2017.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

State the company's degree of compliance with the recommendations of the Good Governance Code for Listed Companies.

If the company does not comply with any recommendation or follows it partially, there must be a detailed explanation of the reasons providing shareholders, investors, and the market in general with sufficient information to assess the company's course of action. Generalised explanations will not be acceptable.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

Complies Explain

2. When a parent and a subsidiary are listed companies, both should provide detailed disclosure on:

a) The types of activity they engage in, and any business dealings between them, as well as between the listed subsidiary and other group companies.

b) The mechanisms in place to resolve possible conflicts of interest.

Complies Complies in part Explain Not applicable

3. During the annual general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular regarding:

a) Changes taking place since the previous annual general meeting.

b) The specific reasons why the Company does not follow some of the recommendations of the Good Governance Code and, if any, the alternative rules that apply in this area.

Complies Complies in part Explain

Given that the Company was still not a public listed company at the time of the Annual General Shareholders' Meeting on 22 March 2017, this Recommendation was not applicable. In this regard, the Chairman of the Board of Directors did not have the opportunity to communicate the most important aspects of corporate governance during the meeting. However, the Company anticipates compliance with this Recommendation in the Annual General Shareholders' Meeting to be held in 2018 and thereafter.

4. The company should draw up and implement a policy of communication and contacts with shareholders, institutional investors and proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same

position.

This policy should be disclosed on the company's website, complete with details of how it has been put into practice and the identities of the relevant interlocutors or those charged with its implementation.

Complies Complies in part Explain

Article 13 of the Regulations of the Company's Board of Directors establishes the basic principles of the policy of communication and contacts with shareholders, institutional investors and proxy advisors. Nevertheless, given the recent admission to trading of company shares, the Company is still in the process of adapting its corporate structure to corporate governance best practices and among its tasks is that of drawing up the aforementioned policy.

In any case, the Company has communication channels set up that can be seen on its website and, in particular, the Company's contact for area of Investor Relations.

5. **The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation. When the board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.**

Complies Complies in part Explain

6. **Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory.**

a) **Report on auditor independence.**

b) **Reports on the operation of the audit committee and the nomination and remuneration committee.**

c) **Audit committee report on related-party transactions.**

d) **Report on the corporate social responsibility policy.**

Complies Complies in part Explain

Given that the Company was still not a public listed company at the time of the Annual General Shareholders' Meeting on 22 March 2017, this Recommendation was not applicable. However, the Company plans to publish the aforementioned reports on its website well in advance of the Annual General Shareholders' Meeting to be held in 2018.

7. **The company should broadcast its general shareholders' meetings live on the corporate website.**

Complies Explain

Since the admission to trading of its shares, the Company has not had the opportunity to hold a General Shareholders' Meeting. In any case, the Company will assess the appropriateness of live broadcasting its next General Shareholders' Meetings.

8. **The audit committee should strive to ensure that the board of directors can present the company's accounts to the general shareholders' meeting without limitations or qualifications in the auditor's report. In the exceptional case that qualifications exist, both the Chairman of the audit committee and the auditors should give a clear account to shareholders of their scope and content.**

Complies Complies in part Explain

9. The company should disclose on its website, on an ongoing basis, its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Complies Complies in part Explain

Given that the Company was still not a public listed company at the time of the Annual General Shareholders' Meeting on 22 March 2017, this Recommendation was not applicable. However, the Company plans to publish, on an ongoing basis, the abovementioned conditions and procedures on its website, ensuring that they encourage shareholders to attend and exercise their rights and that they are applied in a non-discriminatory manner.

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

- a) Immediately circulate the supplementary items and new proposals.
- b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.
- c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.
- d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Complies Complies in part Explain Not applicable

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Complies Complies in part Explain Not applicable

12. The board of directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Complies Complies in part Explain

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Complies Explain

14. The board of directors should approve a director selection policy that:

- a) Is concrete and verifiable.
- b) Ensures that appointment or re-election proposals are based on a prior analysis of the board's needs.
- c) Favours a diversity of knowledge, experience and gender.

The results of the prior analysis of board needs should be written up in the appointments committee's explanatory report, to be published when the general meeting is convened which will ratify the appointment and re-election of each director.

The director selection policy should pursue the goal of having at least 30% of total board places occupied by women directors before the year 2020.

The appointments committee should run an annual check on compliance with the director selection policy and set out its findings in the annual corporate governance report.

Complies Complies in part Explain

Given that the Board of Directors Selection Policy was approved by the Board of Directors in its last meeting in 2017, the Company's Nomination and Compensation Committee has not had the opportunity to run a check on the compliance of the abovementioned policy. However, this Committee plans to check its compliance in 2018.

In addition, the Board of Directors Selection Policy envisages among its principles that of favouring knowledge, experience and gender diversity, all in line with what is established in Article 7 of the Regulations of the Board of Directors.

15. Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Complies Complies in part Explain

16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

- a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.
- b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Complies Explain

17. Independent directors should represent at least half of all board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 % of capital, independent directors should occupy, at least, a third of board places.

Complies Explain

18. Companies should disclose the following director particulars on their websites and keep them regularly updated:

- a) Professional profile and biographical data.
- b) Directorships held in other companies, listed or otherwise, and other paid activities

they engage in, of whatever nature.

c) **Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.**

d) **Dates of their first appointment as a board director and subsequent re-elections.**

e) **Shares held in the company and any options thereon.**

Complies Complies in part Explain

The Company website contains the information referred to in this Recommendation with the exception of the other paid activities Directors engage in, the shareholder proprietary directors represent and the shares held by the Directors.

19. **Following verification by the appointments committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3% of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.**

Complies Complies in part Explain Not applicable

20. **Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the number of the latter should be reduced accordingly.**

Complies Complies in part Explain Not applicable

21. **The board of directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where they find just cause, following a report by the appointments committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the position of board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.**

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Complies Explain

22. **Companies should establish rules obliging directors to inform the Board of Directors of any circumstance that might harm the company's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent trial.**

The moment a director is indicted or tried for any of the offences stated in company legislation, the board of directors should open an investigation and, in light of the particular circumstances, decide whether or not he or she should be called on to resign. The board should give a reasoned account of all such determinations in the annual corporate governance report.

Complies Complies in part Explain

23. **All directors should express their clear opposition when they feel a proposal submitted for the Board's approval might damage the corporate interest. In particular, independents and**

other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the Board makes material or reiterated decisions about which a director has expressed serious reservations, then he/she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the Secretary of the Board, director or otherwise.

Complies Complies in part Explain Not applicable

- 24. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the board. Irrespective of whether such resignation is filed as a significant event, the reason therefor must be explained in the annual corporate governance report.**

Complies Complies in part Explain Not applicable

- 25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.**

The board of directors regulations should lay down the maximum number of company boards on which directors can serve.

Complies Complies in part Explain

- 26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.**

Complies Complies in part Explain

- 27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.**

Complies Complies in part Explain

- 28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.**

Complies Complies in part Explain Not applicable

- 29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.**

Complies Complies in part Explain

- 30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.**

Complies Explain Not applicable

- 31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision in order for them to study the matter beforehand or gather together the material they need.**

For reasons of urgency, the Chairman may wish to present decisions or resolutions for

board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, duly recorded in the minutes, of the majority of directors present.

Complies Complies in part Explain

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Complies Complies in part Explain

33. The Chairman, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review knowledge refresher courses for each director, when circumstances so advise.

Complies Complies in part Explain

34. When a coordinating independent director has been appointed, the bylaws or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the Chairman or vice-Chairmans, if they exist; give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the Chairman's succession plan.

Complies Complies in part Explain Not applicable

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the good governance recommendations contained in this Good Governance Code that are of relevance to the company.

Complies Explain

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct deficiencies detected in:

- a) The quality and efficiency of the board's operation.
- b) The performance and membership of its committees.
- c) The diversity of board membership and competences.
- d) The performance of the chairman of the board of directors and the company's chief executive.
- e) The performance and contribution of individual directors, with particular attention to the Chairmans of board committees.

The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report by the appointments committee.

Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the appointments committee.

Any business dealings that the facilitator or members of its corporate group maintain

with the company or members of its corporate group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be detailed in the annual corporate governance report.

Complies Complies in part Explain

Pursuant to Article 36 of the Board Regulations, the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year, assessing the quality of its work, evaluating the effectiveness of its rules and, where appropriate, adopting an action plan to correct any aspects seen to be of scant functionality.

Furthermore, the Board will assess (i) the Chairman's performance of his/her duties and, if any other person is appointed with the position, the Company chief executive's performance of his/her duties, based on the report submitted to the Board by the Nomination and Compensation Committee; and also (ii) the functioning of the Board committees based on the report they submit to the Board.

However, given that in the first meeting of financial year 2017 it was still not a listed company, the Company did not have the opportunity to conduct the abovementioned assessments in 2017.

- 37. When an executive committee exists, its membership mix by director class should resemble that of the board. The secretary of the board should also act as secretary to the executive committee.**

Complies Complies in part Explain Not applicable

- 38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the minutes of executive committee meetings.**

Complies Complies in part Explain Not applicable

- 39. All members of the audit committee, particularly its Chairman, should be appointed in relation to their knowledge and experience in accounting, auditing and risk management matters. A majority of committee places should be held by independent directors.**

Complies Complies in part Explain

- 40. There should be a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and internal control systems. This unit should report functionally to the board's non-executive Chairman or the Chairman of the audit committee.**

Complies Complies in part Explain

- 41. The head of the unit handling the internal audit function should present an annual work programme to the audit committee, inform it directly of any incidents arising during its implementation and submit an activity report at the end of each year.**

Complies Complies in part Explain Not applicable

- 42. The audit committee should have the following functions over and above those legally assigned:**

1. As regards information systems and internal control:

- a) Monitor the preparation and the integrity of the financial information prepared on the company and, where appropriate, the group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter,**

and the correct application of accounting principles.

- b) Ensure the independence of the unit handling the internal audit function; propose the selection, appointment, re-election and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programmes, ensuring that it focuses primarily on the main risks the company is exposed to; receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.
- c) Establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect in the course of their duties, in particular financial or accounting irregularities.

2. With regard to the external auditor:

- a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.
- b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.
- c) Ensure that the company notifies any change of external auditor to the CNMV as a material event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.
- d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.
- e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Complies Complies in part Explain

Although neither the By-laws nor the Regulations of the Company's Board of Directors include the functions referred to in section 2 of this Recommendation, the Audit Committee carries out these functions on a regular basis.

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies Complies in part Explain

44. The audit committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Complies Complies in part Explain Not applicable

45. The risk control and management policy should identify at least:

- a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), with the inclusion under financial or economic risks of contingent liabilities and other off- balance-sheet risks.
- b) The determination of the risk level the company sees as acceptable.
- c) The measures in place to mitigate the impact of identified risk events should they

occur.

- d) **The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance- sheet risks.**

Complies Complies in part Explain

46. **Companies should establish a risk control and management function in the charge of one of the company's internal departments or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:**

- a) **Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.**
- b) **Actively participate in the preparation of the risk strategy and in key decisions regarding their management.**
- c) **Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.**

Complies Complies in part Explain

47. **Members of the Nomination and Compensation Committee—or of the appointments committee and remuneration committee, if separately constituted—should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.**

Complies Complies in part Explain

48. **Large cap companies should operate separately constituted Nomination and Compensation Committees.**

Complies Explain Not applicable

49. **The appointments committee should consult with the company's Chairman and chief executive, especially on matters relating to executive directors.**

When there are vacancies on the board, any director may approach the appointments committee to propose candidates that it might consider suitable.

Complies Complies in part Explain

50. **The remuneration committee should operate independently and have the following functions in addition to those assigned by law:**

- a) **Propose to the board the standard conditions for senior officer contracts.**
- b) **Monitor compliance with the remuneration policy set by the company.**
- c) **Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.**
- d) **Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.**
- e) **Verify the information on director and senior officers' pay contained in different corporate documents, including the annual directors' remuneration statement.**

Complies Complies in part Explain

51. **The remuneration committee should consult with the company's Chairman and chief**

executive, especially on matters relating to executive directors and senior officers.

Complies Complies in part Explain

52. The terms of reference of supervision and control committees should be set out in the regulations of the board of directors and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

- a) **Committees should be formed exclusively by non-executive directors, with a majority of independents.**
- b) **They should be chaired by independent directors.**
- c) **The board should appoint the members of such committees in relation to the knowledge, skills and experience of its directors and each committee's tasks; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.**
- d) **They may engage external advice, when they deem it necessary for the discharge of their functions.**
- e) **Meeting proceedings should be minuted and a copy made available to all board members.**

Complies Complies in part Explain Not applicable

53. The task of supervising compliance with corporate governance rules, internal codes of conduct and corporate social responsibility policy should be assigned to one board committee or split between several, which could be the audit committee, the appointments committee, the corporate social responsibility committee, where one exists, or a dedicated committee established ad hoc by the board under its powers of self-organisation, with at the least the following functions:

- a) **Monitor compliance with the company's internal codes of conduct and corporate governance rules.**
- b) **Oversee the communication and relations strategy with shareholders and investors, including small and medium-sized shareholders.**
- c) **Periodically evaluate the effectiveness of the company's corporate governance system, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of remaining stakeholders.**
- d) **Review the company's corporate social responsibility policy, ensuring that it is geared to value creation.**
- e) **Monitor corporate social responsibility strategy and practices and assess their degree of compliance.**
- f) **Monitor and evaluate the company's interaction with its stakeholder groups.**
- g) **Evaluate all aspects of the non-financial risks the company is exposed to, including operational, technological, legal, social, environmental, political and reputational risks.**
- h) **Coordinate non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.**

Complies Complies in part Explain

54. The corporate social responsibility policy should state the principles or commitments the company will voluntarily adhere to in its dealings with stakeholder groups, specifying at least:

- a) The goals of its corporate social responsibility policy and the support instruments to be deployed.
- b) The corporate strategy with regard to sustainability, the environment and social issues.
- c) Specific practices in matters relating to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.
- d) The methods or systems for monitoring the results of the specific practices referred to above, and identifying and managing related risks.
- e) The mechanisms for supervising non-financial risk, ethics and business conduct.
- f) Channels for stakeholder communication, participation and dialogue.
- g) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Complies Complies in part Explain

55. The company should report on corporate social responsibility developments in its directors' report or in a separate document, using an internationally accepted methodology.

Complies Complies in part Explain

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.

Complies Explain

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans, retirement schemes or other welfare schemes, should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. This condition, however, will not apply to shares that the director must dispose of to defray costs related to their acquisition.

Complies Complies in part Explain

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

- a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.
- b) Promote the long-term sustainability of the company and include non-financial

criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.

- c) **Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.**

Complies Complies in part Explain Not applicable

Prior to 2013, the Company had an annual variable remuneration system linked to exclusively subjective criteria. In 2013, with the aim of introducing a variable remuneration system offering a method, transparency, objectivity, certainty and which, in addition, is in line with the Group's high growth margins, the Company opted for a variable remuneration system that is exclusively linked to objective criteria, which are predetermined and measurable based on financial indicators relating to the Company's value. This change in the annual variable remuneration system has allowed the Company to increase its commitment to management teams, consolidate a variable remuneration system that is firmly established in the Group, and also maintain a sustained growth dynamic.

Moreover, in 2016, a long-term incentives plan was approved for the 2016-2020 period for certain company managers, linked to the achievement of long-term objectives and aimed at promoting sustained value creation for the Group over time and increasing the retention and motivation rates of key employees for the Company.

The long-term incentives plan is linked to the achievement, by the end of the period, of a series of financial objectives set forth in the Group's Strategic Plan and related to shareholder interests, given that it is linked to the creation of value for the Group.

59. **A major part of variable remuneration items should be deferred for a long enough period to ensure that predetermined performance criteria have effectively been met.**

Complies Complies in part Explain Not applicable

60. **Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce their amount.**

Complies Complies in part Explain Not applicable

61. **A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.**

Complies Complies in part Explain Not applicable

The variable remuneration system for executive directors is based on a monetary and objective system associated with economic-financial metrics that are directly aligned with value creation for the shareholder.

Nevertheless, the Company does not directly contemplate a variable remuneration system that includes the award of shares or financial instruments whose value is linked to the share price.

62. **Following the award of shares, share options or other rights on shares derived from the remuneration system, directors should not be allowed to transfer a number of shares equivalent to twice their annual fixed remuneration, or to exercise the share options or other rights on shares for at least three years after their award.**

This condition, however, will not apply to shares that the director must dispose of to

defray costs related to their acquisition.

Complies Complies in part Explain Not applicable

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.

Complies Complies in part Explain Not applicable

64. Termination payments should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined performance criteria.

Complies Complies in part Explain Not applicable

H OTHER INFORMATION OF INTEREST

1. If there are any significant aspects regarding corporate governance at the company or at entities of the group that are not included in the other sections of this report, but should be included in order to provide more complete and well-reasoned information regarding the corporate governance structure and practices at the entity or its group, briefly describe them.

In accordance with the provisions contained in Article 2 of *Royal Decree-Law 18/2017, of 24 November, which modifies the Code of Commerce, the revised text of the Capital Companies Act approved by Royal Decree Legislative 1/2010, of 2 July, and Law 22/2015, of 20 July, on Audit of Accounts, regarding non-financial information and diversity* ("RD 18/2017"), the Company states the following:

Given the recent approval of RD 18/2017 and the short period of time that has lapsed between the admission to trading of the Company shares and the preparation of this Annual Corporate Governance Report, the Company has not had the opportunity to approve a diversity policy applicable with regards to the composition of the Board of Directors, which regulates aspects such as training, professional experience, age, disability, gender and any measures that may have been adopted to include a certain number of women on the Board of Directors so as to ensure a balanced presence of men and women.

Therefore, the Board of Directors, in order to adapt its corporate governance structure to best practices, and with the support of the Nomination and Compensation Committee, shall assess the appropriateness of approving the abovementioned policy in accordance with the needs detected on the Board of Directors.

Nevertheless, as referred to in section C.1.6.bis of this Annual Corporate Governance Report, the Board of Directors Selection Policy approved by this body in its last meeting of the year in question, envisages among its principles that of favouring knowledge, experience and gender diversity, all in line with what is established in Article 7 of the Regulations of the Board of Directors.

2. In this section, you may also include any other information, clarification, or comment relating to the prior sections of this report provided that they are relevant and not repetitive.

Specifically, state whether the company is subject to laws other than Spanish laws regarding corporate governance and, where applicable, include any information that the

company is required to provide which is different to the information required in this report.

General clarification

Given that the Company's shares were admitted to trading on 7 April 2017, the period this Annual Corporate Governance Report refers to is divided into two different stages, in other words, before and after the shares were admitted to trading.

In this regard, with a view to being as transparent as possible and avoiding any confusion, the information included in the different sections of this report relate to financial year 2017 as a whole, that is, including the period when the shares had still not been admitted to trading.

Take section B.4. Serves as an example as it includes the attendance data at the General Shareholders' Meetings held before the Company's shares were admitted to trading. The same criterion was applied, among others, in section C.1.29. with regards to the number of Board meetings in the year; in section C.1.30. in relation to the number of meetings where all directors attended or in relation to the information regarding related-party transactions that is included in section D of this report.

Section A.2.

On 23 March 2017, the prospectus corresponding to the sale offering and admission to trading the shares of Gestamp Automoción, S.A. (hereinafter referred to as the "Company") was registered with the CNMV (*National Securities Market Commission*). As a result of the aforementioned offering, once the shares of the Company had been admitted to trading and the Greenshoe Option accompanying them had been applied, Acek Desarrollo y Gestión Industrial, S.L., became a direct holder of 21.17% of the share capital, previously a holder of 37.62% before the offering.

On 23 March 2017, the prospectus corresponding to the sale offering and admission to trading the shares of the Company was registered with the CNMV. As a result of the referred to offering, and once the shares of the Company had been admitted to trading, Risteel Corporation B.V., ceased to be a shareholder due to the sale of 10.75% of the share capital of which it was the holder.

Section A.6.

Private shareholders' agreement entered into by Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd. and Gestamp 2020, S.L. on 23 December 2016.

The most significant agreements it contains affecting the Company are as follows:

- (i) The Gestamp 2020, S.L. Board of Directors must hold a meeting prior to the Company's Annual General Shareholders' Meeting in order to decide upon how to vote and appoint a representative for Gestamp 2020, S.L. in said Meeting. Mitsui & Co. Ltd. does not hold any voting rights regarding items on the agenda at the Company's Annual General Shareholders' Meeting.
- (ii) The Company's Board of Directors must have a minimum of 9 and a maximum of 15 members. Mitsui & Co., Ltd. shall have the right to propose the appointment of 2 members of the Company's Board of Directors out of the total number of members that Gestamp 2020, S.L. has the right to appoint, provided that it holds a stake,

either directly or indirectly, in at least 10% of the Company's share capital. In the event that the stake held drops below 10% but remains above 5%, Mitsui & Co., Ltd. would have the right to propose the appointment of 1 member of the Company's Board of Directors out of the total number of members that Gestamp 2020, S.L. has the right to appoint.

- (iii) In the event that any Gestamp 2020, S.L. shareholders have the intention of transferring their indirectly held stake in the Company, the non-transferring shareholder becomes entitled to purchase the stake of the transferring shareholder in Gestamp 2020, S.L. for a price equivalent to that of the sum of the closing market price of the Company's share divided by the sum of the trading days in the month after the notification regarding the share transfer. If the right of first refusal is not exercised, the transferring shareholder may, at its discretion, request Gestamp 2020, S.L. to sell the Company shares held indirectly by the transferring party; request the redemption of Gestamp 2020, S.L. shares held by the transferring party or request the dissolution of Gestamp 2020, S.L.
- (iv) In the event of a material breach of the private shareholders' agreement by Mitsui & Co. Ltd., Acek Desarrollo y Gestión Industrial, S.L. shall be entitled to exercise a call option on the stake held by Mitsui & Co. Ltd. in Gestamp 2020, S.L. for a price equivalent to 90% of its market value. In the event of a breach by Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co. Ltd. May exercise a put option on its stake in Gestamp 2020, S.L. for a price equivalent to 110% of its market value.

Private shareholders' agreement entered into by Mr. Francisco José Riberas Mera, Halekulani, S.L., Juan María Riberas Mera, Ion Ion, S.L. and Acek Desarrollo y Gestión Industrial, S.L. on 21 March 2017.

The most significant agreements it contains are as follows:

- (i) The governing body of Acek Desarrollo y Gestión Industrial, S.L. must hold a meeting prior to the Annual General Shareholders' Meeting of the Company or of Gestamp 2020, S.L. in order to come to an agreement on how Acek Desarrollo y Gestión Industrial, S.L. will vote.
- (ii) Right of first refusal and *tag-along* right of the Acek Desarrollo y Gestión Industrial, S.L. shareholders and, in the case of the right of first refusal, on a subsidiary basis to the company itself, in the event that any of the shareholders have the intention of transferring their stake to a third party.
- (iii) Regulation of a conciliation procedure and, on a subsidiary basis, a mediation procedure for deadlock situations involving Acek Desarrollo y Gestión Industrial, S.L., and indirectly involving the Company. In the event that the deadlock is not solved through the conciliation or mediation, each of the Acek Desarrollo y Gestión Industrial, S.L. shareholders may determine the vote that indirectly corresponds to them in Gestamp 2020, S.L. by means of their stake in Acek Desarrollo y Gestión Industrial, S.L.

Section C.1.2

On the one hand, it is established that the date of the last appointment of directors took effect on 24 March 2017, that is, the day after the date of verification and recording, by the CNMV, of the prospectus of the initial public offering of the Company's shares.

On the other hand, due to an application to be admitted to trade the company's shares, in order to comply with the laws and recommendations of good governance applicable to listed companies, on 24 march 2017 the entire Board of Directors was removed. On the same date, the actual Board of Directors was appointed.

Sections C.1.3 and C.1.10

It is hereby stated that, as was communicated through the relevant fact dated 20 December 2017 (record no. 259758), the Company's Board of Directors, during the reporting period, agreed to appoint Mr. Francisco López Peña as CEO of the Company and independently to said appointment, Mr. Francisco José Riberas Mera continues to perform his duties as Executive Chairman.

In addition, regarding the appointment of Mr. Noboru Katsu and Mr. Tomofumi Osaki, it is established that there were proposed by Mitsui & Co. Ltd. to Acek Desarrollo y Gestión Industrial, S.L., pursuant to the provisions in the shareholders agreement entered into between Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd. and Gestamp 2020, S.L., referred to in section A.6.

Section C.1.9

Due to an application to be admitted to trade the company's shares, in order to comply with the laws and recommendations of good governance applicable to listed companies, on 24 march 2017 the entire Board of Directors was removed. On the same date, the actual Board of Directors was appointed.

Section C.1.16

In accordance with what is established in the instructions for completing this report, it is hereby stated that the Company's Internal Audit and Risk Management Director is Ms. Raquel Cáceres Martín was not included in the table in section C.1.16 given that she is not considered to be a member of senior management, since, as this term is legally defined, only members of the Company's Management Committee hold this status.

Furthermore, it is hereby stated that the total amount of the remuneration of Senior Management corresponding to financial year 2017 as set out in section C.1.16 of this report include: the salaries paid during the year; the annual variable remuneration accrued in the year, and payment thereof is envisaged once the 2017 Financial Statements have been formally approved by the Annual General Shareholders' Meeting which will be held in 2018; the provisions granted as a long-term incentive corresponding to the proportional part of the year; the sum of any benefits granted and compensation paid due to a Senior Manager leaving the Steering Committee in the year in question.

Section C.2.1.

Procedures and rules of organisation and functioning of the Audit Committee and the Nomination and Compensation Committee

Article 39 of the Regulations of the Board of Directors sets forth the following rules applicable to both Committees:

“a) The Board of Directors shall appoint the members of such committees, taking into account the knowledge, skills and experience of the directors and each committee's tasks; it shall discuss their proposals and reports; and provide report-backs on their activities

and work carried out.

(b) They shall be exclusively made up of non-executive directors, with a minimum of three and a maximum of five. The above is understood notwithstanding the potential presence of executive directors or Senior Managers in their meetings, for reporting purposes, when each of the committees agrees to this. However, the presence of the Executive Chairman in these meetings shall be exceptional.

(c) Independent directors shall be in the majority at all times, where one is to be appointed Chairman.

(d) The Secretary shall be the Secretary of the Board of Directors.

(e) They may seek external advice when deemed necessary for the performance of their duties under the same circumstances as those applicable to the Board (*mutatis mutandi*).

(f) Minutes shall be taken of the meetings and a copy thereof shall be sent to all the members of the Board.

(g) The committees shall meet whenever necessary, at the Chairman's discretion, 33 to exercise their powers, and whenever two of its members so request.

(h) The rules of operation shall be those that govern the functioning of the Board. In this way, they shall be validly constituted whenever the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of the directors in attendance. In the event of a tie, the Committee Chairman shall have the casting vote.

(i) The Chairmen of the corresponding committees shall inform the Board of Directors of the issues discussed and the resolutions adopted at the meetings during the first Board of Directors' meeting held after the Committee meeting.

(j) Within three months after the end of each financial year, each committee shall submit a report on its work in the previous year for approval by the Board of Directors, and it shall be made available to the shareholders during their annual general meeting.

Duties of the Audit Committee and the Nomination and Compensation Committee

Article 40 of the Regulations of the Board of Directors attributes the following duties to the Audit Committee:

“(a) To inform the General Shareholders' Meeting about issues raised by the shareholders on matters for which it is competent and, in particular, about the findings of audits, explaining how they have contributed to the integrity of the financial reporting and the role that the Committee has played in the process.

(b) As regards information systems and internal control:

(i) To supervise the preparation process, integrity and presentation of regulated financial reporting on the Company, checking that regulatory requirements are met and accounting criteria are correctly applied.

(ii) To periodically review the internal control and risk management systems, including fiscal risks, so that the main risks are adequately identified, managed and reported, and also to discuss with the auditor any significant weaknesses in the internal control system found in the course of the audit, never compromising its independence. To this end, and where applicable, recommendations and proposals, with the relevant deadlines for follow-up, can be submitted to the administrative body.

(iii) To safeguard the independence and effectiveness of the internal audit function: to propose the selection, appointment, re-election and dismissal of the head of the internal audit service; to propose the budget for this service; to receive information about its activities regularly; to verify whether senior management takes into account the conclusions and recommendations in its reports; and to discuss with the auditor or auditing firms any significant weaknesses in the internal control system detected in the course of the audits.

(iv) To set up and supervise a mechanism that enables employees to anonymously and

confidentially report any irregularities they may observe within the company.

(v) To approve, supervise, revise and oversee compliance with the Company's corporate social responsibility policy, which must focus on the creation of value at the Company and on fulfilment of its social and ethical duties.

(c) With regards to the auditor:

(i) To bring proposals on the selection, appointment, re-election and replacement of the auditor, as well as the contract conditions for such party, to the Board and to be in charge of the selection process.

(ii) To regularly receive from the auditor information on the audit plan and the results of its implementation, and to verify whether senior management has taken its recommendations into account.

(iii) To establish an appropriate relationship with the auditor to receive information about any issues that could jeopardise the independence of the auditors, for examination by the Audit Committee, and any other information related to the progress of the auditing process, as well as any other correspondence stipulated in legislation on accounts auditing and auditing standards. At the least, it must receive written confirmation from the auditor or auditing firms once a year asserting their independence from the entity, or entities that are directly or indirectly related to it, as well as information about additional services of any kind provided to these entities by the aforementioned auditor or firms, or by individuals or entities related to them in accordance with legislation on accounts auditing.

(iv) To issue a report expressing an opinion on the independence of the auditor once a year, prior to issuance of the auditor's report. Such report must, in all cases, express a decision on the additional services referred to in the paragraph above.

(d) As regards the risk management and control policy:

(i) To propose to the Board of Directors a risk management and control policy, which shall identify as least: (i) the types of risk (operational, technological, financial, legal and reputational) to which the Company is exposed; (ii) setting the risk level deemed acceptable by the Company; (iii) measures to mitigate the impact of the risks identified, should they occur; and (iv) the control and reporting systems to be employed to control and manage said risks.

(ii) To supervise the operation of the Company's risk management and control unit, which is responsible for: (i) ensuring that the risk management and control systems function properly and, in particular, ensuring that all the significant risks affecting the Company are adequately identified, managed and quantified; (ii) actively participating in the creation of the risk strategy and in reaching important decisions about its implementation; and (iii) ensuring that the risk management and control systems adequately mitigate the risks in accordance with the policy defined by the Board of Directors.

(e) To review the prospectuses or equivalent documents for issuance and/or admission of securities and any other financial reporting that the Company is required to submit to the markets and its supervisory bodies.

7. The Audit Committee must inform the Board of Directors before the latter adopts the relevant resolutions on the matters set forth by law, in the By-laws and in these Regulations and, specifically, on the following subjects:

(a) The financial reports that the Company, due to its status as a listed company, must periodically publish. The Audit Committee shall ensure that interim financial statements are prepared using the same accounting criteria as the annual statements and, to this end, shall consider whether a limited review by the auditor is appropriate.

(b) The creation or acquisition of shares in special-purpose entities or entities based in countries or territories classified as tax havens, as well as any other transactions or operations of a similar nature that, due to their complexity, could diminish the Company's transparency.

(c) Related-party transactions.

(d) Operations entailing structural and corporate modifications planned by the Company, analysing their financial terms and conditions, including, where applicable, the exchange ratio and impact on the accounts.

(...)

10. In relation to the corporate social responsibility policy, the Audit Committee must:

(a) Propose the principles or commitments to be voluntarily undertaken by the Company in its relations with its diverse stakeholders;

(b) Identify the objectives of its corporate social responsibility policy and the support instruments to be deployed.

(c) Establish the corporate strategy with regards to sustainability, the environment and social issues.

(d) Determine specific practices on matters relating to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.

(e) Establish the methods or systems for monitoring the results of the specific practices referred to above, and identifying and managing related risks.

(f) Implement (1) monitoring mechanisms of non-financial risk, ethics and business conduct; and (2) the channels of communication, participation and dialogue with stakeholders; as well as responsible communication practices that prevent manipulation of information and protect integrity and honour."

On the other hand, Article 41 of the Regulations of the Board of Directors attributes the following duties to the Nomination and Compensation Committee:

“(a) To assess the skills, knowledge and experience of the Board, describe the duties and skills required from the candidates to fill the vacancies, and assess the time and dedication required for them to perform the entrusted tasks.

(b) To verify compliance with the board member hiring policy each year, and to report on this in the Annual Corporate Governance Report.

(c) To examine and arrange the procedure for replacing the Chairman of the Board of Directors and, where appropriate, the chief executive, to make this process easily understood, and to make proposals to the Board to ensure that this process takes place in an orderly, well-planned manner.

(d) To guide the proposals for the appointment and dismissal of members of Senior Management that the Chairman submits to the Board and the basic conditions of their contracts.

(e) To raise proposals for appointments of independent directors to the Board of Directors, either for appointment under the co-option system or by submitting the proposal to the General Shareholders’ Meeting for a decision, and making proposals for re-election or removal of such directors by the General Shareholders’ Meeting.

(f) To guide the proposals for appointments of other directors, either for appointment under the co-option system or by submitting the proposal to the General Shareholders’ Meeting for a decision, and making proposals for re-election or removal thereof by the General Shareholders’ Meeting.

(g) To guide the Board on gender diversity issues, to set representation targets for the under-represented gender on the Board of Directors and to create guidelines for achieving such targets.

(h) To arrange and coordinate periodic assessments of the Chairman of the Board of Directors and, in conjunction with this person, periodic assessments of the Board of Directors, its committees and the chief executive of the Company.

2. The Nomination and Compensation Committee should consult with the company's Chairman or, in turn, chief executive, especially on matters relating to executive directors and senior officers. When there are vacancies on the board, any director may approach the Nomination and Compensation Committee to propose potential candidates

that it considers suitable.

3. The Nomination and Compensation Committee, in addition to the duties indicated in previous sections, shall be responsible for the following in relation to remuneration:

(a) Propose the following to the Board of Directors:

(i) The remuneration policy for directors and for the parties that carry out senior management duties and directly report to the Board, executive committees or managing directors, as well as the individual remuneration and other contract conditions of executive directors, ensuring compliance with such policy.

(ii) The individual remuneration of directors and approval of the contracts entered into by the Company and its directors who carry out executive duties.

(iii) The types of contracts for Senior Management.

(b) Ensure compliance with the remuneration policy for directors approved in the General Meeting.”

Section C.2.2

For the purposes of communicating the number of female directors and the percentage thereof in previous years, it is hereby stated that the Company did not have an Audit Committee or Nomination and Compensation Committee established in the years in question given that its shares were admitted to trading in 2017.

Section D.2.

For further information please visit the note 31 to the consolidated annual accounts of the year ended 31 December 2017.

3. The company may also state whether it has voluntarily adhered to other international, sectoral or any other codes of ethical principles or good practices. If so, state the code in question and the date of adherence thereto. In particular, mention whether there has been adherence to the Code of Good Tax Practices of 20 July 2010.

This annual corporate governance report was approved by the Company’s Board of Directors at its meeting held on 26 February 2018.

State whether any directors voted against or abstained in connection with the approval of this Report.

Yes

No

Individual or company name of director that did not vote in favour of the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL INFORMATION 2017

The Directors of the Board of Directors of GESTAMP AUTOMOCIÓN, S.A. state that, to the best of their knowledge, the Individual Annual Financial Statements of GESTAMP AUTOMOCIÓN, S.A. and the Consolidated Annual Financial Statements of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries for Fiscal Year 2017, drawn up by the Board of Directors at its meeting of February 26, 2018 and prepared in accordance with applicable accounting standards, present a fair view of the assets, financial condition and results of operations of GESTAMP AUTOMOCIÓN, S.A. and of the companies included in its scope of consolidation, taken as a whole, and that the Individual and Consolidated Management Reports contain a true assessment of the corporate performance and results and the position of GESTAMP AUTOMOCIÓN, S.A. and of the companies included in its scope of consolidation taken as a whole, as well as a description of the principal risks and uncertainties facing them.

Madrid, February 26, 2018.

Mr. Francisco José Riberas Mera
(Executive Chairman)

Mr. Francisco López Peña
(CEO)

Mr. Juan María Riberas Mera
(Director)

Mr. Noboru Katsu
(Director)

Mr. Tomofumi Osaki
(Director)

Mr. Alberto Rodríguez-Fraile Díaz
(Director)

Mr. Javier Rodríguez Pellitero
(Director)

Mr. Pedro Sainz de Baranda Riva
(Director)

Mrs. Ana García Fau
(Director)

Mr. César Cernuda Rego
(Director)

Mr. Gonzalo Urquijo Fernández de Araoz
(Director)

Mr. Geert Maurice Van Poelvoorde
(Director)

The Secretary of the Board of Directors states for the record that the Director Mr. Geert Maurice van Poelvoorde does not set his signature on this document because he is absent due to unavoidable professional commitments and that he have given a proxy and delegated his voting powers to the Director Mr. D. Juan María Riberas Mera, in connection with the matters set forth in the Agenda for the meeting the Board of Directors of 26 February 2018 (which includes the approval of the individual and consolidated Annual Financial Statements and of the individual and consolidated Management Reports for Fiscal Year 2017).

Secretary

Mr. David Vázquez Pascual

GESTAMP AUTOMOCIÓN, S.A.

The previous Annual Accounts for the 2017 financial year of GESTAMP AUTOMOCIÓN, S.A. included in the preceding pages 1 to 79 inclusive, and the Management Report for the year 2017 included in the preceding pages 80 to 87, both inclusive of the accompanying Annual Corporate Governance Report included in the preceding pages 1 to 90, have been sign off by the members of the Board of Directors at their meeting on February 26, 2018.

Don Francisco José Riberas Mera
President

Don Juan María Riberas Mera
Vicepresident

Don Francisco López Peña
Vocal

Don Noboru Katsu
Vocal

Don Tomofumi Osaki
Vocal

Don Alberto Rodríguez Fraile Díaz
Vocal

Don Javier Rodríguez Pellitero
Vocal

Don Pedro Sainz de Baranda Riva
Vocal

GESTAMP AUTOMOCIÓN, S.A.

Doña Ana García Fau
Vocal

Don César Cernuda Rego
Vocal

Don Gonzalo Urquijo Fernández de Araoz
Vocal

Don Geert Maurice Van Poelvoorde
Vocal