

*This document is a translation into English of an original document drafted in Spanish. This document contains: (i) Individual Annual Financial Statements and the Consolidated Annual Financial Statements of the Company and its subsidiaries for Fiscal Year 2018, drawn up by the Board of Directors at its meeting of February 28, 2019; (ii) Individual and Consolidated Management Reports of the Company and the companies included in its scope of consolidation drawn up by the Board of Directors at its meeting of February 28, 2019; (iii) the signing page and (iv) the Responsibility Statement of the Directors of the Company. This translation is for information purposes only, therefore, in case of discrepancy, the Spanish version shall prevail. The Spanish version of this document is available on the official website of the Company ([www.gestamp.com](http://www.gestamp.com)).*

**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, 2018**

## **AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR**

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

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

### **Audit report on the financial statements**

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#### **Opinion**

We have audited the financial statements of GESTAMP AUTOMOCIÓN, S.A. (the Company), which comprise the balance sheet as at December 31, 2018, 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, 2018 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.

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#### **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.

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## 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 investments in group companies, joint ventures, and associates*

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**Description** The Company recognized equity instruments, loans to group companies, debt securities, and other financial assets at a total amount of 4.116.465 thousand euros under “Investments in group companies, jointly-controlled entities, and associates” both current and non-current. 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 Company’s accounting policies as well as the disclosures required under prevailing accounting regulations are provided in Notes 2.3.1, 5.2, 8, 9, and 19 to the accompanying financial statements.

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**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.”

Among others, we have performed the following procedures:

- ▶ We reviewed the Company’s procedures for determining the existence of indications of the impairment, as well as any procedures established to determining fair value. 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.
- ▶ Review of disclosed information included in the notes to the financial statements in accordance with the financial reporting framework applicable to the Company.

### ***Recoverability of deferred tax assets***

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**Description** As explained in accompanying Note 15.2 to the financial statements, at December 31, 2018, the Company has deferred tax assets amounting to 27,408 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 policies and Information required under prevailing accounting regulations are provided in Notes 4.12, and 15.2 to the accompanying financial statements.

**Our response** Our audit procedures primarily included assessing the hypotheses and estimates used by management to determine the probability that the Company will obtain sufficient future taxable profit. This assessment entailed reviewing management's use of future budgets, business performance forecasts, and historical experience. We involved our team of tax specialists to review specific aspects of these estimates. We also evaluated whether the information disclosed in Notes 4.12 and 15.2 to the accompanying financial statements meets the requirements established in the financial reporting framework applicable to the Company.

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### **Other information: Management Report**

Other information refers exclusively to the 2018 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 include 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 Annual 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 we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described in the above paragraph, the information contained in the management report is consistent with that provided in the 2018 financial statements and their content and presentation are in conformity with applicable regulations.

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### **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 process.

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### **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**

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### **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 of the Company on February 28, 2019.

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### **Term of engagement**

The Ordinary General Shareholders' meeting held on May 7, 2018 appointed us as auditors of GESTAMP AUTOMOCIÓN, S.A. for the period ended December 31, 2018.

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

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

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Ramón Masip López

February 28, 2019



**GESTAMP AUTOMOCION, S.A.**

**Financial Statements and Management Report  
for the year ended  
December 31, 2018**

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**GESTAMP AUTOMOCIÓN, S.A.**

**BALANCE SHEET AT DECEMBER 31, 2018 AND DECEMBER 31, 2017**  
(In Euros)

<b>ASSETS</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
<b>Non-current assets</b>		<b>2,063,363,079</b>	<b>1,815,673,569</b>
<b>Intangible assets</b>	<b>5</b>	<b>22,755,715</b>	<b>29,784,410</b>
Trademarks and Other		22,755,715	25,979,388
Goodwill		-	3,805,022
<b>Property, plant, and equipment</b>	<b>6</b>	<b>92,581</b>	<b>91,808</b>
Land and buildings		85,658	87,437
Technical installations and other tangible fixed assets		6,923	4,371
<b>Real estate investments</b>	<b>7</b>	<b>22,902,642</b>	<b>23,452,136</b>
Land		5,775,822	5,775,822
Buildings		17,126,820	17,676,314
<b>Long-term investments in group companies and associates</b>		<b>1,953,324,776</b>	<b>1,703,953,909</b>
Equity instruments	<b>8</b>	720,638,355	665,404,425
Loans to associated companies	<b>9</b>	1,198,311,421	1,002,606,984
Representative debt values	<b>9.1</b>	34,375,000	35,942,500
<b>Non-current financial assets</b>		<b>36,879,114</b>	<b>37,785,002</b>
Loans and receivables	<b>19.2</b>	36,854,371	37,783,802
Derivatives in effective hedges	<b>14</b>	23,238	-
Other non-current financial assets		1,200	1,200
<b>Deferred tax assets</b>		<b>27,408,251</b>	<b>20,606,304</b>
<b>Current assets</b>		<b>2,411,085,510</b>	<b>2,579,367,081</b>
<b>Non-current Assets Held for Sale</b>			
<b>Inventories</b>		<b>34,333</b>	<b>15,500</b>
Prepayments to suppliers		34,333	15,500
<b>Trade and other receivables</b>		<b>23,582,528</b>	<b>22,024,827</b>
Trade receivables, group and associated companies	19	19,384,725	17,473,468
Current income tax assets	15	4,191,703	4,476,959
Receivables from public authorities	15	6,100	74,400
<b>Short-term investments in group companies and associates</b>	<b>9</b>	<b>2,163,141,118</b>	<b>1,982,832,938</b>
Loans to associated companies		217,252,406	520,296,740
Other financial assets		1,945,888,712	1,462,536,198
<b>Current financial assets</b>	<b>9</b>	<b>8,506</b>	<b>-</b>
Other current financial assets		8,506	-
<b>Short-term Accruals</b>		<b>200,000</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>10</b>	<b>224,119,025</b>	<b>574,493,816</b>
Cash		224,119,025	574,493,816
Other equivalent liquid assets		-	-
<b>Total assets</b>		<b>4,474,448,589</b>	<b>4,395,040,650</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**BALANCE SHEET AT DECEMBER 31, 2018 AND DECEMBER 31, 2017**  
(In Euros)

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
<b>Equity</b>		<b>761,755,450</b>	<b>745,728,056</b>
<b>OWN FUNDS</b>		<b>767,997,763</b>	<b>754,639,518</b>
<b>Capital</b>	<b>11.1</b>	<b>287,757,180</b>	<b>287,757,180</b>
Subscribed capital		287,757,180	287,757,180
<b>Share premium</b>	<b>11.2</b>	<b>61,591,287</b>	<b>61,591,287</b>
<b>Reserves</b>	<b>11.3</b>	<b>332,584,938</b>	<b>214,853,815</b>
Legal and statutory reserves		57,551,436	47,110,438
Other reserves		275,033,502	167,743,377
<b>Shares and participations in own equity.</b>		<b>(6,041,271)</b>	
<b>Results for previous years</b>		<b>-</b>	<b>-</b>
Loss from previous years		-	-
<b>Profit/ (loss) for the period</b>	<b>3</b>	<b>129,451,358</b>	<b>190,437,236</b>
Interim Dividend		(37,345,729)	
<b>ADJUSTMENTS FOR CHANGES IN VALUE</b>	<b>12</b>	<b>(6,242,313)</b>	<b>(8,911,462)</b>
Hedging transactions		(6,242,313)	(8,911,462)
<b>Non-current liabilities</b>		<b>2,522,372,644</b>	<b>2,156,708,429</b>
<b>Provisions</b>	<b>13</b>	<b>2,196,791</b>	<b>1,866,667</b>
Benefit obligation		2,196,791	1,866,667
<b>Non trade liabilities</b>	<b>14</b>	<b>2,005,620,978</b>	<b>1,639,727,542</b>
Obligations and other negotiable securities		392,961,283	
Interest-bearing loans and borrowings		1,562,745,660	1,584,166,452
Derivatives		49,914,035	55,561,090
<b>Non-current Liabilities - Payable to Group companies and Associates</b>	<b>14</b>	<b>514,554,875</b>	<b>515,114,220</b>
<b>Current liabilities</b>		<b>1,190,320,494</b>	<b>1,492,604,165</b>
<b>Non trade liabilities</b>	<b>14</b>	<b>44,785,958</b>	<b>589,895,412</b>
Interest-bearing loans and borrowings		3,123,827	586,534,770
Derivatives		1,196,678	
Other current liabilities		40,465,453	3,360,642
<b>Current Liabilities - Payable to Group companies and Associates</b>	<b>14</b>	<b>1,143,348,105</b>	<b>900,695,878</b>
<b>Trade and other payables</b>	<b>14</b>	<b>2,186,431</b>	<b>2,012,874</b>
Trade accounts payable		340,745	530,149
Accrued wages and salaries		769,806	753,416
Payables to public authorities	<b>15</b>	1,075,880	729,309
<b>Total equity and liabilities</b>		<b>4,474,448,589</b>	<b>4,395,040,650</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**INCOME STATEMENT AT DECEMBER 31, 2018 AND DECEMBER 31, 2017**

(In Euros)

	Notas	2018	2017
<b>CONTINUING OPERATIONS</b>			
<b>Revenue</b>	16,1	<b>253,244,510</b>	<b>280,248,923</b>
Intellectual property services		32,458,649	30,307,912
Revenues from other marketable securities to Associated Companies		63,808,325	73,554,404
Dividends		156,977,536	176,386,607
<b>Other Operating Incomes</b>	16,1	<b>2,728,171</b>	<b>2,231,968</b>
Non-core and other current operating revenues		2,728,171	2,231,968
<b>Personnel expenses</b>		<b>(3,806,163)</b>	<b>(2,600,165)</b>
Wages, salaries and similar expenses		(3,569,238)	(2,342,198)
Social Charges	16,2	(236,925)	(257,967)
<b>Other Operating Expenses</b>		<b>(5,308,764)</b>	<b>(9,744,790)</b>
External Services	16,3	(4,801,312)	(9,008,402)
Taxes		(507,452)	(736,388)
<b>Fixed asset depreciation</b>	6	<b>(7,581,471)</b>	<b>(7,485,307)</b>
<b>Impairment and gains (losses) on sale of financial instruments</b>		<b>(21,423,374)</b>	<b>(11,531,700)</b>
Impairment losses	16,6	(21,423,374)	(11,531,700)
<b>Other results</b>		<b>223,722</b>	<b>-</b>
<b>OPERATING PROFIT</b>		<b>218,076,631</b>	<b>251,118,929</b>
<b>Financial income</b>	16,4	<b>1,095,920</b>	<b>3,044,109</b>
<b>From marketable securities and other financial instruments</b>		<b>1,095,920</b>	<b>3,044,109</b>
From third parties		1,095,920	3,044,109
<b>Financial expenses</b>	16,5	<b>(82,949,201)</b>	<b>(63,416,738)</b>
From payable to group and associated companies		(24,087,319)	(23,739,199)
From payable to third parties		(58,861,882)	(39,677,539)
<b>Change in Fair Value of Financial Instruments</b>		<b>(2,594,286)</b>	<b>-</b>
Taken to results for the year for-sale financial assets	14,2	(2,594,286)	-
<b>Exchange gains (losses)</b>	17	<b>(11,869,375)</b>	<b>(2,322,619)</b>
<b>Impairment losses and income from disposal of financial instruments</b>		<b>-</b>	<b>36,137</b>
Results from disposals and others		-	36,137
<b>FINANCIAL RESULT</b>		<b>(96,316,942)</b>	<b>(62,659,111)</b>
<b>PROFIT BEFORE TAXES</b>		<b>121,759,689</b>	<b>188,459,819</b>
<b>Income Tax</b>	15	<b>7,691,669</b>	<b>1,977,417</b>
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>129,451,358</b>	<b>190,437,236</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>Profit for the year from discontinued operations net of taxes</b>			
<b>PROFIT FOR THE YEAR</b>		<b>129,451,358</b>	<b>190,437,236</b>

**GESTAMP AUTOMOCIÓN, S.A.****STATEMENT OF CHANGES IN EQUITY FOR THE YEARS 2018 AND 2017**

(In Euros)

**A) RECOGNIZED INCOME AND EXPENSES STATEMENT**

	<b>2018</b>	<b>2017</b>
<b>PROFIT FOR THE YEAR</b>	<b>129,451,358</b>	<b>190,437,236</b>
Incomes and expenses directly attributed to equity		
For valuation of financial assets		
For cash flow hedges	17,104,150	17,841,366
Tax effect	(4,104,996)	(4,995,582)
	<b>142,450,511</b>	<b>203,283,019</b>
Transfers to Income Statement		
For valuation of financial assets		
For cash flow hedges	(13,592,112)	(8,968,901)
Tax effect	3,262,107	2,511,292
<b>Total transfers to Income Statement</b>	<b>(10,330,005)</b>	<b>(6,457,609)</b>
<b>TOTAL RECOGNIZED INCOME AND EXPENSES</b>	<b>132,120,507</b>	<b>196,825,410</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEARS 2018 AND 2017**  
(In Euros)

**B) STATEMENTS OF TOTAL CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31**

	Capital		Share premium	Legal Reserve	Reserves	Own shares and equity interests	Profit (loss) for the year	Interim dividend	Adjustments for change in value	TOTAL
	Subscribed	Uncalled								
<b>AT DECEMBER 31, 2016</b>	<b>288,236,775</b>	<b>-</b>	<b>61,591,287</b>	<b>46,130,220</b>	<b>224,798,620</b>		<b>9,802,186</b>	<b>-</b>	<b>(15,299,636)</b>	<b>615,259,452</b>
Adjustments made for changes in accounting policies 2016 or due to prior years' Adjustments due to 2016 or prior years' errors										
<b>ADJUSTED BALANCE AT START OF 2017</b>	<b>288,236,775</b>	<b>-</b>	<b>61,591,287</b>	<b>46,130,220</b>	<b>224,798,620</b>		<b>9,802,186</b>	<b>-</b>	<b>(15,299,636)</b>	<b>569,129,232</b>
Total recognised income and expenses							190,437,236		6,388,174	196,825,410
Transactions with shareholders or owners				980,219	(57,055,244)		(8,802,186)			(65,877,211)
Distribution of the 2016 result				980,219	8,821,967		(9,802,186)			
3. (-)Capital Reductions	(479,595)				479,595					
Dividends distributed					(66,356,806)					(66,356,806)
<b>AT DECEMBER 31, 2017</b>	<b>287,757,180</b>	<b>-</b>	<b>61,591,287</b>	<b>47,110,439</b>	<b>167,743,376</b>		<b>190,437,236</b>	<b>-</b>	<b>(8,911,462)</b>	<b>745,728,056</b>
Adjustments made for changes in accounting policies 2017 Adjustments due to 2017 errors										
<b>ADJUSTED BALANCE AT START OF 2018</b>	<b>287,757,180</b>	<b>-</b>	<b>61,591,287</b>	<b>47,110,439</b>	<b>167,743,376</b>		<b>190,437,236</b>	<b>-</b>	<b>(8,911,462)</b>	<b>745,728,056</b>
Total recognised income and expenses							129,451,358		2,669,149	132,120,507
Transactions with shareholders or owners				10,440,997	107,290,126	(6,041,271)	(190,437,236)			(78,747,384)
Distribution of the 2017 result				10,440,997	108,056,944		(118,497,941)			
Dividends distributed							(71,939,295)	(37,345,729)		(109,285,024)
Operations with own shares or shares (net)					(766,818)	(6,041,271)				(6,808,089)
<b>AT DECEMBER 31, 2018</b>	<b>287,757,180</b>	<b>-</b>	<b>61,591,287</b>	<b>57,551,436</b>	<b>275,033,502</b>	<b>(6,041,271)</b>	<b>129,451,358</b>	<b>(37,345,729)</b>	<b>(6,242,313)</b>	<b>761,755,450</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**STATEMENT OF CASH FLOWS AT DECEMBER 31, 2018 AND DECEMBER 31, 2017**  
(In Euros)

	Note	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit for the year before tax</b>		<b>121,759,689</b>	<b>188,459,819</b>
<b>Adjustments to profit</b>		<b>(95,133,755)</b>	<b>(168,565,444)</b>
Depreciation and amortization of intangible assets and PP&E	5,6,7	(7,581,471)	7,485,307
Impairment of intangible assets and PP&E	8.1	21,423,374	11,531,700
Change in provisions	13	330,124	(338,884)
Losses and income from disposal of financial instruments		-	2,939
Financial income	16.4	(221,881,586)	(252,985,120)
Financial expenses	16.5	82,949,201	63,416,738
Exchange rate differences	17	11,869,375	2,322,619
Change in Fair Value of Financial Instruments		2,594,286	-
Other Income and expenses	-	-	(743)
<b>Changes in working capital</b>		<b>(1,688,233)</b>	<b>116,349</b>
Trade and other receivables		(1,842,957)	(4,374,990)
Otros activos corrientes		(18,833)	(14,997)
Trade and other payables		173,557	4,506,336
<b>Other cash-flows from operating activities</b>		<b>135,978,842</b>	<b>192,300,264</b>
Interest paid		(79,099,933)	(58,692,095)
Dividends received		156,969,030	176,386,607
Interest received		60,091,689	71,448,861
Proceeds (payments) of income tax		(1,981,944)	3,156,891
<b>Cash flows from operating activities</b>		<b>160,916,543</b>	<b>212,310,988</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments on investments</b>		<b>(951,027,552)</b>	<b>(743,446,404)</b>
Group companies and associates		(949,899,933)	(742,316,672)
Intangible assets		-	(475)
Property, plant and equipment		(4,055)	(4,710)
Other financial assets		(1,123,564)	(650,022)
<b>Proceeds from divestments</b>		<b>509,603,309</b>	<b>341,932,808</b>
Group companies and associates		506,459,773	340,482,683
Other financial asset		3,143,536	1,450,125
<b>Cash flows from investing activities</b>		<b>(441,424,243)</b>	<b>(401,513,596)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
<b>Receivables and payments for equity instruments</b>		<b>(6,808,089)</b>	<b>-</b>
Acquisition of own equity instruments		(15,509,594)	-
Disposal of own equity instruments		8,701,505	-
<b>Proceeds and payments on financial liabilities</b>		<b>8,880,293</b>	<b>781,905,274</b>
<b>Issue</b>		<b>1,005,140,412</b>	<b>1,354,212,914</b>
Obligaciones y otros valores negociables		392,335,307	75,000,000
Interest-bearing loans and borrowings		271,702,086	970,802,092
Borrowings from Group companies and associates		341,103,019	308,885,822
Otras deudas		-	(475)
<b>Repayment of</b>		<b>(996,260,118)</b>	<b>(572,307,640)</b>
Bonds, debt obligations and other negotiable securities		(75,000,000)	-
Interest-bearing loans and borrowings		(815,621,465)	(268,098,369)
Borrowings from Group companies and associates		(105,638,653)	(304,209,271)
<b>Payments on dividends and other equity instruments</b>		<b>(71,939,295)</b>	<b>(66,356,807)</b>
Dividends	11.3	(71,939,295)	(66,356,807)
<b>Cash flows from financing activities</b>		<b>(69,867,091)</b>	<b>715,548,467</b>
<b>EFFECT OF CHANGES IN EXCHANGE RATES</b>			
<b>NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS</b>		<b>(350,374,791)</b>	<b>526,345,859</b>
Cash and cash equivalents at the beginning of the year	10	574,493,816	48,147,958
Cash and cash equivalents at the end of the year	10	224,119,025	574,493,816



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

#### **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, 2018, 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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

#### **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.

#### **2.1 Comparative information**

In accordance with company law, for comparative purposes the Company included the 2017 figures in addition to those of 2018 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 2017 is also included in the notes to the financial statements unless an accounting standard specifically states that this is not required.

#### **2.2 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. Also in certain cases the valuation of an external third party is used, to calculate tacit capital gains on land and buildings in the dependent companies.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### b) Impairment of current 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.

### 2.3 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 €7.700,7 million, consolidated equity of €2.179 million and consolidated profit attributable to the Company of €257,7 million.

## 3. DISTRIBUTION OF PROFIT

The distribution of 2018 profit proposed by the directors and expected to be approved at the General Shareholders Meeting is as follows:

(€)	2018
Basis of distribution	
Profit for the year	129,451,358
	<b>129,451,358</b>
Appropriation to:	
Legal reserve	
Interim Dividend	37,345,729
Unrestricted reserves	92,105,629
	<b>129,451,358</b>

### 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).

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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.

#### 3.2 Dividendo a cuenta

The board of directors, in his meeting of December 17th, 2018 taking into account the forecast for the year, aprobed an interim dividend out of 2018 result, of 0.065 euros per share outstanding at the date of payment of the dividend. This dividend was paid on January 14th 2019. The amount of the dividend is lower than the maximum limit established by the current legislation, referent to the distributable result from the last year closure.

The provisional accounting statement formulated by the managers, that demonstrate the existence of liquidity for the distribution of the dividend was:

<b>(Euros)</b>	
Available treasury at December 17th 2018	41,916,324
Interim Dividend	37,342,034
(a) Liquidity forecast (after the payment of the Interim Dividend)	4,574,291
(b) Receivables (one year forecast)	239,189,764
(c) Payments (one year forecast)	94,846,033
<b>Treasury (one year forecast) (a +b-c)</b>	<b>148,918,022</b>
<b>Result after taxes at December 17th 2018</b>	<b>102,453,966</b>
<b>Allocation to reserves</b>	<b>-</b>
<b>Distributable result</b>	<b>102,453,966</b>

## 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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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 December 31<sup>st</sup>, goodwill is totally amortized.

## **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.

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

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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 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 as a part of the operating profit. 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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

#### *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.

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.



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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

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.

###### *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.

#### **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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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.

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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

#### 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 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.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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
<b>2018</b>			
Patents, licenses, trademarks, and similar rights	32,235,809	-	32.235.809
Goodwill	38,050,213	-	38.050.213
Amortization			
Patents, licenses, trademarks, and similar rights	(6,256,421)	(3.223.673)	(9.480.094)
Goodwill	(34,245,191)	(3.805.022)	(38.050.213)
	<b>29,784,410</b>	<b>(7.028.695)</b>	<b>22.755.715</b>

(€)	Opening balance	Additions and allowances	Closing balance
<b>2017</b>			
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)
	<b>35,768,105</b>	<b>(5,983,695)</b>	<b>29,784,410</b>

#### 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). At December 31<sup>st</sup> 2018 the goodwill has been totally amortized.

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.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 5.2 Impairment testing of intangible assets

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

#### 5.3 Other disclosures

No items of intangible assets were acquired from group companies in either 2018 or 2017. At December 31, 2018 and 2017, there were no firm commitments to acquire intangible assets.

## 6. PROPERTY, PLANT AND EQUIPMENT

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

(€)	Opening balance	Additions and allowances	Closing balance
<b>2018</b>			
Cost			
Land and buildings	94	-	94
Other property, plant and equipment	10,682	-	14,737
	104.415	0	108.470
Accumulated depreciation			
Land and buildings	(6,296)	(1,779)	(8,075)
Other property, plant and equipment	(6,311)	(1,503)	(7,814)
	(12,607)	(3,282)	(15,889)
<b>Carrying amount</b>	<b>91,808</b>	<b>(3,282)</b>	<b>92,581</b>

(€)	Opening balance	Additions and allowances	Closing balance
<b>2017</b>			
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)
<b>Carrying amount</b>	<b>89,216</b>	<b>2,592</b>	<b>91,808</b>

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).

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 7. INVESTMENT PROPERTY

The movements in items composing "Investment property" at December 31, 2018 are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
<b>2018</b>			
Land	5,775,822		5,775,822
Buildings	19,621,547		19,621,547
	25,397,369		25,397,369
Accumulated depreciation			
Land			
Buildings	(1,945,233)	(549,494)	(2,494,727)
	(1,945,233)	(549,494)	(2,494,727)
<b>Carrying amount</b>	<b>23,452,136</b>	<b>(549,494)</b>	<b>22,902,642</b>

(€)	Opening balance	Additions and allowances	Closing balance
<b>2017</b>			
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)
<b>Carrying amount</b>	<b>24,001,630</b>	<b>(549,494)</b>	<b>23,452,136</b>

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.



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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

€	2018	2017
Within one year	1,891,402	1,835,979

## 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
<b>2018</b>					
Equity instruments	665,404,425	76,657,304		(21,423,374)	720,638,355
	<b>665,404,425</b>	<b>76,657,304</b>		<b>(21,423,374)</b>	<b>720,638,355</b>
<b>2017</b>					
Equity instruments	586,431,747	90,714,063	(209,686)	(11,531,699)	665,404,425
	<b>586,431,747</b>	<b>90,714,063</b>	<b>(209,686)</b>	<b>(11,531,699)</b>	<b>665,404,425</b>

### 8.1 Significant movements

#### Movements – 2018

On January 10th, 2018 the Company made a partner's contribution of €13,499,968 to the company Gestamp Toledo, S.A. After this contribution, the interest held in this company was unchanged, remaining at 99.99%

On June 27th, 2018, Gestamp Automocióbn, S.A. made a contribution of €3,324,484 to the Company Gestamp Nitra s.r.o. After this contribution, the interest held in this company was unchanged, remaining at 100%

On September 14th, 2018 the Company acquired 5,899 shares of Reparaciones Industriales Zaldibar, S.L. for €1,999,661. After this acquisition, the stake held is 99.98%.

On October 18th, 2018 Gestamp Automoción, S.A. participated in the capital increase carried out by Gestamp Hungária Kft, making a monetary contribution of €30,045,213. After this transaction, the interest held in this company was unchanged, remaining at 100%.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

On October 25th, 2018 the Company acquires 1,295 shares of Gestamp Sweden for €25,288,781. After this acquisition, the stake held is 30.02%

On November 12nd, 2018 Gestamp Automoción, S.A. made a contribution of €2,499,167 to Gestamp Technology Institute, S.L. After this contribution, the interest held in this company was unchanged, remaining at 99.97%

The movements in impairment losses are as follows:

(Euros)	Opening balance at January 1, 2018	Additions / (Disposals)	Closing balance at December 31, 2018	Impairment losses at January 1, 2018	(Impairment) / Reversals	Impairment losses at December 31, 2018	Net carrying amount at December 31, 2018
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.	14.764.073	-	14.764.073	-	-	-	14.764.073
GESTAMP TECH, S.L.	10	-	10	-	-	-	10
GESTAMP VIGO, S.A.	66.803.761	-	66.803.761	-	-	-	66.803.761
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.	67.321.752	13.499.968	80.821.720	-	-	-	80.821.720
G.GLOBAL TOOLING, S. L.	64.898.309	-	64.898.309	-	(2.208.535)	(2.208.535)	62.689.774
EDSCHA SANTANDER S.L.	454.777	-	454.777	-	-	-	454.777
GESTAMP ABRERA, S. A.	395.938	-	395.938	-	-	-	395.938
G.SOLBLANK BARCELONA, S.A	801.180	-	801.180	(372.825)	285.604	(87.221)	713.959
EDSCHA HENGBERSBEGR REAL ESTATE GMBH	106.635	-	106.635	-	-	-	106.635
EDSCHA HAUZENBERG REAL ESTATE GMBH	42.973	-	42.973	-	-	-	42.973
GESTAMP VENDAS NOVAS, LDA	14.805.400	-	14.805.400	(6.762.952)	895.612	(5.867.340)	8.938.060
G.NORTH EUROPE SERV, S.L.	3.059	-	3.059	-	-	-	3.059
G.MANUFACT. AUTOCH, S. L.	425.000	-	425.000	-	(115.364)	(115.364)	309.636
GESTAMP ARAGON, S.A.	430.000	-	430.000	-	-	-	430.000
G. FINANCE SLOVAKIA, S.R.O.	25.001.250	-	25.001.250	(1.966.493)	1.261.406	(705.087)	24.296.163
GESTAMP HOLD MÉXICO, S.L.	1	-	1	-	-	-	1
G. HOLDING ARGENTINA, S.L.	10.867.092	-	10.867.092	(2.956.086)	(5.130.306)	(8.086.392)	2.780.700
GESTIÓN GLOBAL MATRICERÍA, S.L.	4.200.000	-	4.200.000	(246.946)	(92.416)	(339.362)	3.860.638
G. FUNDING LUXEMBURGO, S.A.	2.000.000	-	2.000.000	-	-	-	2.000.000
LOIRE, SAFE	8.855.856	-	8.855.856	-	-	-	8.855.856
GESTAMP 2017, S.L.	3.000	-	3.000	-	-	-	3.000
GESTAMP HOLDING RUSIA, S.L.	28.043.000	-	28.043.000	(11.763.726)	(4.494.533)	(16.258.259)	11.784.741
G. TECHNOLOGY INSTITUTE, S.L.	902.699	2.499.167	3.401.866	(224.551)	(2.078.660)	(2.303.211)	1.098.655
GESTAMP HUNGRIA KFT	32.007.549	30.045.243	62.052.792	(31.798.219)	(10.119.038)	(41.917.257)	20.135.535
GESTAMP AUTO COMPONENTS (WUHAN) CO., LTD	11.000.000	-	11.000.000	(1.317.386)	(156.811)	(1.474.197)	9.525.803
GESTAMP NITRA, S.R.O.	6.800	3.324.484	3.331.284	-	-	-	3.331.284
GLOBAL LÁSER ARABA, S.L.	750.000	-	750.000	(750.000)	529.667	(220.333)	529.667
DIEDE D.DEVELOP., S. L.	798.990	-	798.990	-	-	-	798.990
REPARACIONES INDUSTRIALES ZALDIBAR, S.L.	-	1.999.661	1.999.661	-	-	-	1.999.661
GESTAMP SWEDEN, AB	-	25.288.781	25.288.781	-	-	-	25.288.781
<b>TOTAL</b>	<b>723.563.609</b>	<b>76.657.304</b>	<b>800.220.913</b>	<b>(58.159.184)</b>	<b>(21.423.374)</b>	<b>(79.582.558)</b>	<b>720.638.355</b>

#### 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.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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.

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 HENGBERBEGR 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, S.R.O.	25.001.250	-	25.001.250	-	(1.966.493)	(1.966.493)	23.034.757
GESTAMP HOLD MÉXICO, S.L.	1	-	1	-	-	-	1
G. HOLDING ARGENTINA, S.L.	10.867.092	-	10.867.092	(5.410.131)	2.454.045	(2.956.086)	7.911.006
GESTIÓN GLOBAL MATRICERÍA, S.L.	4.200.000	-	4.200.000	-	(246.946)	(246.946)	3.953.054
G. FUNDING LUXEMBURGO, S.A.	2.000.000	-	2.000.000	-	-	-	2.000.000
LOIRE, SAFE	8.855.856	-	8.855.856	-	-	-	8.855.856
GESTAMP 2017, S.L.	3.000	-	3.000	-	-	-	3.000
GESTAMP HOLDING RUSIA, S.L.	28.043.000	-	28.043.000	(18.033.117)	6.269.391	(11.763.726)	16.279.274
G.TECHNOLOGY INSTITUTE, S.L.	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
GESTAMP NITRA, S.R.O.	6.800	-	6.800	-	-	-	6.800
GLOBAL LÁSER ARABA, S.L.	750.000	-	750.000	(305.545)	(444.455)	(750.000)	-
DIEDE D.DEVELOP., S. L.	-	798.990	798.990	-	-	-	798.990
<b>TOTAL</b>	<b>633.059.233</b>	<b>90.504.377</b>	<b>723.563.609</b>	<b>(46.627.487)</b>	<b>(11.531.698)</b>	<b>(58.159.184)</b>	<b>665.404.425</b>

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

### 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							
<b>Year 2018</b>									
Gestamp Bizkaia, S.A.	85.31%	14.69%	139,240	7,670	318,778	-	20,688	347,116	296,125
Gestamp Vigo, S.A. <sup>1</sup>	99.99%	1.00%	66,804	25,697	25,281	-	(3,179)	47,799	47,794
Gestamp Cerveira, IDA <sup>1</sup>	39.37%	60.63%	14,764	27,414	235	-	4,373	32,022	12,607
Gestamp Toledo, S.L. <sup>1</sup>	99.99%	0.01%	80,821	25,346	32,915	-	(652)	57,609	57,603
Autotech Engineering AIE <sup>1</sup>	10.00%	90.00%	2,300	23,000	13,892	-	2,527	39,419	3,942
SCI de Tournan En Brie	0.10%	99.90%	6	2	(78)	-	60	(16)	-
Gestamp Solblank Barcelona, S.A. <sup>1</sup>	5.01%	94.99%	714	8,513	4,859	-	(899)	12,473	625
Gestamp Palencia, S.A. <sup>1</sup>	100.00%	0.00%	36,428	19,093	12,149	(21,000)	13,387	44,629	44,629
Gestamp Linares, S.A. <sup>1</sup>	5.02%	94.98%	563	9,010	2,059	-	2,550	13,619	684
Gestamp Servicios, S.L. <sup>1</sup>	99.99%	0.01%	70,874	18,703	139,126	(15,002)	59,045	216,874	216,852
Metalbages, S.A. <sup>1</sup>	100.00%	0.00%	76,947	45,762	32,015	(94,508)	100,422	84,199	84,199
Gestamp Navarra, S.A. <sup>1</sup>	71.37%	28.63%	29,325	40,080	5,768	(26,159)	16,652	49,500	35,328
Gestamp Aragón, S.A. <sup>1</sup>	5.00%	95.00%	430	3,000	639	(2,720)	3,362	7,001	350
Gestamp Abrera, S.A. <sup>1</sup>	5.01%	94.99%	396	6,000	1,289	(8,982)	2,860	10,149	508
Gestamp Levante, S.L. <sup>1</sup>	88.49%	11.51%	12,192	1,074	21,727	(7,888)	3,553	22,854	20,223
Gestamp Hungría, KFT <sup>1</sup>	100.00%	0.00%	20,135	3,084	17,749	-	(4,487)	16,345	16,345
Gestamp Manufacturing Autochasis, S.L. <sup>1</sup>	5.00%	95.00%	309	2,000	459	(7,420)	2,835	5,294	265
Gestamp Holding Rusia S.L. <sup>1</sup>	25.18%	52.35%	11,784	21,325	43,315	-	(18,164)	46,477	11,703
Gestamp Global Tooling, S.L	99.99%	0.01%	62,689	62,500	13,322	-	(15,337)	60,486	60,479
Gestamp Vendas Novas S.L	100.00%	0.00%	8,938	605	7,354	-	699	8,658	8,658
Gestamp North Europe Services S.L	99.97%	0.03%	3	3	4,915	-	(787)	4,131	4,129
LOIRE, SAFE <sup>1</sup>	99.00%	1.00%	8,856	1,600	13,319	-	3,998	18,917	18,728
Gestamp Funding Luxemburgo, S.A. <sup>1</sup>	100.00%	0.00%	2,000	2,000	150	-	(500)	1,650	1,650
Gestamp Holding Argentina, S.L. <sup>1</sup>	10.80%	69.89%	2,781	120,000	(118)	-	(361)	119,521	12,908
Gestamp Techn Institute, S.L. <sup>1</sup>	99.97%	0.03%	1,099	3	1,749	-	(484)	1,268	1,268
Gestamp Autocomponents WUHAN <sup>1</sup>	100.00%	0.00%	9,526	9,988	(267)	-	(62)	9,549	9,549
Edscha Santander, S.A. <sup>1</sup>	5.03%	94.97%	455	2,693	24,021	-	1,376	28,090	1,413
Edscha Hengersberg Real Estate Gmbh <sup>1</sup>	5.10%	94.90%	107	2,091	1,087	-	1,619	4,796	245
Gestamp Nitra S.r.o.	100.00%	0.00%	3,331	5	2,554	-	8,030	10,589	10,589
Global Láser Araba, S.L	30.00%	0.00%	7	2,500	(1,474)	-	548	1,574	472
Edscha Hauzenberg Real Estate Gmbh <sup>1</sup>	5.10%	94.90%	43	843	929	-	109	1,881	66
Gestamp Finance Slovakia, S.r.o.	25.00%	75.00%	24,296	100,005	(9,047)	-	7,345	98,303	24,576
Gestamp 2017, S.L	100.00%	0.00%	3	3	(1)	-	(1)	2	2
Gestamp Global Matricerías, S.L.	30.00%	0.00%	3,861	14,000	(974)	-	(192)	12,834	3,850
Diède Die Developments, S.L.	100.00%	0.00%	799	806	505	-	279	1,590	1,590
Gestamp Sweden, AB	30.02%	69.98%	25,289	49,439	39,707	-	(50,952)	38,193	11,466
Reparaciones Industriales Zaldibar, S.L.,	99.98%	0.00%	2,000	6	1,173	-	449	1,628	1,628

€000	% shareholding		Net carrying amount	Capital	Reserves	Dividends Distributed	Profit (loss) for the year	Total equity	Underlying carrying amount
	Direct	Indirect							
<b>Year 2017</b>									
Gestamp Bizkaia, S.A.	85.31%	14.69%	139,240	7,670	310,450	-	8,337	326,457	278,500
Gestamp Vigo, S.A. <sup>1</sup>	99.99%	1.00%	66,804	25,697	19,376	-	5,906	50,979	50,974
Gestamp Cerveira <sup>1</sup>	39.37%	60.63%	14,764	25,414	(2,048)	-	3,996	27,363	10,773
Gestamp Toledo, S.L. <sup>1</sup>	99.99%	0.01%	67,322	25,346	15,712	-	3,703	44,761	44,757
Autotech Engineering AIE <sup>1</sup>	10.00%	90.00%	2,300	23,000	12,043	-	794	35,837	3,584
SCI de Tournan En Brie	0.10%	99.90%	6	2	(78)	-	58	(18)	0
Gestamp Solblank Barcelona, S.A. <sup>1</sup>	5.01%	94.99%	428	8,513	(778)	-	5,637	13,372	670
Gestamp Palencia, S.A. <sup>1</sup>	100.00%	0.00%	36,428	19,093	7,448	(28,000)	28,864	55,405	55,405
Gestamp Linares, S.A. <sup>1</sup>	5.02%	94.98%	563	9,010	(3,119)	-	5,178	11,069	556
Gestamp Servicios, S.L. <sup>1</sup>	99.99%	0.01%	70,874	18,703	160,058	(16,000)	(6,102)	172,659	172,642
Metalbages, S.A. <sup>1</sup>	100.00%	0.00%	76,947	45,762	(38,696)	(110,000)	71,212	78,278	78,278
Gestamp Navarra, S.A. <sup>1</sup>	71.37%	28.63%	29,325	40,080	3,857	(21,000)	14,346	58,283	41,597
Gestamp Aragón, S.A. <sup>1</sup>	5.00%	95.00%	430	3,000	801	(7,000)	2,559	6,360	318
Gestamp Abrera, S.A. <sup>1</sup>	5.01%	94.99%	396	6,000	1,681	(1,700)	8,596	16,277	815
Gestamp Levante, S.L. <sup>1</sup>	88.49%	11.51%	12,192	1,074	20,467	-	5,646	27,187	24,058
Gestamp Hungría, KFT <sup>1</sup>	100.00%	0.00%	209	3,183	(155)	-	(12,673)	(9,645)	(9,645)
Gestamp Esmar, S.L. <sup>1</sup>	0.01%	99.99%	0	144	(12,110)	-	549	(11,417)	(1)
Gestamp Manufacturing Autochasis, S.L. <sup>1</sup>	5.00%	95.00%	425	2,000	415	(6,000)	7,380	9,795	490
Gestamp Holding Rusia S.L. <sup>1</sup>	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)	-	28,167	75,822	75,814
Gestamp Vendas Novas S.L	100.00%	0.00%	8,042	605	6,967	-	387	7,959	7,959
Gestamp North Europe Services S.L	99.97%	0.03%	3	3	5,910	-	(994)	4,919	4,918
LOIRE, SAFE <sup>1</sup>	99.00%	1.00%	8,856	1,600	10,459	(6,000)	2,860	14,919	14,770
Gestamp Funding Luxemburgo, S.A. <sup>1</sup>	100.00%	0.00%	2,000	2,000	150	-	590	2,740	2,740
Gestamp Holding Argentina, S.L. <sup>1</sup>	10.80%	69.89%	7,911	120,000	192	-	(925)	119,267	12,881
Gestamp Techn Institute, S.L. <sup>1</sup>	99.97%	0.03%	678	3	198	-	(949)	(748)	(748)
Gestamp Autocomponents WUHAN <sup>1</sup>	100.00%	0.00%	9,683	9,957	(324)	-	54	9,687	9,687
Edscha Santander, S.A. <sup>1</sup>	5.03%	94.97%	455	2,693	20,891	(12,450)	3,130	26,714	1,344
Edscha Hengersberg Real Estate Gmbh <sup>1</sup>	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	(5)	-	(765)	(765)	(765)
Global Láser Araba, S.L	30.00%	0.00%	0	2,500	(737)	-	(737)	1,026	308
Edscha Hauzenberg Real Estate Gmbh <sup>1</sup>	5.10%	94.90%	43	843	891	-	283	2,017	103
Gestamp Finance Slovakia, S.r.o.	25.00%	75.00%	23,035	100,005	(2,175)	-	(6,873)	90,957	22,739
Gestamp 2017, S.L.	100.00%	0.00%	3	3	(1)	-	0	2	2
Gestamp Global Matricerías, S.L.	30.00%	0.00%	3,953	14,000	167	-	(1,106)	13,061	3,918
Diède Die Developments, S.L.	100.00%	0.00%	799	806	(237)	-	742	1,311	1,311

Information on the individual financial position of each company.

<sup>1</sup> Companies audited by E&Y.

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

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 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 2018	Discount rate 2017
Spain	9.57%	9.81%
Hungary	10.86%	12.18%
Argentina	24.85%	22.88%
Portugal	14.86%	12.29%
Rusia	9.78%	9.82%

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

However, in some investments with evidence of impairment, the recoverable value of the impairment analysis has also been compared using the net equity figure 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 2018 there have been reversals for impairment losses of 2,972 thousand euros and an allowance for impairment losses of 24,395 thousand euros (see Note 8.1). In relation to 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).

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

### 8.4 Other disclosures

The activities and registered addresses of direct and indirect investees at December 2018 and 2017 are as follows:

Company	Address	Country	December 31, 2018		Activity	Consolidation method	Auditors
			Direct shareholding	Indirect shareholding			
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	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 S.L.	Vizcaya	Spain	10.00%	90.00%	Research and development	Full	Ernst & Young
SCI de Tournan en Brie	Tournan	France	0.10%	99.90%	Property	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailor-welded blanks	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 company	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	No activity	Full	N/A
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Grive 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%	Employment 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 company	Full	Ernst & Young
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Service provision	Full	Ernst & Young
Todlem, S.L.	Barcelona	Spain		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%	28.63%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administration 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	N/A
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%	Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden		100.00%	Portfolio company	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	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co. Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Kalip, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		69.93%	Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.
Gestamp Severstal Vsevolozhsk LLC	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

December 31, 2018							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
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%	52.34%	Portfolio company	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 company	Full	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%	0.01%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Evora	Portugal			Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, Llc.	Togliatti	Russia	100.00%	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%	0.03%	Consultancy services	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		#N/A	Full	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guipúzcoa	Spain		100.00%	Portfolio company	Full	Ernst & Young
Diede Die Developments, S.L.	Vizcaya	Spain	100.00%		Manufacturing of dies	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, Llc.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Sasi, L.S.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
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%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matricería, S.L.	Vizcaya	Spain	30.00%		No activity	Equity method	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
IXCT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio company	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 and development	Full	Ernst & Young
Autotech Engineering R&D Uk limited	Durham	United Kingdom		100.00%	Research and development	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio company	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio company	Full	Ernst & Young
Mursolar 21. S.L.	Madrid	Spain		65.00%	Portfolio company	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%	Employment services	Equity method (A)	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	Equity method (A)	Ernst & Young
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%	0.01%	Education	Full	Ernst & Young
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig.	Germany		100.00%	Manufacturing of dies	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%	IT, and research and development	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China	100.00%	0.00%	Tooling and parts manufacturing	Full	Ernst & Young
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washtenaw, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosi, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Employment services	Full	N/A
Gestamp San Luis Potosi 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	Ernst & Young
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio company	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research and development	Full	Ernst & Young
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Global Laser Araba, S.L.	Álava	Spain	30.00%	0.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
MPO Providers Rezistent, S.R.L.	Darmanesti	Romania		35.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey		50.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Die maintenance	Full	N/A
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio company	Full	N/A
Gestamp Autotech Japan Co., Ltd.	Tokio	Japan		100.00%	Research and development	Full	N/A
NCSG Sorocaba Industria Metalúrgica Ltda.	Sorocaba	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Tuyauto Gestamp Morocco	Kenitra	Morocco		50.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Autocomponents (Beijing) Co., Ltd.	Beijing	China		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico		100.00%	Employment services	Full	N/A
Reparaciones Industriales Zaldirbar, S.L.	Vizcaya	Spain		99.99%	Industrial equipment services	Full	N/A
Autotech Engineering Spain, S.L.	Madrid	Spain		100.00%	Research and development	Full	N/A
Autotech Engineering France S.A.S.	Meudon la Forêt	France		100.00%	Research and development	Full	N/A
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China		49.00%	Consulting and Post-sales services	Equity method	N/A
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

December 31, 2018							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Automotive Hauenberg GmbH	Hauenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauenberg Real Estate GmbH	Hauenberg	Germany	5.10%	94.90%	Property	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%	Manufacturing of dies	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 company	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	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and 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		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and 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 company	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG Treuhand
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Parts manufacture research and development	Full	Ernst & Young
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayuthaya	Thailand		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Portfolio company	Full	Ernst & Young
Sofedit, S.A.S	Le Theil sur Huisne	France		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Messempré	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and 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%	Tooling and parts manufacturing	Full	Ernst & Young



# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

December 31, 2017							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	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 Carveira, 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 and development	Full	Ernst & Young
SCI de Tournan en Brie	Tournan	France	0.10%	99.90%	Property	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailor-welded blanks	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 company	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Galvanizados, S.A.	Palencia	Spain		100.00%	Galvanization of parts	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	No activity	Full	N/A
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Grive 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%	Employment 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 company	Full	Ernst & Young
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Service provision	Full	Ernst & Young
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%	28.63%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administration 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%	Stamping 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%	Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden		100.00%	Portfolio company	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	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co. Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Kalip, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		69.93%	Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.
Gestamp Severstal Vsevolozhsk Llc	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	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	V C 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 company	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 company	Full	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%	0.01%	Manufacturing of dies	Full	Ernst & Young

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

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Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	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%	0.03%	Consultancy services	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		Cutting machine manufacture and sale	Full	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guipúzcoa	Spain		100.00%	Portfolio company	Full	N/A
Diède Die Developments, S.L.	Vizcaya	Spain	100.00%		Manufacturing of dies	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, Llc.	USA	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik 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%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matricería, S.L.	Vizcaya	Spain	30.00%		No activity	Equity method	N/A
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
IxCXT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio company	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 and development	Full	Ernst & Young
Autotech Engineering R&D Uk limited	Durham	United Kingdom		100.00%	Research and development	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio company	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio company	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio company	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%	Employment services	Equity method (A)	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	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%	Manufacturing of dies	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%	IT, and research and development	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China	100.00%	0.00%	Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washtenaw, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosi, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Employment services	Full	N/A
Gestamp San Luis Potosi 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 company	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research and development	Full	N/A
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	N/A
Global Laser Araba, S.L.	Álava	Spain	30.00%		Tooling and parts manufacturing	Equity method	N/A
MPO Providers Rezistent, S.R.L.	Darmnesti	Romania		35.00%	Tooling and parts manufacturing	Full	Toma Financial Consulting
Beyçelik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey		50.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	N/A
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Die maintenance	Full	N/A
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio company	Full	N/A
Gestamp Autotech Japan K.K.	Tokio	Japan		100.00%	Research and development	Full	N/A
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	5.10%	94.90%	Property	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%	Manufacturing of dies	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 company	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	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and 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		60.00%	Tooling and parts manufacturing	Full	Ernst & Young

## GESTAMP AUTOMOCIÓN, S.A.

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December 31, 2017							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and 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 company	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%	Parts manufacture research and development	Full	N/A
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayuthaya	Thailand		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Portfolio company	Full	Ernst & Young
Sofedit, S.A.S	Le Theil sur Huisne	France		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usiné de Messempré	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent , Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wrocław Sp.z.o.o.	Wrocław	Poland		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

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.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 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	
	2018	2017	2018	2017
<b>Non-current financial assets</b>				
Loans and receivables	1,198,311,421	1,002,606,984	1,198,311,421	1,002,606,984
Hedging derivatives	23,238	-	23,238	-
Debt Securities	34,375,000	35,942,500	34,375,000	35,942,500
Credits to third parties	36,854,371	37,783,802	36,854,371	37,783,802
Other financial assets	1,200	1,200	1,200	1,200
	1,269,565,230	1,076,334,486	1,269,565,230	1,076,334,486
<b>Current financial assets</b>				
Held-to-maturity investments	-	-	-	-
Loans and receivables	2,163,149,624	1,982,832,938	2,163,149,624	1,982,832,938
	2,163,149,624	1,982,832,938	2,163,149,624	1,982,832,938
<b>Total</b>	<b>3,432,714,854</b>	<b>3,059,167,424</b>	<b>3,432,714,854</b>	<b>3,059,167,424</b>

These amounts are disclosed in the balance sheet as follows:

(€)	Loans, derivatives and other financial assets		Total	
	2018	2017	2018	2017
<b>Non-current financial assets</b>				
Investments in group companies and associates				
Loans to companies (Note 19.1)	1,198,311,421	1,002,606,984	1,198,311,421	1,002,606,984
Debt Securities	34,375,000	35,942,500	34,375,000	35,942,500
Non-current investments		0		0
Credits to third parties	36,854,371	37,783,802	36,854,371	37,783,802
Hedging derivatives (Note 14.2)	23,238	-	23,238	-
Other financial assets	1,200	1,200	1,200	1,200
	1,269,565,230	1,076,334,486	1,269,565,230	1,076,334,486
<b>Current financial assets</b>				
Current investments in group companies and associates:				
Loans to companies (Note 19.2)	217,252,406	520,296,740	520,296,740	520,296,740
Other financial assets (Note 19)	1,945,888,712	1,462,536,198	1,945,888,712	1,462,536,198
Current investments				
Other financial assets (Note 9.1)	8,506	-	8,506	-
	2,163,149,624	1,982,832,938	2,163,149,624	1,982,832,938
	<b>3,432,714,854</b>	<b>3,059,167,424</b>	<b>3,432,714,854</b>	<b>3,059,167,424</b>

“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 €36,854 thousand. The amount of interest accrued amounts 1,091 thousand euros, net of returns already paid by employees, that amount to 2,020 thousand euros. 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, 2018

The following tables provide a breakdown by maturity of the assets in 2018 and 2017:

(Euros)	2018						Total, non-current
	Total, current	1-2 years	2-3 years	3-4 years	4-5 years	Subsequent	
Loans to companies (Note 19.2)	217,252,406	309,651,723	15,319,800	135,427,742	357,142,292	380,769,864	1,198,311,421
Other financial assets (Note 19)	1,945,888,712	-	-	-	-	1,200	1,200
Credits to third parties	-	-	-	36,854,371	-	-	36,854,371
Short-term financial investments	8,506	-	-	-	-	-	-
Debt Securities	-	-	34,375,000	-	-	-	34,375,000
	<b>2,163,149,624</b>	<b>309,651,723</b>	<b>49,694,800</b>	<b>172,282,113</b>	<b>357,142,292</b>	<b>380,771,064</b>	<b>1,269,541,992</b>

(Euros)	2018						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
	<b>1,982,832,938</b>	<b>47,863,570</b>	<b>406,276,459</b>	<b>15,319,800</b>	<b>49,000,000</b>	<b>557,874,657</b>	<b>1,076,334,486</b>

#### 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). The amount of accrued interest at the closing date amounts to 3,205,822 euros. 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:

(€)	2018	2017
Cash	8,554	15,724
Demand current accounts	224,110,471	574,478,092
	<b>224,119,025</b>	<b>574,493,816</b>

Current accounts earn market interest rates.

#### 11. EQUITY – CAPITAL AND RESERVES

##### 11.1 Registered capital

At December 31, 2018, the Company's capital consisted of 575,514,360 indivisible and accumulable registered shares (2017: 575,514,360 shares, par value of €0.50 each) with a par value of €0.50 each. All the shares are of the same class and confer the same rights. 30.21% 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, 2018

Shareholders at December 31 are as follows:

Shareholder	2018	2017
Acek Desarrollo y Gestión Industrial S.L.	19.69%	21.17%
Gestamp 2020, S.L.	50.10%	50.10%
Stock Market	30.02%	28.73%
Treasury shares	0.19%	
	<b>100.00%</b>	<b>100.00%</b>

(\*) Includes actions of managers and employees of the group.

#### Movements – 2018

On June 6th, 2018 Acek Desarrollo y Gestión Industrial, S.L., proceeded to the sale of 8,532,331 shares, equivalent to a 1.48% stake in it, to the stock market.

#### 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.

#### **11.1.1 Treasury shares.**

At July 27<sup>th</sup>, 2018 the Company signed a liquidity contract with JB Capital Markets, S.V., S.A.U., adapted to the provided in the newsletter 1/2017 of April 26 of the CNMV.

The context of this contract is the Spanish Stock Market.

The contract establishes the conditions in which the financial intermediary will operate at the expense of the issuer, by purchasing or selling its interim shares, with the only objective of encourage the liquidity and consistency of its quote and will have a duration of 12 months that, will be tacitly renewed for the same period, unless otherwise indicated of the parties.

The amount destined to the cash account associated to the contract amounts €9,000 thousand.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

At December 31<sup>st</sup>, 2018 Gestamp Automoción, S.A. has own shares, as detailed in the following table:  
**Shares in treasury at December 31, 2018**

Number of shares	Euros per share		Market Value (€)	%
	Acquisition	Share prices		
1,078,834	5.60	4.97	5,361,805	0,19%

The movements of the own shares in 2018 are detailed in the following table:

<b>Shares in treasury at December 31, 2017</b>		-
Acquisitions		2.648.637
Disposals		1.569.803
<b>Shares in treasury at December 31, 2018</b>		<b>1.078.834</b>

#### Acquisitions:

The amount of the acquisitions of own shares in 2018 amounts to €15,496,902.

#### Disposals:

In 2018 the disposals of own shares amounts to €8,701,795.

The selling price of the interim shares detailed in the previous table amounts €8,702 thousand, generating a negative result of €754 thousand. Likewise, the fees have amount to €13 thousand. The net result of €767 thousand is registered in the section "Distributable Reserves" (note 11.3).

### 11.2 Share premium

At December 31, 2018 and 2017, 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).

### 11.3 Reserves

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

#### 2018

(€)	Opening balance	Distribution of 2017 result	Capital reductions	Distribution of dividends	Operaciones con acciones o participaciones propias	Closing balance
Prior periods' losses	-	-	-	-	-	-
Legal reserve	47,110,439	10,440,998	-	-	-	57,551,437
Reserves for adaptation to the Spanish General Chart of Accounts	75,488,583	-	-	-	-	75,488,583
Other special reserves:	68,593,033	-	-	-	-	68,593,033
Voluntary reserves	23,661,760	108,056,943	-	-	(766,818)	130,951,885
	<b>214,853,815</b>	<b>118,497,941</b>	-	-	<b>(766,818)</b>	<b>332,584,938</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 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
	<b>270,928,840</b>	<b>9,802,186</b>	<b>479,595</b>	<b>(66,356,806)</b>	<b>214,853,815</b>

“Voluntary reserves” includes €766,818, from the own shares transactions.

“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. This reserve is available because of the goodwill is fully amortized.

Shareholders at the Ordinary General Shareholders Meeting held on June 30, 2018, agreed to distribute €71,939,295 in dividends, charged to reserves.

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).

In 2018, only de 5.48% of the result of 2017 has been destined to legal reserve, due to with this percentage is reached the 20% of the registered capital of the Company.



**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018****12. EQUITY – VALUATION ADJUSTMENTS**

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

(€)	Opening balance	Movements, net	Closing balance
<b>2018</b>			
Cash flow hedges	(8,911,462)	2,699,149	(6,212,313)
	<b>(8,911,462)</b>	<b>2,699,149</b>	<b>(6,212,313)</b>
<b>2017</b>			
Cash flow hedges	(15,299,636)	6,388,175	(8,911,462)
	<b>(15,299,636)</b>	<b>6,388,175</b>	<b>(8,911,462)</b>

The breakdown of net movements in 2018 and 2017 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	
	2018	2017	2018	2017	2018	2017
<b>Non-current financial liabilities</b>						
Debts and payables	1,562,745,660	1,584,166,452	514,554,875	515,114,220	<b>2,077,300,535</b>	<b>2,099,280,671</b>
Debentures and other marketable securities	-	-	392,961,283	-	<b>392,961,283</b>	-
Derivatives	-	-	49,914,035	55,561,090	<b>49,914,035</b>	<b>55,561,090</b>
	<b>1,562,745,660</b>	<b>1,584,166,452</b>	<b>957,430,193</b>	<b>570,675,310</b>	<b>2,520,175,853</b>	<b>2,154,841,762</b>
<b>Current financial liabilities:</b>						
Debts and payables	3,123,827	586,534,770	1,185,519,178	906,069,395	<b>1,188,643,005</b>	<b>1,492,604,165</b>
	<b>3,123,827</b>	<b>586,534,770</b>	<b>1,185,519,178</b>	<b>906,069,395</b>	<b>1,188,643,005</b>	<b>1,492,604,165</b>
	<b>1,565,869,487</b>	<b>2,170,701,222</b>	<b>2,142,949,371</b>	<b>1,476,744,705</b>	<b>3,708,818,858</b>	<b>3,647,445,927</b>

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

These amounts are disclosed in the balance sheet as follows:

(€)	Debt with financial institutions		Derivatives and other		Total	
	2018	2017	2018	2017	2018	2017
<b>Non-current financial liabilities:</b>						
Non-current payables	1,562,745,660	1,584,166,452	49,914,035	55,561,090	1,612,659,695	1,639,727,542
Obligations and other negotiable securities	-	-	392,961,283	-	392,961,283	-
Group companies and associates, non-current (Note 19)	-	-	514,554,875	515,114,220	514,554,875	515,114,220
	<b>1,562,745,660</b>	<b>1,584,166,452</b>	<b>957,430,193</b>	<b>570,675,310</b>	<b>2,520,175,853</b>	<b>2,154,841,762</b>
<b>Current financial liabilities:</b>						
Non-current						
Loans and debts with financial institutions	3,123,827	586,534,770	-	-	3,123,827	586,534,770
Other financial liabilities	-	-	41,662,132	3,360,642	41,662,132	3,360,642
Group companies and associates, current (Note 19)	-	-	1,141,670,615	900,695,878	1,141,670,615	900,695,878
Trade and other payables	-	-	2,186,431	2,012,874	2,186,431	2,012,874
	<b>3,123,827</b>	<b>586,534,770</b>	<b>1,185,519,178</b>	<b>906,069,395</b>	<b>1,188,643,005</b>	<b>1,492,604,165</b>
	<b>1,565,869,487</b>	<b>2,170,701,222</b>	<b>2,142,949,371</b>	<b>1,476,744,706</b>	<b>3,708,818,858</b>	<b>3,647,445,927</b>

### 14.1 Debt with financial institutions

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

(€)	2018	2017
Non-current		
Loans and debts with financial institutions	1,562,745,660	1,584,166,452
Debentures and other marketable securities	392,961,283	-
	<b>1,955,706,943</b>	<b>1,584,166,452</b>
Current		
Loans and debts with financial institutions	390,700	582,524,007
Accrued interest payable	2,733,127	4,010,763
Derivatives	1,196,678	-
Other financial liabilities	40,465,454	3,360,642
	<b>44,785,959</b>	<b>589,895,412</b>
	<b>2,000,492,902</b>	<b>2,174,061,864</b>

#### Loans and debts with financial institutions

The maturity schedule of the main loans and debts with financial institutions at December 31, 2018, is as follows:

Loans	Total, current	1 - 2 years	2 - 3 years	3-4 years	4-5 years	subsequent years	Total, non-current
Syndicated	-	110,821,472	213,118,216	528,533,175	-	-	852,472,863
Deferred expenses (Syndicated)	(1,587,238)	(1,430,269)	(1,156,094)	(456,588)	-	-	(3,042,951)
Financial loans	2,542,380	128,899,923	92,257,697	187,865,769	267,292,360	37,000,000	713,315,749
Obligaciones y Bonos	-	-	-	-	-	400,000,000	400,000,000
Deferred expenses (bonus)	(968,273)	(990,893)	(1,051,311)	(1,089,412)	(1,116,856)	(2,790,246)	(7,038,718)
Various bank facilities	403,831	-	-	-	-	-	-
	<b>390,700</b>	<b>237,300,233</b>	<b>303,168,508</b>	<b>714,852,944</b>	<b>266,175,504</b>	<b>434,209,754</b>	<b>1,955,706,943</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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	-	-	-	-	-	-
	<b>582,524,007</b>	<b>95,942,273</b>	<b>373,587,381</b>	<b>354,893,544</b>	<b>599,743,254</b>	<b>160,000,000</b>	<b>1,584,166,452</b>

The average interest accrued on these loans in 2018 ranged between 0.69% and 4.226% (2017: between 0.65% and 5.80%). The price of the bond, throughout 2018, ranged between 90.806% and 97.342%.

At December 31, 2018, the Company had arranged credit facilities with a number of banks for a total of €403.831 (2017: €147,623,642), of which it had drawn €471,600,000 (2017: €413,476,358). Interest accrued and not paid in 2018 on the credit facilities amounted to €187,998 (2017: €358,782).

#### **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, 2018 comes to €852.473 thousands (€852.473 thousand at December 31, 2017), everything with long term maturity.

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

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

At December 31, 2018 and December 31, 2017 Gestamp Automoción, S.A. was not in breach of any of these covenants. The covenants in those years were:

- “Net debt/EBITDA” 2,47 in 2018 and 2,13 in 2017
- “EBITDA/Financial expense”: 7,45 in 2018 and 9,59 in 2017

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 Hauenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauenberg 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 Abrera, S.A.	Edscha Burgos, 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.	
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 pledged.

#### **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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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 signing 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, 2018, amounted to €483 million. The amortized cost of the bond issued in May 2016, at December 31, 2017, amounted to €485 million.

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 Abrera, S.A.	Edscha Santander, 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.	

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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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).

#### **July 2015 loan**

On July 1, 2015, the Company arranged a loan for €8,032,161 maturing on July 1, 2018. During 2017 it was partially amortized in the amount of €2,679,773. The capital outstanding at December 31, 2017 was €2,703,807. The loan has been fully repaid in 2018. Interest was 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 2018, the loan has been fully repaid . The outstanding principal on the loan at December 31, 2017 was €3,769,735. Interest was payable monthly.

On June 30, 2016, the Company arranged a loan for €20 million maturing on June 29, 2020. Interest is payable monthly. This loan has been fully repaid on April 30th, 2018

#### **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, 2018 and 2017, these ratios were within the previous limits. The covenants in thos years were:

- “Net debt/EBITDA” 2,47 in 2018 and 2,13 in 2017
- “EBITDA/Financial expense”: 7,45 in 2018 and 9,59 in 2017

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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 Abrera, S.A.	Gestamp Funding Luxembourg, 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.	
Sofedit, S.A.S.	

#### **March 2017 loan**

On March 23, 2017 the Company arranged a loan for an initial amount of €35 million maturing on March 23, 2020. The loan has been fully repaid on April, 2018. Interest was payable semiannually.

On March 23, 2017 the Company arranged a loan for an initial amount of €60 million maturing on March 23, 2022. The loan has been partially repaid for €10 million, being the outstanding principal at December 31, 2018 of €50 million. 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. The loan has been fully repaid on May, 2018. Interest was payable semiannually.

On March 24, 2017 the Company arranged a loan for an initial amount of €100 million maturing on March 24, 2021. The loan has been partially repaid for €33,3 million, being the outstanding principal at December 31, 2018 of €66.7 million. 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. The loan has been partially repaid for €30 million, being the outstanding principal at December 31, 2018 of €70 million. 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. The loan has been fully repaid in 2018. Interest was payable quarterly.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

#### **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. The loan has been fully repaid in 2018. Interest was 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. The loan has been fully repaid in 2018. Interest was 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. The loan has been fully repaid in 2018. Interest was 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. The loan has been fully repaid in 2018. Interest was 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 was payable quarterly, since February 24, 2018 (first settlement date). The loan has been fully repaid in 2018.

#### **April 2018 bond**

On April 2018, the Group has completed a senior bond issue granted through the Dominant Society for a total amount of €400 millions with an annual coupon of 3.25% and TIR 3.375% (taking into account the placement price).

These bonds have as initial maturity date April 30th, 2016 and interest payable semiannually (on April and October).

The amortized cost of the bond at December 31, 2018, amounted to €392 million.



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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 bond:

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

#### **March 2018 loan**

On March 28th, 2018 the Company arranged a loan for an initial amount of €61 million maturing on September 28, 2018. The loan has been fully repaid in 2018. Interest was payable quarterly.

#### **April 2018 loan**

On April 1st, 2018 the Company arranged a loan for an initial amount of €6.67 million maturing on March 30, 2019. The loan has been fully repaid in September, 2018. Interest was payable quarterly.

#### **May 2018 loan**

On May 22nd, 2018 the Company arranged a loan for an initial amount of \$45 million maturing on May 22, 2022. Interest is payable quarterly.

#### **June 2018 loan**

On June 28th, 2018 the Company arranged a loan for an initial amount of \$116 million maturing on June 27, 2023. Interest is payable quarterly.

#### **July 2018 loan**

On July 2nd, 2018 the Company arranged a loan for an initial amount of \$81.2 million maturing on July 2nd, 2022. Interest is payable quarterly.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### September 2018 loans

On September 24th, 2018 the Company arranged a loan for an initial amount of €30 million maturing on September 20th, 2024. Interest is payable quarterly.

On September 24th, 2018 the Company arranged a loan for an initial amount of €25 million maturing on September 20th, 2024. Interest is payable quarterly.

#### November 2018 loan

On November 13th, 2018 the Company arranged a loan for an initial amount of €7.7 million maturing on November 13th, 2021. 2,542,380 euros are in the short (whereof 1,268,178 maturing on May 12nd 2019 and 1,274,202 on November 12nd, 2019). The rest of the loan, which amount 5,157,620 euros, is placed in the long term and will be repaid semiannually. Interest is payable semiannually, coinciding with the maturity dates.

#### Accrued interest payable

Accrued interest payable at December 31, 2018 amounted to €4,935,905, broken down as follows:

- Interest on bank loans of €605,513
- Interest of bonds debt obligations and other securities of €2,202,778
- Interest on credit facilities of €187,998
- Interest on derivatives of €1,939,616

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

#### **14.2 Derivatives and other**

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

(€)	2018	2017
Non-current		
Derivatives	49,914,035	55,561,090
	<b>49,914,035</b>	<b>55,561,090</b>
Current		
Derivatives	1,196,678	-
Payables to group companies and associates (Note 19)	1,143,348,105	900,695,878
Trade and other payables	2,186,431	2,012,874
	<b>1,146,731,214</b>	<b>902,708,753</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### Derivatives

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

(€)	Item	
	2018	2017
<b>Derivative financial assets</b>	<b>23,238</b>	-
Derivatives held for trading	23,238	-
<b>Derivative financial liabilities</b>	<b>51,110,713</b>	<b>55,561,090</b>
Cash flow hedges	15,043,592	19,207,052
Derivatives held for trading	36,067,121	36,354,038

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

Contract	Type	2018		2017	
		Asset	Liabilities	Asset	Liabilities
1	Cash flow	-	6,524,647	-	8,145,432
5	Cash flow	-	4,811,688	-	5,916,809
3	Cash flow	-	3,707,257	-	5,144,811
<b>Total cash flow hedges</b>		-	<b>15,043,592</b>	-	<b>19,207,052</b>
1	Derivatives held for trading	-	6,011,433	-	4,025,412
2	Derivatives held for trading	-	24,128,041	-	23,327,049
5	Derivatives held for trading	-	4,723,269	-	3,162,824
6	Derivatives held for trading	-	7,700	-	1,760,871
9	Derivatives held for trading	23,238	-	-	4,077,882
10	Derivatives held for trading	-	1,196,678	-	-
<b>Total derivatives held for trading</b>		<b>23,238</b>	<b>36,067,121</b>	-	<b>36,354,038</b>

At December 31, 2018, 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
2019	140,000	77,836	110,000
2020	140,000	77,836	110,000

The terms of the interest rate swaps in place at December 31, 2018 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.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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/\$.

On May 23<sup>rd</sup> and November 23<sup>rd</sup>, 2018 the Company has partially canceled the coverage contracts of May and September of 2016 (Contract 9), for the exchange of the loans granted by Mursolar, S.L. to Gestamp Dongguan and Shenyang for the total amount of \$82 million, due to the repaid of the amount of \$38 million of the loans. The outstanding principal at December, 2018 is \$44 million. The exchange covered by the outstanding contracts are 1.172789, 1.158148, 1.190109, 1.163874, 1.143447 EUR/USD.

On December 13<sup>th</sup> the Company formalized a Forward contract with a financial entity (contract number 10) in which the company agrees to sell on January 14<sup>th</sup>, 61,501,280 usd at an exchange rate of 1,1713 EUR / USD.

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.

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

Years (€000)	2018	2017
2018		(5,987)
2019	(7,294)	(6,847)
2020	(7,669)	(6,306)
2021	(81)	(67)
<b>Total</b>	<b>(15,044)</b>	<b>(19,207)</b>

At December 31, 2018, the Company transferred from equity to the income statement an expense of €13,592 thousand for the impact of settlements made in the year related to interest rate hedging transactions. In 2017, the amount recognized in the same connection was €8,969 thousand.

In 2018, expense of €2,594,286 related to held for trading transactions was recognized in the income statement, whereas in 2017, net income in this connection recognized in the income statement was €1,917,128.

#### Trade and other payables

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

(€)	2018	2017
Personnel (salaries payable)	769,806	753,416
Trade payables	340,745	530,149
Public entities, other (Note 15)	1,075,880	729,309
	<b>2,186,431</b>	<b>2,012,874</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 15. TAXATION

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

(€)	2018	2017
Receivable		
Public entities, other	6,100	74,400
Current tax assets	4,191,703	4,476,959
	<b>4,197,803</b>	<b>4,551,359</b>
Payable		
Public entities, other	1,075,880	729,309
	<b>1,075,880</b>	<b>729,309</b>

The receivable relates mainly to withholdings of interest on loans of prior years, above all for 2018, for € 3,539,771, previous years, for €651,931.

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.

##### 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 Foral Regulation 2/2018 of March 21, has modified the general tax rate, which passes, from 28% to 26% in 2018 and to 24% in subsequent years. As a result, the Company has adjusted the previous deferred tax assets and liabilities based on the current tax rate at the estimated date of reversal. The effect of this adjustment has entailed a charge in the corporate tax expense of 1,061 thousand euros.

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018**

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

**2018**

(€)	Income statement			Income and expense recognized directly in equity		
	Increases	Decreases	Total	Increases	Decreases	Total
Income and expense for the year	129.451.358	-	129.451.358	17.104.148	-	17.104.148
Income tax	7.681.669	-	7.681.669	(4.104.996)	-	(4.104.996)
<b>Income and expense for the year before tax</b>	<b>121.759.689</b>	<b>-</b>	<b>121.759.689</b>	<b>12.999.152</b>	<b>-</b>	<b>12.999.152</b>
Permanent differences	11.431.254	167.103.767	155.672.513	-	-	-
Temporary differences	26.041.674	-	26.041.674	-	-	-
<b>Taxable income (tax loss)</b>		<b>(8.682.297)</b>	<b>12.999.152</b>			<b>-</b>

**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)
<b>Income and expense for the year before tax</b>	<b>188,459,819</b>	<b>-</b>	<b>188,459,819</b>	<b>12,845,751</b>	<b>-</b>	<b>12,845,751</b>
Permanent differences	7,629,886	202,054,748	194,424,862			
Temporary differences	1,866,667	-	1,866,667			
<b>Taxable income (tax loss)</b>		<b>(4,098,376)</b>				

Permanent differences arose as a result of:

**2018****Decreases**

- Adjustments for income from use of the “GESTAMP” trademark of €9,737,595.
- Decreases relate mainly to the impairment of investments in group companies, amounting to €388,637.
- Adjustments for dividends received from group companies of €156,977,536

**Increases**

- Increases relate mainly to the impairment of investments in group companies, amounting to €115,364 (Note 8.1).
- Trademark and goodwill amortization of €7,028,695.
- Provisions for impairment of investments in group companies of €4,287,195.

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018****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:

**2018**

- Non deductible accruals for long term obligations with the company employees of €330,123.
- Adjustments for non deductible financial expenses of €24,900,405.

**2017**

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

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)	
	2018	2017
Income and expense for the year before tax	121,759,689	188,459,818
Tax charge (26%-28% tax rate)	31,657,519	52,768,749
Permanent differences	(40,474,853)	(54,438,961)
Recognition of tax credits	2,272,079	1,545,902
Withholdings abroad	(2,272,079)	(1,545,902)
Other/	1,125,665	(307,205)
<b>Effective tax expense/(income)</b>	<b>(7,691,669)</b>	<b>(1,977,417)</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

Applying the established criteria (Note 4.12), at December 31, 2018 and 2017, the Company recognized receivables for the tax debts and credits arising from settlements of tax from companies comprising the tax group of €3,539,771 (2017: €3,411,362) and payables of €2,272,079 (2017: €1,629,347), in accounts with group companies (Note 19), with the following detail:

(€)	Receivables / (payables)	
	2018	2017
Tax credits, Gestamp Bizkaia, S.A.	4,385,382	(591,397)
Calculation of tax, Loire, SAFE.	1,161,355	1,240,016
Calculation of tax, Gestamp North Europe Services	208,119	323,837
Offset of tax losses, Berotools, S.L.	(186,389)	(337,075)
Gestamp Try Out Services, S.L.	(447,578)	(507,576)
Gestamp Technology Institute, S.L.	(127,128)	(192,342)
Diede Developments, S.L.	101,774	-
Gestamp Tooling Hardening, S.L.	(58,600)	209,417
Gestamp Global Tooling, S.L.	(4,065,816)	579,412
Adral, S.L.	827,516	1,058,680
Matriceria Deusto, S.L.	(80,895)	(957)
	<b>1,717,740</b>	<b>1,782,015</b>

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:

(€)	2018	2017
Current tax	2,272,079	1,545,902
Deductions applied	(2,272,079)	(1,545,902)
Withholdings	3,525,303	3,629,019
<b>Income tax refundable</b>	<b>3,525,303</b>	<b>3,629,019</b>

## 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			Closing balance
		Profit/(loss) for the year additions	Decreases	Total equity	
				Other	
<b>2018</b>					
Deferred tax assets	13,522,944	2,272,079	-	-	15,795,023
Unused tax credits and tax relief	3,095,124	2,257,397	-	(2,213,877)	3,138,645
Carryforward of unused tax losses	522,667	85,832	-	(81,269)	527,23
non-deductible financial expenses		6,474,105	-	(498,008)	5,976,097
Tax effect of derivatives	3,465,569	-	(1,494,312)		1,971,257
	<b>20,606,304</b>	<b>11,089,413</b>	<b>-</b>	<b>(1,494,312)</b>	<b>(2,283,154)</b>
					<b>27,408,251</b>

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



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

In addition, at December 31, 2018 and 2017, the Company had unused tax credits amounting to €15,792 and €13,520 thousand, respectively. The detail of these credits and their expiry is as follow:

000 € Year generated	Last year of offset	2018	2017
1998	2044	142	142
1999	2044	272	272
2000	2044	119	119
2001	2044	84	84
2002	2044	103	103
2004	2044	-	-
2005	2044	-	-
2006	2044	3	3
2007	2044	3,794	3,794
2009	2044	17	17
2010	2044	7,952	7,952
2011	2044	-	-
2011	2044	-	-
2012	2044	9	9
2013	2044	1,025	1,025
2018	2048	2,272	-
		<b>15,792</b>	<b>13,52</b>

The Company has recorded tax credits resulting from the losses pending compensation in the amount of €11,054 thousand generated in 2018 (11,054 thousand euros in 2017) 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.

## 16 REVENUE AND EXPENSES

The amount of revenue relates to the royalty charged to subsidiaries for use of the GESTAMP trademark acquired in 2018, to the provision of financial services and to dividend income.

### 16.1 Operating income

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

	2018	2017
<b>Revenue</b>	<b>253,244,510</b>	<b>280,248,923</b>
Rendering of intellectual property services (Note 19)	32,458,649	30,307,912
Rendering of financial services (Note 19)	63,808,325	73,554,404
Dividend income (Note 19)	156,977,536	176,386,607
<b>Other operating income</b>	<b>2,728,171</b>	<b>2,231,968</b>
Non-trading and other operating income (Note 19)	2,728,171	2,231,968
	<b>255,972,681</b>	<b>282,480,891</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

The amount of Non-trading and other operating income includes €375,000 in concept of remuneration of directors and €2,353,171 in concept of rental income and different services.

#### 16.2 Other operating expenses

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

(Euros)	2018	2017
<b>Staff costs</b>	<b>3,806,163</b>	<b>2,600,165</b>
Salaries, wages	3,569,238	2,342,198
Social charges	236,925	257,967
Social Security	234,414	237,502
Other	2,511	20,465

#### 16.3 External services

The breakdown of "External services" is as follows:

(Euros)	2018	2017
Leases	100,322	64,177
Independent professional services	2,089,593	5,659,057
Banking services	2,154,708	1,941,143
Repairs and maintenance		122
Insurance premiums	77,302	239,412
Travel expenses	322,094	702,589
Publicity and public relations	13,325	55,699
Communications	22,787	12,060
Hardware	894	13,759
Office supplies	1,944	2,967
Other services	18,343	317,417
	<b>4,801,312</b>	<b>9,008,402</b>

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.

#### 16.4 Finance income

The breakdown of "Finance income" is as follows:

(€)	2018	2017
Third-party interest	1,095,920	3,044,109
	<b>1,095,920</b>	<b>3,044,109</b>

#### 16.5 Finance expenses

The breakdown of "Finance expenses" is as follows:

(Euros)	2018	2017
Interest on payables to group companies (Note 19)	24,087,319	23,739,199
Loans and debts with financial institutions	58,861,882	39,677,539
	<b>82,949,201</b>	<b>63,416,738</b>

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018****16.6 Impairment losses and gains/losses on disposal of non current assets**

The Company recognized €21,423,374 of impairment losses on investments in group companies (2017: €11,531,700) (Note 8.1).

**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, 2018 and 2017, are as follows:

2018	foreign currency	Currency	euros
<b>Assets</b>			
Cred. Largo Plazo Empresas del Grupo	5,000,000	USD	15,600
Current loans to group companies	3,552,669,130	HUF	11,084,328
	3,092,000	USD	2,699,965
Intragroup current accounts	78,718,271	GBP	87,617,372
	211,271,420	HUF	659,167
	872,674,884	SEK	85,827,575
	181,947,211	USD	158,878,124
Current interest receivable on loans to group companies	3,049,374	HUF	9,514
	447,971	USD	391,173
	256,465,753	INR	3,205,822
Cash	430	CNY	55
	18,242,072	GBP	20,304,338
	452,374,049	HUF	1,411,407
	14,046	JPY	112
	376,318	PLN	87,739
	73,109,124	SEK	7,190,282
	135,497,858	USD	118,318,085
Trade receivables	9,685,921	TRY	1,597,790
	245,823	GBP	273,613
	27,443,129	HUF	85,623
	8,481,854	SEK	834,190
	1,832,035	USD	1,599,751
Debt Securities	2,750,000,000	INR	34,375,000

2018	Amount in foreign currency	Currency	Amount in euros
<b>Liabilities</b>			
Intragroup current accounts	7,279	CNY	925
	52,730,679	GBP	58,691,882
	346,132,431	HUF	1,079,933
	23,586	INR	295
	415,924	PLN	96,973
	2,467,676	SEK	242,696
	345,232,975	USD	301,460,886
Current interest payable to group companies	137,782	USD	120,313
	6,470	GBP	7,201
	412	SEK	41
Current loans to credit entities	242,200,000	USD	211,491,462
Current interest payable to credit entities	182,293	USD	159,180
Suppliers	52	GBP	58
	15,491	USD	13,527
	56	PLN	13

**GESTAMP AUTOMOCIÓN, S.A.**
**Notes to the financial statements for the year ended December 31, 2018**

2017	Amount in foreign currency	Currency	Amount in euros
<b>Assets</b>			
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
	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

2017	Amount in foreign currency	Currency	Amount in euros
<b>Liabilities</b>			
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

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

(€)	2018	2017
Realized	1,434,432	315,439
Unrealized	10,434,943	2,007,180
	<b>11,869,375</b>	<b>2,322,619</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

Source of exchange differences:

(€)	2018	2017
Real Brasileño	-	44
Renmimbi Yuan chino	(7)	(10)
Libra esterlina	(655,137)	138,886
Forintos húngaros	645,193	182,842
Rupia india	5,301,718	2,764,737
Zloty	(246)	488
Yen japonés	(14)	3
Coronas suecas	2,982,558	2,374,076
Dólares americanos	3,250,518	(3,144,279)
Lira Turca	344,792	5,832
	<b>11,869,375</b>	<b>2,322,619</b>

## 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, 2018 and 2017, are as follows:

	2018	2017
Gestamp Servicios, S.A.	1,049	1,049
Gestamp Vigo, S.A.	77	17
Loire Safe	1,882	1,522
Inmobiliaria Acek, S.L.	181	181
Adral Matricería y Puesta a Punto, S.L.	66	66
Gestamp Aveiro, Lda	2,692	2,732
Essa Palau, S.A.	7,000	7,000
Gestamp Metalbages, S.A.	10,760	1,926
Gestamp Linares, S.A.	143	288
Gestamp ESMAR, S.A.	135	135
Gestamp Cerveira, Lda	392	652
Gestamp Palencia, S.A.	6	475
Gestamp Bizkaia, S.A.	1,049	222
Gestamp Toledo, S.A.	549	549
Autotech Engineering, AIE	404	404
Gestamp Navarra, S.A.	1	1
Gestamp Wroclaw Sp.z.o.o.	699	392
Gestamp Chatanooga II, LLC	-	21,736
Gestamp Global de Matricería, S.L.	90	90
Gestamp Polska Sp.z.o.o.	31,252	-
Gestamp Autotech Engineering R&D USA	976	931
Edscha Brugos, S.A.	274	274
Gestamp South Carolina, LLC	19,500	19,500
Gestamp Technology Institute, S.L.	363	363
Gestamp Griwe Westerburg, GmbH.	573	573
Global Láser Araba, S.L.	47	47
Gestamp Global Tooling, S.L.	29,883	15,558
Gestamp Unformtechnik GMBH	34,686	34,686
Gestamp Severstal Kaluga, LLC	9,516	-
Gestamp North America, Inc	2,183	-
	<b>156,427</b>	<b>111,367</b>

Additionally, the Company has given its financial commitment to the following companies: Gestamp Vigo, S.A., Gestamp Metalbages, S.A., Gestamp Esmar, S.A., Gestamp Hungría, Kft., Edscha Santander, S.A., Gestamp Argentina, S.A., Gestamp Baires, S.A., Gestamp Córdoba, S.A., Gestamp Tooling Services, AIE., Matricerías Deusto, S.L., Gestamp Autocomponents Chongging, kkt., Gestamp Hardtech, AB., Gestamp Tallent, Ltd., Gestamp Wroclaw, Sp.z.o. o., Gestamp Palau, S.A., Gestamp Togliatti, Llc and Gestamp Severstal Vsevolozhsk Llc.

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

### 19. RELATED PARTY TRANSACTIONS

Related parties with which the Company carried out transactions in 2018 and 2017, and the nature of the relationship, the item and transaction amounts, are as follows:

#### 2018

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 16.5)
Acek Desarrollo y Gestión Industrial, S.L.	Group parent	-	-	-	-	1,607,055
Adral Matricería y Puesta a Punto, S.L.	Group Company	97,070	-	-	15,000	-
Autotech Engineering R&D UK Limited	Group Company	40,296	-	-	-	2455
Autotech Engineering R&D USA Inc	Group Company	-	32,958	-	-	-
Autotech Engineering, GMBH	Group Company	15,661	-	-	-	-
Autotech Engineering, S.L.	Group Company	767	-	-	-	-
Gestamp Autotech Japan, LTD	Group Company	23,889	-	-	-	-
Gestamp Tooling Erandio, S.L.	Group Company	1,269	-	-	-	-
Beyçelik Gestamp SASI Otomotive	Group Company	-	-	388,466	-	-
Diede Die Developments, S.L.	Group Company	96	-	-	15,000	-
Almussafes Mantenimiento de Troqueles, SLU	Group Company	-	-	-	15,000	-
Edscha Automotive Hengersberg, GMBH	Group Company	-	-	-	-	27,426
Edscha Burgos SL	Group Company	-	1,644	-	-	-
Edscha Hengersberg Real Estate, Gmb	Group Company	-	-	-	-	6,273
Edscha Holding España	Group Company	-	-	-	-	379,475
Edscha Holding GMBH	Group Company	4,005,590	-	-	-	14
Gestamp Palau, S.A.	Group Company	131,922	42,000	584,454	15,000	-
Gestamp Abrebra, S.A.	Group Company	830,400	-	450,305	15,000	-
Gestamp Aragón, S.A.	Group Company	248,403	-	136,309	15,000	-
Gestamp Auto Components (Chongqing) Co.	Group Company	-	-	426,579	-	-
Gestamp Auto Components (Dongguan) Co., Ltd	Group Company	-	-	379,870	-	-
Gestamp Auto Components KunshanCo., Ltd	Group Company	-	-	791,913	-	-
Gestamp AutoComponents (Shenyang) Co., Ltd	Group Company	-	-	427,278	-	-
Gestamp Automotive Chennai Private Ltd	Group Company	-	3,765,541	(309,837)	-	-
Gestamp Aveiro, Lda	Group Company	-	25,458	7,100	-	-
Gestamp Bizkaia, S.A.	Group Company	2,651,207	4,827	1,298,077	15,000	-
Beyçelik Gestamp Otomotiv, A.S.	Group Company	-	-	1,192,505	-	-
Çelik Form Gestamp Otomotive, A.S.	Group Company	-	-	63,835	-	-
Gestamp Brasil Ind Aut SA	Group Company	-	-	1,301,272	-	-
Gestamp Cerveira, Lda	Group Company	1,290,427	7,563	46,274	-	-
Gestamp Chattanooga II, LLC	Group Company	97,121	298,110	135,205	-	-
Gestamp Chattanooga, LLC	Group Company	114,835	-	444,809	-	85
Gestamp ESMAR, S.A.	Group Company	-	1,188	266,916	15,000	-
Gestamp Finance Slovakia, S.r.o.	Group Company	7,212,389	-	-	-	3972
Gestión Global Matricería, S.L.	Group Company	131,805	-	-	-	-
Gestamp Funding Luxembourg, S.A.	Group Company	-	-	-	-	21,859,740
Gestamp Galvanizados, S.A.	Group Company	-	-	(600)	11,250	-
Gestamp Global Tooling SL	Group Company	-	-	-	-	17,899
Gestamp Griwe Haynrode GmbH	Group Company	-	-	510,993	-	-
Gestamp Griwe Westerbürg GmbH	Group Company	3,026,627	5,730	433,005	-	-
Gestamp West Virginia LLC	Group Company	121,724	-	-	-	-
Gestamp Hard Tech AB	Group Company	1,075,986	-	200,470	-	7,742
Gestamp Holding Mexico, S.L.	Group Company	33,335	-	-	-	71
Gestamp Holding Argentina, S.L.	Group Company	3,658	-	-	-	-
Gestamp McCalla, LLC	Group Company	166,188	-	1,006,109	-	-
Gestamp Holding China AB	Group Company	1,914	-	-	-	1
Gestamp Hotstamping Japan, KK	Group Company	90,072	-	-	-	-
Gestamp Ronchamp, SAS	Group Company	155,739	-	310,191	-	-
Gestamp Hungaria, Kft	Group Company	1,298,701	-	392,522	-	-
Gestamp Ingeniería Europa Sur, S.L.	Group Company	-	-	-	15,000	-
Gestamp Kartek Corporation, Ltd	Group Company	-	-	636,987	-	-
Gestamp Levante, S.A.	Group Company	461,851	6,979,545	(4,257)	15,000	-
Gestamp Linares, S.A.	Group Company	171,936	1,718	33,969	15,000	-
Gestamp Manufacturing Autochasis, S.L.	Group Company	-	-	304,065	15,000	-
Gestamp Mason LLC	Group Company	127,200	-	370,500	-	-
Gestamp Metal Forming (Wuhan) LTD	Group Company	-	-	1,043,530	-	-
Gestamp Metalbages, S.A.	Group Company	4,083,740	76,767	106,207	-	-
Gestamp Navarra SA	Group Company	662,343	94,507,610	460,642	15,000	-
Gestamp Nitra S.R.O.	Group Company	279,833	18,533,414	965,087	15,000	-
Gestamp Puebla II, SA de CV	Group Company	267,432	-	-	-	-
Gestamp Puebla, SA de CV	Group Company	300,623	-	-	-	-
Gestamp North América, Inc	Group Company	-	55,214	-	-	120,418
Gestamp North Europe SL	Group Company	965,631	-	-	158,617	-
Gestamp Noury, SAS	Group Company	510,447	-	343,325	-	-
Gestamp Palencia, S.A.	Group Company	1,775,949	196	653,585	18,750	3,380
Gestamp Polska, Sp.z.o.o.	Group Company	-	157,462	72,942	-	-
Gestamp Pitesti	Group Company	60,724	-	-	-	-
Gestamp Pune Automotive Private, Ltd	Group Company	-	-	206,211	-	-
Gestamp Tooling Services, AIE	Group Company	-	-	-	-	3,811
Gestamp Servicios, S.A.	Group Company	10,035,588	5,246	7,424,229	476,769	16
Gestamp Severstal Kaluga, LLC	Group Company	-	47,581	-	-	-
Gestamp Severstal Vsevolozhsk LLC.	Group Company	1,748,895	-	-	-	-
Gestamp Solblank Barcelona, S.A.	Group Company	1,133,511	-	(13,383)	15,000	-
Gestamp Solblank Navarra, S.L.	Group Company	-	-	-	15,000	-
Gestamp South Carolina, LLC	Group Company	50,434	195,000	935,595	-	-
Gestamp Sweden, AB	Group Company	2,497,996	-	-	-	2,186
Gestamp Tallent Ltd	Group Company	4,982,179	-	2,264,512	-	7,202
Gestamp Louny, S.r.o.	Group Company	200,734	-	585,595	-	-
Gestamp Technology Institute, S.L.	Group Company	2,270	2,178	-	-	-
Gestamp Toluca, SA de CV	Group Company	113,246	-	-	-	-
Gestamp Toledo, S.A.	Group Company	50,063	5,202	205,495	15,000	-
Gestamp Try Out Services, S.L.	Group Company	51,495	-	-	-	-
Gestamp Umformtechnik GMBH	Group Company	-	100,938	2,435,975	-	16,591
Gestamp Vendas Novas Unip. Lda	Group Company	-	-	280,975	-	1,124
Gestamp Vigo, S.A.	Group Company	101,383	444	218,934	1,762,785	-
Gestamp Washington UK Limited.	Group Company	231,997	-	262,080	-	16,123
Gestamp West Virginia, LLC	Group Company	-	-	665,923	-	-
Gestamp Wroclaw Sp. Z.o.o.	Group Company	1,154,406	7,624	69,314	-	-
Global Láser Araba, S.L.	Group Company	-	280	-	-	-
GMF Holding GMBH	Group Company	3,313,196	-	-	-	-
Gestamp Aguascalientes, SA de CV	Group Company	18,410	-	-	-	-
Ingeniería Global Metalbages, S.A.	Group Company	-	-	-	15,000	-
Inmobiliaria Acek SL	Group Company	-	2,312	-	-	-

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

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 16.5)	
Loire SA Franco Española	Group Company	219,408	9,981	-	15,000	4,260	
Gestamp Morocco	Group Company	457	-	-	-	-	
Matricerías Deusto, S.L.	Group Company	859	-	-	15,000	-	
Todlem, S.L.	Group Company	2	-	-	-	-	
Gestamp Washtenaw, LLC	Group Company	-	-	8,931	-	-	
Mursolar 21, S.L.	Group Company	142,286	-	-	-	-	
Prisma SAS	Group Company	368,485	-	145,883	-	-	
Sofedit SAS	Group Company	3,063	-	1,262,651	-	-	
<b>Total</b>		<b>58,955,163</b>	<b>4,853,162</b>	<b>156,977,536</b>	<b>32,458,649</b>	<b>2,728,171</b>	<b>24,087,319</b>

## 2017

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 16.5)
Acek Desarrollo y Gestión Industrial, S.L.	Group parent	2,184	-	-	-	1,676,883
Adral Matricería y Puesta a Punto, S.L.	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, S.L.	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 Holding 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	-	-	-
Gestamp Palau; S.A.	Group Company	-	95,414	-	-	-
Gestamp Abreia, 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, Lda	Group Company	-	27,901	-	34,961	-
Gestamp Bizkaia, S.A.	Group Company	1,044,584	3,927	-	981,645	11,572
Gestamp Brasil Ind Aut SA	Group Company	-	-	1,013,564	-	-
Gestamp Cerveira, Lda	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, S.A.	Group Company	23,458	-	-	-	-
Gestamp ESMAR, S.A.	Group Company	-	1,187	-	219,135	11,572
Gestamp Finance Slovakia, S.r.o.	Group Company	13,784,344	-	-	-	-
Gestamp Funding Luxembourg, S.A.	Group Company	-	-	-	-	21,642,723
Gestamp Galvanizados, S.A.	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 Westenberg GmbH	Group Company	2,218,228	1,432	-	404,933	-
Gestamp Hard Tech AB	Group Company	1,187,199	-	-	184,224	-
Gestamp Holding Argentina, S.L.	Group Company	-	3,564	-	-	43,875
Gestamp Holding China AB	Group Company	-	1,652	-	-	-
Gestamp Holding México, S.L.	Group Company	33,335	-	-	-	43,875
Gestamp Hotstamping Japan, KK	Group Company	3,056	-	-	-	-
Gestamp Hungaria, Kft	Group Company	1,479,562	-	-	307,522	-
Gestamp Ingeniería Europa Sur, S.L.	Group Company	-	-	-	-	11,573
Gestamp Kartek Corporation, Ltd	Group Company	-	-	-	701,970	-
Gestamp Levante, S.A.	Group Company	710,129	-	-	-	11,573
Gestamp Linares, S.A.	Group Company	85,340	2,299	-	43,293	11,573
Gestamp Louny, S.r.o.	Group Company	28,742	-	-	353,427	-
Gestamp Manufacturing Autochasis, S.L.	Group Company	31,532	-	300,600	301,017	11,573
Gestamp Mason LLC	Group Company	-	-	-	441,142	-
Gestamp Mc Calla, LLC	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 America, Inc	Group Company	2,261	-	-	-	-
Gestamp North Europe SL	Group Company	1,427,473	-	-	-	87,076
Gestamp Noury, SAS	Group Company	612,393	-	-	306,362	-
Gestamp Palencia, S.A.	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 Pitesli	Group Company	17,815	-	-	-	-
Gestamp Pune Automotive Private, Ltd	Group Company	-	-	-	-	12,070
Gestamp Ronchamp, SAS	Group Company	124,302	-	-	175,426	-
Gestamp Servicios, S.A.	Group Company	5,854,291	5,246	15,999,984	6,416,316	70,504
Gestamp Seversial Kaluga, LLC.	Group Company	1,420,963	-	-	-	-
Gestamp Seversial Vsevolozhsk LLC.	Group Company	1,856,634	-	-	-	-
Gestamp Solblank Barcelona, S.A.	Group Company	166,890	2,032	-	87,203	11,573
Gestamp Solblank Navarra, S.L.	Group Company	-	-	-	2,268	11,573
Gestamp South Carolina, LLC	Group Company	-	97,500	-	1,234,292	-
Gestamp Sweden, AB	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, S.A.	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. Lda	Group Company	9,731	-	-	93,419	-
Gestamp Vigo, S.A.	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	-
Gestamp Global Matriceria, S.L.	Group Company	3,972	-	-	-	-
Global Láser Araba, S.L.	Group Company	-	140	-	-	-

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

	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 16.5)
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, S.L.	Group Company	214,213	-	-	-	11,573	-
Metalbages P51, S.L.	Group Company	8,613	-	-	-	-	-
Mursolar 21, S.L.	Group Company	345,778	-	-	-	-	-
Prisma SAS	Group Company	377,462	-	-	93,720	-	-
Sofedit SAS	Group Company	2,066	-	-	1,678,801	-	-
<b>Total</b>		<b>67,794,875</b>	<b>5,759,529</b>	<b>176,386,607</b>	<b>30,307,912</b>	<b>2,231,969</b>	<b>23,739,199</b>



# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

The breakdown of balances with related parties at December 31, 2018 and 2017 is as follows:

### 2018:

Nature of the relationship	Intragroup current account			Loans				Interest and other Debtors (nota 19.2) (a)	Creditors (b)
	Payables (Note 9)	Receivables (Note 19.3) (b)	Debt Securities	Non-current payables (Note 9)	Current payables (Note 9) (a)	Current receivables (b)	Non-current receivables (nota 19.3)		
Acek Desarrollo y Gestión Industrial, S.L.	-	-	-	-	-	1,110,014	23,145,978	-	1,192,488
Adral Matricería y Puesta a Punto, S.L.	6,305,181	-	-	-	-	-	-	97,070	-
Anhui Edscha Auto Parts Co., L	-	-	-	-	-	-	-	680,908	-
Autotech Engineering Deutschland GMBH	2,567,000	-	-	-	-	-	-	15,661	-
Autotech Engineering R&D UK Limited	8,082,321	15,067,374	-	-	-	-	-	40,297	2,455
Autotech Engineering R&D USA	-	-	-	-	-	-	-	2,519	-
Autotech Engineering AIE	1,787,262	-	-	-	-	-	-	622	-
Diede Die Developments, S.L.	-	569,967	-	-	-	-	-	96	-
Edscha Automotive Hengersberg GMBH	-	-	-	-	-	-	-	-	27,426
Edscha Burgos, S.A.	-	3,501,674	-	-	-	-	-	-	-
Edscha Hengersberg Real Estate	-	-	-	-	-	-	-	-	6,273
Edscha Holding España	-	-	-	-	-	2,966,000	4,452,579	-	1,093,922
Edscha Holding GMBH	175,213,076	82,382	-	157,854,248	8,000,000	-	-	3,840,068	14
Edscha Santander, S.A.	-	9,175,103	-	-	-	-	-	-	-
Gestamp Abrera, S.A.	-	-	-	-	-	-	-	830,400	-
Gestamp Aragón SA	-	-	-	14,000,000	-	-	-	250,736	-
Gestamp Autocomponents Kunshan Co. LTD	-	-	-	-	-	-	-	275,556	-
Gestamp Auto Tech Japan Co., Ltd.	-	-	-	-	2,500,000	-	-	23,889	-
Gestamp Aveiro, Lda	-	-	-	-	-	-	-	4,856	-
Gestamp Baires, S.A.	-	-	-	-	-	-	-	133,426	-
Bero Toools, S.L.	-	2,048,255	-	-	-	-	-	1,269	-
Gestamp Bizkaia, S.A.	246,623,016	70,091,772	-	-	-	-	-	2,652,706	636
Gestamp Cerveira, Lda.	-	-	-	38,734,596	1,803,036	-	-	5,381,556	-
Gestamp Chattanooga LLC	-	2,037,896	-	-	-	-	-	80,041	76
Gestamp Chattanooga II, LLC	-	3,428,722	-	-	-	-	-	(23,085)	-
Gestamp Córdoba, S.A.	-	-	-	-	-	-	-	582,464	-
Gestamp Finance Slovakia, S.r.o.	527,945,206	23,768,514	-	66,000,000	-	-	-	7,212,390	3,972
Gestamp Funding Luxembourg, S.A.	-	1,276,465	-	-	-	(3,513,935)	486,662,848	-	2,363,399
Gestamp Global Tooling, S.L.	-	116,267,502	-	-	-	-	-	-	17,899
Gestión Global Matricería, S.L.	-	-	-	-	13,000,000	-	-	109,980	-
Gestión Global Láser Araba, S.L.	-	-	-	-	-	-	-	70	-
Gestamp Griwe Haynrode GmbH	64,511,677	309	-	105,975,405	3,585,000	-	-	164,501	-
Gestamp Griwe Westerburg GmbH	9,542,196	-	-	-	-	-	-	2,812,868	-
Gestamp West Virginia, LLC	16,512,818	-	-	-	-	-	-	11,093	-
Gestamp Hard Tech AB	85,262,680	50,341,186	-	4,366,050	2,699,965	-	-	1,075,986	7,742
Gestamp Holding Argentina, S.L.	-	365,822	-	-	-	-	-	4,625	-
Gestamp Holding China, AB	-	207,376	-	-	-	-	-	1,915	1
Gestamp Holding México, S.L.	3,333,476	419,053	-	-	-	-	-	27,001	56
Gestamp Holding Rusia, S.L.	-	4	-	-	-	-	-	-	-
Gestamp Hungaria, Kft	7,297,545	-	-	-	20,332,456	-	-	639,985	-
Gestamp Levante, S.A.	-	-	-	10,678,631	-	-	-	461,851	-
Gestamp Linares, S.A.	-	3,954,870	-	8,374,626	-	-	-	161,648	-
Gestamp Louny, S.r.o.	33,958,364	8,129,026	-	-	-	-	-	200,734	-
Gestamp Mason LLC	-	7,478,451	-	-	-	-	-	77,281	-
Gestamp McCalla, LLC	-	5,874,830	-	-	-	-	-	85,796	-
Gestamp Metalbages, S.A.	149,460,481	36,078,395	-	57,000,000	-	-	-	3,968,348	-
Gestamp Navarra, S.A.	-	-	-	17,203,720	-	-	-	662,343	-
Gestamp Nitra, SRO	56,370,620	10,078,201	-	-	-	-	-	279,834	-
Gestamp Puebla, SA de CV	1,023,333	-	-	-	-	-	-	129,517	-
Gestamp Puebla II, SA de CV	-	2,793,665	-	-	-	-	-	114,014	-
Gestamp North America, Inc	-	110,138,268	-	-	-	-	-	8,301	108,400
Gestamp North Europe SL	14,442,066	-	-	-	-	-	-	965,631	-
Gestamp Noury, SAS	4,507,711	213,745	-	25,209,453	-	-	-	510,447	-
Gestamp Palau, S.A.	-	-	-	11,031,778	-	-	-	131,922	-
Gestamp Palencia, S.A.	55,560,781	20,928,631	-	62,691,241	28,698,078	-	-	1,515,259	2,738

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

Nature of the relationship	Intragroup current account		Loans				Interest and other Debtors (nota 19.2) (a)	Creditors (b)	
	Payables (Note 9)	Receivables (Note 19.3) (b)	Debt Securities	Non-current payables (Note 9)	Current payables (Note 9) (a)	Current receivables (b)			Non-current receivables (nota 19.3)
Gestamp Pitesti	-	-	-	-	11,370,000	-	-	78,539	-
Gestamp Polska Sp.z.o.o.	-	-	-	-	-	105,929,413	-	78,130	-
Gestamp Ronchamp, SAS	10,347,505	1,241,385	-	-	-	-	-	155,739	-
Gestamp Servicios, S.A.	138,077,065	99,968,806	-	179,465,038	-	-	-	28,365,427	4,260
Gestamp Severstal Vsevolozhsk LLC.	-	-	-	-	13,777,456	-	-	1,327,244	-
Gestamp-Severstal-Kaluga, LLC	-	-	-	-	-	-	-	47,581	-
Gestamp Solblank Barcelona, S.A.	-	-	-	14,125,492	-	-	-	240,864	-
Gestamp South Carolina, LLC	-	6,879,977	-	-	-	-	-	196,670	-
Gestamp Sweden, AB	139,087	13,077,631	-	51,140,179	-	-	-	6,433,977	2,185
Gestamp Sungwoo Hitech (CHENNAI)	-	-	-	-	-	-	-	780,425	-
Gestamp Tallent, Ltd	-	58,347,932	-	190,389,186	17,395,962	-	-	6,388,256	7,202
Gestamp Tech SL	-	2,224	-	-	-	-	-	-	10
Gestamp Technology Institute, S.L	283,555	-	-	-	-	-	-	2,815	-
Gestamp Toledo, S.A.	11,180,585	1,961,766	-	-	-	-	-	41,845	-
Gestamp Toluca, S.A. de C.V.	-	6,327,915	-	-	-	-	-	77,535	-
Gestamp Tool Hardening SL	1,087,241	-	-	-	-	-	-	-	-
Gestamp Tooling Services, AIE	-	23,126,823	-	-	-	-	-	-	3,811
Gestamp Try Out Services, S.L.	7,379,159	-	-	-	-	-	-	51,495	-
Gestamp Umformtechnik GMBH	-	121,696,770	-	-	-	-	-	12,340	16,592
Todlem, S.L.	705	-	-	-	-	-	-	1	-
Gestamp Vigo, S.A.	-	12,276,408	-	4,783,381	-	-	-	82,217	-
Gestamp Washington Uk Limited	79,330,683	97,801,783	-	-	-	-	-	231,998	16,123
Gestamp Wroclaw SP. Z.O.O	11,012,900	-	-	55,100,000	4,500,000	-	-	3,996,749	-
Getamp Vendas Novas, Lda	-	10,526,629	-	-	-	-	-	-	1,124
GMF Holding GMBH	138,717,558	-	-	124,055,708	-	-	-	(529,466)	-
Gestamp Aguas Calientes, SA de CV	1,002,830	-	-	-	-	-	-	17,420	-
Inmobiliaria Acek, S.L.	-	-	-	-	-	-	293,470	-	-
Loire SA Franco Española	41,530,667	26,604,561	-	132,689	-	-	-	215,818	4,260
Matricerías Deusto, S.L.	-	4,149,741	-	-	-	-	-	859	-
Mursolar 21, S.L.	-	6,046,203	-	-	-	-	-	29,820	-
Prisma SAS	34,919,160	5,661,510	-	-	-	-	-	368,485	-
Sofedit SAS	-	32,524,922	-	-	-	-	-	3,063	-
Gestamp Automotive Chennai Private, Ltd	-	-	34,375,000	-	-	-	-	3,205,822	-
Tuyauto Gestamp Morocco	-	-	-	-	914,240	-	-	570,150	-
<b>Total</b>	<b>1,945,888,712</b>	<b>1,031,973,549</b>	<b>34,375,000</b>	<b>1,198,311,421</b>	<b>128,576,193</b>	<b>106,491,492</b>	<b>514,554,875</b>	<b>88,676,213</b>	<b>4,883,064</b>

(a) Short-term investments in group companies and associates. Loans to associated companies  
(b) Current Liabilities - Payable to Group companies and Associates

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

2017

Nature of the relationship	Intragroup current account			Loans				Interest and other Debtors (nota 19.2) (a)	Creditors (b)
	Payables (Note 9)	Receivables (Note 19.3) (b)	Debt Securities	Non-current payables (Note 9)	Current payables (Note 9) (a)	Current receivables (b)	Non-current receivables (nota 19.3)		
Acek Desarrollo y Gestión Industrial, S.L.	-	-	-	-	-	2.285.428	24.255.994	1.769	2.099
Adral Matricería y Puesta a Punto, S.L.	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, S.L.	84.011	-	-	-	-	-	-	4.733	-
Edscha Automotive Hengersberg GMBH	-	-	-	-	-	-	-	-	53.453
Edscha Automotive Hauzenberg GMBH	-	-	-	-	-	-	-	-	38.756
Edscha Hengersberg Real Estate	-	-	-	-	-	-	-	-	6.273
Edscha Hauzenberg Real Estate	-	-	-	-	-	-	-	-	6.297
Edscha Holding España	-	-	-	-	83.000.000	971.046	7.418.579	-	-
Edscha Holding GMBH	23.423.782	78.825	-	80.254.248	-	-	-	5.437.626	-
Gestamp Abreva, S.A.	-	-	-	-	19.200.000	-	-	1.214.400	-
Gestamp Aragón SA	-	-	-	14.000.000	-	-	-	607.833	-
Gestamp Autocomponents Kunshan Co. LTD	-	-	-	-	-	-	-	275.556	-
Gestamp Automotive Chennai Private Ltd	-	-	35.942.500	-	-	-	-	3.715.836	-
Gestamp Aveiro, Lda	-	-	-	-	-	-	-	6.899	-
Gestamp Baires, S.A.	-	-	-	-	-	-	-	133.426	-
Gestamp Bizkaia, S.A.	200.348.613	79.351.603	-	-	-	-	-	1.045.266	2.377
Beto Toools, S.L.	-	337.926	-	-	-	-	-	-	-
Gestamp Cerveira, Lda	-	-	-	40.537.632	-	-	-	4.128.970	-
Gestamp Chattanooga LLC	-	506.718	-	-	-	-	-	-	-
Gestamp Chattanooga II, LLC	-	-	-	-	-	-	-	83.478	-
Gestamp Córdoba, S.A.	-	-	-	-	1.156.852	-	-	582.464	-
Gestamp Finance Slovakia, S.r.o.	397.717.713	-	-	66.000.000	115.000.000	-	-	13.196.092	-
Gestamp Funding Luxembourg, S.A.	-	1.226.464	-	-	-	(1.001.840)	483.148.913	-	-
Gestamp Global Tooling, S.L.	-	139.843.152	-	-	-	-	-	-	-
Gestamp Global Matricería, S.L.	-	-	-	-	13.000.000	-	-	3.972	-
Gestamp Griwe Haynrode GmbH	49.709.603	295	-	108.341.942	1.218.463	-	-	164.501	-
Gestamp Griwe Westerburg GmbH	-	-	-	-	-	-	-	1.964.712	-
Gestamp Hard Tech AB	86.297.080	52.895.274	-	13.777.456	6.740.555	-	-	1.187.199	-
Gestamp Holding Argentina, S.L.	356.371	-	-	-	-	-	-	2.887	-
Gestamp Holding China, AB	170.451	6.016	-	-	-	-	-	1.652	-
Gestamp Holding México, S.L.	3.333.476	416.412	-	-	-	-	-	27.001	-
Gestamp Hotstamping Japan	-	-	-	-	-	2.000.000	-	28.200	-
Gestamp Hungaria, Kft	44.534.969	-	-	-	19.998.151	-	-	839.781	-
Gestamp Levante, S.A.	-	-	-	10.678.631	-	-	-	675.423	-
Gestamp Linares, S.A.	174	570.193	-	8.374.626	-	-	-	304.652	-
Gestamp Louny, S.r.o.	8.383.593	-	-	-	-	-	-	28.742	-
Gestamp Metalbages, S.A.	64.186.717	48.143.532	-	57.000.000	28.692.843	-	-	4.220.335	-
Gestamp Navarra, S.A.	-	-	-	17.203.720	-	-	-	671.542	-
Gestamp Nitra, SRO	-	25.334	-	-	-	-	-	95.151	-
Gestamp North America, Inc	-	3.131.233	-	-	-	-	161	2.035	-
Gestamp North Europe SL	154.843.965	-	-	-	-	-	-	1.427.473	-
Gestamp Noury, SAS	4.513.777	-	-	25.209.453	-	-	-	612.393	-
Gestamp Palau, S.A.	-	-	-	-	-	-	-	(27.787)	-
Gestamp Palencia, S.A.	-	21.140.348	-	91.389.318	-	-	-	2.923.456	-
Gestamp Pitesti	-	-	-	-	3.370.000	-	-	17.815	-
Gestamp Polska, Sp.z.o.o.	-	-	-	-	-	91.565.401	-	(65.745)	-
Gestamp Ronchamp, SAS	12.585.436	-	-	-	-	-	-	124.302	-
Gestamp Servicios, S.A.	81.813.645	55.795.948	-	179.465.038	-	-	-	20.197.614	1.840
Gestamp Severstal Vsevolozhsk LLC.	-	-	-	-	-	-	-	1.327.244	-
Gestamp Solblank Barcelona, S.A.	-	-	-	14.125.493	-	-	-	105.870	-
Gestamp South Carolina, LLC	-	-	-	-	-	-	-	48.750	-
Gestamp Sweden, AB	48.725.018	12.494.696	-	22.235.925	28.904.254	-	-	6.015.654	-
Gestamp Sungwoo Hitech (CHENNAI)	-	-	-	-	-	-	-	635.272	-
Gestamp Tallent, Ltd	45.868.743	82.367.312	-	190.389.187	17.395.962	-	-	6.060.008	-
Gestamp Tech SL	-	2.224	-	-	-	-	10	-	-
Gestamp Technology Institute, S.L	-	398.170	-	-	-	-	-	545	-
Gestamp Toledo, S.A.	-	1.539.864	-	-	-	-	-	1.583.580	-
Gestamp Tool Hardening SL	1.049.131	-	-	-	-	-	-	-	-

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

Nature of the relationship	Intragroup current account			Loans				Interest and other Debtors (nota 19.2) (a)	Creditors (b)
	Payables (Note 9)	Receivables (Note 19.3) (b)	Debt Securities	Non-current payables (Note 9)	Current payables (Note 9) (a)	Current receivables (b)	Non-current receivables (nota 19.3)		
Gestamp Tooling Services, AIE	-	22.395.148	-	-	-	-	-	-	-
Gestamp Try Out Services, S.L.	3.321.526	-	-	-	-	-	-	6.076	-
Gestamp Umformtechnik GMBH	-	133.319.425	-	-	-	-	-	12.340	-
Gestamp Vigo, S.A.	-	-	-	-	4.783.381	-	-	943.603	-
Gestamp Washington Uk Limited	21.372.730	78.901.227	-	-	-	-	-	213.727	-
Gestamp Wrocław SP. Z.O.O	13.612.900	-	-	51.000.000	4.500.000	-	-	2.928.991	-
Gestamp Ventas Novas, Lda	-	6.340.422	-	-	-	-	-	9.731	-
GMF Holding GMBH	132.210.569	-	-	-	85.076.590	-	-	2.830.469	-
Inmobiliaria Acek, S.L.	-	-	-	-	-	-	290.734	-	-
Loire SA Franco Española	2.257.626	26.147.428	-	-	132.689	-	-	23.182	-
Matricerías Deusto, S.L.	3.896.624	-	-	-	-	-	-	286.281	-
Mursolar 21, S.L.	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	-
<b>Total</b>	<b>1.462.536.198</b>	<b>806.717.019</b>	<b>35.942.500</b>	<b>1.002.606.984</b>	<b>429.386.359</b>	<b>93.820.206</b>	<b>515.114.220</b>	<b>90.910.381</b>	<b>158.653</b>

(a) Short-term investments in group companies and associates. Loans to associated companies

(b) Current Liabilities - Payable to Group companies and Associates

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2018

### 19.1 Loans to companies

The Company recognized the following non-current loans to group companies at December 31, 2018 and 2017:

	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2018 (in €)	Outstanding balance at 12/31/2017 (in €)	Maturity	Interest rate 2018	Accrued interest receivable, 2018	Accrued interest receivable, 2017
<b>Gestamp Palencia, S.A.</b>	Financial Loan	2005	41,000,000	41,000,000	41,000,000	31/12/2020	1.75%		
	Financial Loan	2004	88,698,078	-	28,698,078	31/12/2019	1.75%		
	Financial Loan	2017	21,691,241	21,691,241	21,691,241	21/12/2023	1.75%	977,731	1,148,406
<b>Gestamp Vigo, S.A.</b>	Financial Loan	2005	4,783,381	4,783,381	4,783,381	31/12/2020	1.75%	68,746	
	Financial Loan	2003	1,803,036	-	1,803,036	31/12/2019	1.75%		
<b>Gestamp Cerveira, Ltda</b>	Financial Loan	2014	40,000,000	38,734,596	38,734,596	31/12/2020	3.25%	5,348,717	4,125,904
	Financial Loan	1999	3,111,492	3,111,492	3,111,492	31/12/2020	1.75%		
<b>Gestamp Noury, S.A.</b>	Credit Line	2001	6,000,000	6,000,000	6,000,000	31/12/2020	1.75%		
	Financial Loan	1999	6,097,961	6,097,961	6,097,961	31/12/2020	1.75%		
	Financial Loan	2017	10,000,000	10,000,000	10,000,000	31/12/2020	1.75%	447,293	511,192
	Financial Loan	2017	6,199,826	6,199,826	6,199,826	21/12/2023	1.75%		
<b>Gestamp Linares, S.A.</b>	Financial Loan	2005	2,174,800	2,174,800	2,174,800	31/12/2021	1.75%	142,293	36,754
	Financial Loan	2004	3,425,493	3,425,493	3,425,493	31/12/2020	1.75%		
<b>Gestamp Solblank Barcelona, S.A.</b>	Financial Loan	2017	10,700,000	10,700,000	10,700,000	21/12/2023	1.75%	240,865	58,047
	Participating	2004	41,025,525	41,025,525	41,025,525	31/12/2020	(a)		
<b>Gestamp Servicios, S.A.</b>	Financial Loan	2007	52,500,000	52,500,000	52,500,000	31/12/2020	1.75%		
	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	31/12/2026	1.75%		
	Financial Loan	2017	25,100,000	25,100,000	25,100,000	21/12/2023	1.75%	27,304,315	19,774,024
	Financial Loan	2011	13,145,000	13,145,000	13,145,000	30/03/2021	7.00%		
<b>Gestamp Sweden, Lda</b>	Financial Loan	2013	30,000,000	28,904,254	(b)	21/07/2023			
	Financial Loan	2010	12,013,425	9,090,925	9,090,925	29/03/2020	7.00%	6,019,937	1,193,328
<b>Gestamp Metalbages, S.A.</b>	Financial Loan	2017	57,000,000	57,000,000	57,000,000	21/12/2023	1.75%	1,020,854	9,500
	Participating	2002	6,732,292	6,732,292	6,732,292	31/12/2020	(a)		
<b>Gestamp Levante, S.L.</b>	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)	461,851	675,424
	Participating	2003	6,000,000	6,000,000	6,000,000	31/12/2020	(a)		
<b>Gestamp Navarra, S.A.</b>	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)	662,343	671,542
<b>Gestamp Hardtech AB</b>	Financial Loan	2009	-	4,366,050	(b), (d)	09/07/2023	6.20%	76,406	-
	Financial Loan	2011	3,585,000	-	3,585,000	30/03/2019	Ver corto plazo		
	Financial Loan	2013	1,218,463	1,218,463	(b)	31/12/2022	1.75%		
<b>Griwe</b>	Financial Loan	2017	40,000,000	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%	2,122,763	1,553,178
<b>Gestamp Aragón SA</b>	Financial Loan	2017	14,000,000	14,000,000	14,000,000	21/12/2023	1.75%	250,736	607,833
	Financial Loan	2013	75,000,000	75,000,000	(b)	25/07/2023	1.75%		
	Financial Loan	2017	1,800,000	1,800,000	1,800,000	12/09/2023	2.00%		
	Financial Loan	2017	9,000,000	9,000,000	9,000,000	04/09/2022	2.00%		
<b>Edscha Holding GMBH</b>	Financial Loan	2016	69,454,248	69,454,248	69,454,248	31/12/2026	2.00%		
	Financial Loan	2018	2,600,000	2,600,000	-	12/09/2023	2.00%	2,786,974	1,558,808
<b>Gestamp Finance Slovakia, S.r.o.</b>	Participating	2015	66,000,000	66,000,000	66,000,000	31/12/2020	(a)	1,155,000	2,854,500

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2018 (in €)	Outstanding balance at 12/31/2017 (in €)	Maturity	Interest rate 2018	Accrued interest receivable, 2018	Accrued interest receivable, 2017
	Financial Loan	2013	85,076,590	85,076,590	(b)	29/05/2018	1.75%		
<b>GMF Holding GMBH</b>	Financial Loan	2018	38,979,117	38,979,117		17/05/2023	1.75%	(1,929,383)	-
<b>Loire S.A.F.E.</b>	Financial Loan	2013	132,689	132,689	(b)	29/05/2018	1.75%	(3,671)	-
<b>Gestamp Wrocław Sp.z.o.o.</b>	Credit Line	2016		55,100,000		31/12/2020	1.75%	3,669,116	2,839,860
<b>Gestamp Severstal Vsevolozhsk LLC.</b>	Financial Loan	2016	14,975,330	-		30/03/2019	Short term	Short term	1,327,244
<b>Gestamp Tallent Ltd</b>	Financial Loan	2016	190,389,187	190,389,187		31/12/2026	2.00%	3,807,784	4,082,790
<b>Mursolar 21, S.L.</b>	Financial Loan	2015	7,840,934	-		10/02/2020	Short term	Short term	732,637
<b>Gestamp Palau, S.A.</b>	Financial Loan	2018	11,031,777	11,031,777		30/04/2023	1.75%	131,922	-
<b>TOTAL</b>				<b>1,198,311,421</b>	<b>1,002,606,984</b>			<b>54,762,592</b>	<b>43,760,971</b>

- (a) Remuneration consists of an annual percentage of the average balance of the loan.  
(b) Classified under current at December 31, 2017  
(c) Classified under current at December 31, 2018  
(d) Loans granted in US dollars. The initial amount was US\$5  
(\*) Interest rate revisable annually.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 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 36.854 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:

(€)	2018	2017
Interest and other receivables from group companies	88,676,213	90,910,381
Current loans receivable from group companies	128,576,193	429,386,359
	<b>217,252,406</b>	<b>520,296,740</b>

##### a) Current interest receivable

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

(€)	2018	2017
Interest on non-current loans	54,762,592	43,839,538
Interest on current loans	9,824,858	26,418,526
Interest on intragroup current account and other	24,088,763	20,652,321
	<b>88,676,213</b>	<b>90,910,385</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### b) Current loans to group companies

The breakdown of current loans to group companies at December 31, 2018 and 2017 is as follows:

Recipient of the loan	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 12/31/2018		Outstanding balance at 12/31/2017	Maturity	Interest rate 2018	Accrued interest receivable, 2018	Accrued interest receivable, 2017
			(in €)	(in €)		(in €)				
Gestamp Hungría, Kft	Credit Line	2004	25,000,000	9,248,128		9,248,128	23/09/2019	2.50%		
	Financial Loan		-	11,084,328	( e )	10,750,023	26/09/2017	6.18%	243,928	243,641
Edscha Holding, GmbH	Financial Loan	2013	75,000,000	-	( b )	75,000,000	long term	long term		
	Financial Loan	2017	8,000,000	8,000,000		8,000,000	29/12/2018	1.75%	140,778	3,281,861
Gestamp Hardtech AB	Financial Loan	2009	-	80,335	( c )	76,635	05/02/2019	6.20%		
	Financial Loan	2009	-	2,619,630	( c )	2,498,970	26/03/2019	6.20%		
	Financial Loan	2009	-	-	( b ), ( c )	4,164,950	long term	long term	169,723	423,719
Gestamp Finance Slovakia, S.r.o.	Participating	2013	115,000,000	-	( d )	115,000,000	31/12/2018	( a )	2,012,500	4,973,750
Gestamp Global Matriceria, S.L.	Financial Loan	2017	13,000,000	13,000,000		13,000,000	13/12/2018	1.00%	109,980	3,972
Gestamp Griwe	Financial Loan	2011	3,585,000	3,585,000	( e )	-	30/03/2019	5.50%		
	Financial Loan	2013	1,218,463	-	( b )	1,218,463	long term	long term	151,167	18,546
Loire S.A.F.E.	Financial Loan	2013	132,689	-	( b )	132,689	long term	long term	long term	2,020
GMF Holding GMBH	Financial Loan	2013	85,076,590	-	( b )	85,076,590	long term	long term	long term	1,294,963
Gestamp Hotstamping Japan	Financial Loan	2017	2,000,000	-	( d )	2,000,000	16/11/2018	1.00%	-	3,056
Gestamp Wrocław Sp.z.o.o.	Financial Loan	2016	4,500,000	4,500,000		4,500,000	01/09/2019	1.50%	159,750	-
Gestamp Sweden, AB	Financial Loan	2013	30,000,000	-	( b )	28,904,254	long term	long term	long term	4,320,785
	Financial Loan	2017	370,000	370,000		370,000	31/01/2020	1.00%		
	Financial Loan	2017	1,580,034	1,580,034		1,580,034	10/04/2019	1.00%		
	Financial Loan	2017	1,419,966	1,419,966		1,419,966	10/04/2019	1.00%		
	Financial Loan	2018	2,500,000	2,500,000		-	10/04/2019	1.00%		
	Financial Loan	2018	500,000	500,000		-	10/04/2019	1.00%		
	Financial Loan	2018	4,000,000	4,000,000		-	10/04/2019	1.00%		
Gestamp Pitesti	Financial Loan	2018	1,000,000	1,000,000		-	10/04/2019	1.00%	78,539	17,815
Gestamp Tallent, Ltd	Financial Loan	2013	100,000,000	17,395,962		17,395,962	30/06/2017	1.00%	1,582,453	1,406,077
	Participating	2008	13,000,000	-	( d )	13,000,000	31/12/2018	( a )		
Gestamp Abrera, S.A.	Participating	2008	6,200,000	-	( d )	6,200,000	31/12/2018	( a )	830,400	1,214,400
Gestamp Metalbages, S.A.	Participating	2002	28,692,843	-	( d )	28,692,843	long term	long term	2,388,679	3,807,150
Gestamp Córdoba, S.A.	Financial Loan	2017	1,156,852	-	( d )	1,156,852	31/12/2018	2%	161,373	530,256
Gestamp Palencia, S.A.	Financial Loan	2004	88,698,078	28,698,078	( b )	-	31/12/2019	1.75%	412,445	1,774,778
Gestamp Cerveira, Lda	Financial Loan	2003	1,803,036	1,803,036	( b )	-	31/12/2019	1.75%	31,553	-
Gestamp Severstal Vsevolozhsk LLC.	Financial Loan	2016	14,975,330	13,777,456	( b )	-	30/03/2019	12.52%	1,327,244	-
Tuyauto Gestamp Morocco, S.A.	Financial Loan	2018	914,240	914,240		-	27/11/2019	1.00%	457	-
Gestamp Autotech Japan, K.K	Financial Loan	2018	2,500,000	2,500,000		-	17/01/2020	1.00%	23,889	-
<b>TOTAL</b>			<b>208,048,000</b>	<b>128,576,193</b>		<b>429,386,359</b>			<b>9,824,858</b>	<b>26,418,526</b>

- (a) Remuneration consists of an annual percentage of the Company's net profit.  
(b) Classified under non-current at December 31, 2018  
(c) Loans granted in US dollars. The initial amounts were US\$2 and US\$3 million.  
(d) Canceled in 2018  
(e) Classified under non-current at December 31, 2018



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

#### 19.4 Payables to group companies

(€)	2018	2017
Non-current		
Non-current guarantees received	293,470	290,734
Loans payable to group companies (Note 14)	514,261,405	514,823,486
Current		
Loans payable to group companies	110,005,427	92,609,819
Payables from current accounts	1,031,973,549	806,717,019
Interest payable	1,369,129	1,369,040
	<b>1,657,902,980</b>	<b>1,415,810,098</b>

The breakdown of this item at December 31, 2018 and 2017 is as follows:

#### Non-current loans

Company granting the loan	Loan type	Grant date	Initial amount in euros or credit limit	Amount outstanding at 12/31/2018 (€)		Amount outstanding at 12/31/2017 (€)	Maturity	Interest rate 2017
Gestamp Funding Luxembourg	Financial loan	2013	500,000,000	486,662,848	(a)	483,148,913	15/05/2023	3.70%
Acek Desarrollo y Gestión Industrial, S.L.	Financial loan	2013	31,060,000	23,145,978		24,255,994	31/03/2032	6.60%
Edscha Holding España	Financial loan	2017	4,452,579	4,452,579		4,452,579	22/12/2022	2.00%
	Financial loan	2010	6,000,000	-	(b)	2,966,000	long term	long term
			<b>541,060,000</b>	<b>514,261,405</b>		<b>514,823,486</b>		

(a) Loan refinanced in May 2016

(b) Classified under current at December 31, 2018

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, 2018 and 2017 is as follows:

Sociedad que concede el préstamo	Tipo de préstamo	Fecha de concesión	Importe inicial en euros o límite del crédito	Pendiente a 31/12/2018 (euros)		Pendiente a 31/12/2017 (euros)	Vencimiento	Tipo de interés 2018
Edscha Holding España	Préstamo financiero	2010	6,000,000	2,966,000	(b)	-	23/12/2019	4.70%
Acek Desarrollo G. I. S.L.	Préstamo financiero	2013	-	1,110,014	(a)	1,041,729	Ver largo plazo	Ver largo plazo
Gestamp Polska, Sp.z.o.o.	Línea de crédito	2004	138,181,935	105,929,413		91,565,401	01/12/2019	4.17%
			<b>141,215,935</b>	<b>110,005,427</b>		<b>92,607,130</b>		

(a) Classified partially under non-current and under current

(b) Classified under non-current at 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 2018, these current accounts earned nominal annual interest of 1% (2017: 1%).

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018****19.5 Directors and senior management**

On 2018 directors remunerations have been accrued by the amount of €3,211 thousand, as follows:

<b>Director Retribution (000€)</b>	
<b>Non-Executives</b>	
D. Alberto Rodríguez Fraile	105.00
D. Noboru Katsu	23.00
D. Gonzalo Urquijo Fernández de Araoz	90.00
D. Pedro Sainz de Baranda	90.00
D. Javier Rodríguez Pellitero	105.00
D <sup>a</sup> . Ana García Fau	90.00
D. Juan María Riberas Mera	90.00
D. Tomofumi Osaki	75.00
D. Cesar Cernuda	75.00
D. Shinichi Hori	55.63
<b>TOTAL</b>	<b>798.63</b>
<b>Executives</b>	
D. Francisco José Riberas Mera	963.56
D. Francisco López Peña	1,446.17
<b>TOTAL</b>	<b>2,406.58</b>
<b>TOTAL</b>	<b>3,205.21</b>

€5.54 thousand of the previous retributions are life assurances.

The loans granted amount €3.183 thousand:

<b>Loans ganted by the Company. 000 €</b>	<b>Principal</b>	<b>Interest</b>
<b>Director</b>		
D. Francisco López Peña (Director Ejecutivo)	3,183	43
<b>TOTAL</b>	<b>3,183</b>	<b>43</b>

(At December31, 2018)

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

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

<b>Director Retribution (000€)</b>	
<b>Non-Executives</b>	
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
<b>TOTAL</b>	<b>607.50</b>
<i>(From March 24, 2017 to December 31, 2017)</i>	
<b>Executives</b>	
Mr. Francisco José Riberas Mera	751.15
Mr. Francisco López Peña	1,013.34
<b>TOTAL</b>	<b>1,764.48</b>
<i>(From March 24, 2017 to December 31, 2017)</i>	
<b>TOTAL</b>	<b>2,371.98</b>

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

The loans granted amount €3.000 thousand:

<b>Loans ganted by the Company. (000€)</b>	<b>Principal</b>
<b>Director</b>	
Mr. Francisco López Peña (Executive Director)	3,000
<i>(Active Directors at December 31, 2017)</i>	

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.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

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 14.909 % 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

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2018

- 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):

#### 2018

IMPACT ON PROFIT OR LOSS		
Currency	+5% change	-5% change
GBP	(11,357)	11,357
HUF	(37,692)	37,692
INR	(188,277)	188,277
JPY	12	(12)
PLN	1	(1)
SEK	(36,859)	36,859
TRY	(76,566)	76,566
USD	258,925	(258,925)
Impact in absolute amounts	(91,813)	91,813

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018****2017**

IMPACT ON PROFIT OR LOSS		
Currency	+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

**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 2018 on the Company's borrowings would result in a higher or lower net financial result of €3,608 thousand (2017: €2,982 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, 2018 amounting to € 471.2 million (2017: €642.9 million).

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2018****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	
<b>2018</b>				
Senior executives	-	-	-	
Administrative staff	7	11	18	17
Others	3	2	5	5
	<b>10</b>	<b>13</b>	<b>23</b>	<b>22</b>

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

**21.2 Audit fees**

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

(€)	2018	2017
Fees for the audit of separate and consolidated financial statements	387,006	594.092
Other services	497,272	361.130
	<b>884,278</b>	<b>955.222</b>

'Other services' for the year 2018 includes services related with the audit for € 387 thousand (mainly comfort letters emission and semiannually revision) and other services for €497.27 thousand.

**22. DISCLOSURES ON DEFERRED PAYMENTS TO SUPPLIERS IN COMMERCIAL TRANSACTIONS**

The information on average supplier payment period is as follows:

	2018	2017
<b>(Days)</b>		
Average supplier payment period	23	43
Ratio of transactions paid	22	43
Ratio of transactions outstanding	259	59
<b>€ 0</b>		
Total payments made	26,251,241	8,909,528
Total payments outstanding	97.16	39.093

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2018**

#### **23. EVENTS AFTER THE REPORTING PERIOD**

On february 22, 2019 the Parent Company has signed an agreement modifying the original syndicated loan, signed on April 19, 2013 and modified in 2016, 2017 and 2018, whereby:

- The initial maturity date in 2020 and 2021 has been modified to April 30, 2023 amounted to 324 thousand euros.
- The tranche of the Revolving Credit Facility has been increased by 45 thousand euros to the final amount to 325 thousand euros, the maturity date has not been modified (July, 2022)
- The financial cost of the Revolving Credit Facility drawn down depends on the fluctuation of the ESG qualification, with a maximum variation of 2.5 bps.

#### **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 for the twelve months period ended  
December 31<sup>st</sup>, 2018**

Gestamp Automoción, S.A.

February 28<sup>th</sup>, 2019

## Management Report for the twelve months period ended December 31<sup>st</sup>, 2018

Group Automoción is one of the world's largest suppliers of automotive metal components and assemblies. We are an international group focused on the design, development and manufacture of highly engineered Body-in-White, Chassis components and Mechanisms, as well as tooling & dies and other related services for the automotive industry. Our expertise and core competence in developing and producing light-weight components help our customers to reduce CO2 emissions while at the same time enhancing the safety features of their vehicles.

Since we were founded in 1997, we have cultivated strong relationships with our OEM customers by offering them leading technologies through our extensive global footprint of 108 production facilities in 22 countries across four regions (Europe, North America, South America and Asia) and 4 plants under construction (US, Mexico, Slovakia and Morocco), 13 R&D centres and a workforce of over 43,000 employees worldwide.

Our leading technologies, global footprint and proven track record in executing complex projects set us apart and makes us one of the industry leaders, as well as enables us to secure strong relationships with almost all major global automakers including BMW, Daimler, Fiat Chrysler, Ford, Geely-Volvo, General Motors, Honda, PSA, Renault Nissan, Tata JLR, Toyota and Volkswagen Group, which represented our top 12 customers for the year ended December 31, 2018. We currently supply products to all top 12 OEMs globally by volumes, and we are also incorporating new customers, in line with our stated growth and diversification strategy.

Our strategy is to continue to be the global partner of choice for OEMs in Body-in-White, Chassis and Mechanisms. In order to achieve our goal we will continue to focus on maintaining and strengthening our technological leadership, maximizing growth on the basis of our client-oriented business model, operational excellence and efficiencies, while developing and implementing digitalization and industry 4.0 in our plants and regions.

Increasing investments by OEMs in the four pillars of CASE ("Connectivity, Autonomous driving, Shared mobility and Electrification") lead to less investments in other important areas of vehicle construction such as Body-in-White and Chassis development and production. This trend, together with ongoing global platform standardization among OEMs, has led to an increased need for outsourcing, as OEMs entrust a select number of strategic supply partners with an increasingly high content of vehicle production. In parallel, specialization has led to advancements achieved by strategic suppliers, such as Gestamp, in certain technologies which OEMs find difficult to match in-house, both in price and quality, thereby resulting in increased outsourcing. For example, we are a market leader in the hot stamping manufacturing process, one of the most advanced technologies for reducing the weight of a vehicle's body structure and improving passenger safety in case of collision. In addition, as OEMs grow outside of their home markets, they are more inclined to turn to external suppliers with plants located in close proximity to the OEMs' production facilities for content they would have otherwise provided in-house in their home markets.

# Management Report for the twelve months period ended December 31<sup>st</sup>, 2018

## **Organizational structure**

Our organizational model is structured fundamentally into business units that focus on business development, products, processes and strategic projects, while our geographical divisions concentrate on launching industrial projects and managing production capacities, considering each production plant as an economic center.

The organizational structure keeps the direction provided by Gestamp's Board of Directors by the end of 2017, and is being adapted to adjust it to the future challenges from our industry. So, among other changes, the new Electrical Vehicle area (EV Group) has been created with the objective to centralize and lead the efforts as a Group to exploit the opportunities that vehicle electrification offers to us.

Mr. Francisco J. Riberas continues to undertake his duties as Executive Chairman, focusing on those most valuable functions for the Group: corporate strategy and development, including key commercial relationships at the highest level with Gestamp's clients, matters related to Corporate Governance, the institutional representation of the Company and the coordination of the 2 new General Directors, Human Resources and Legal Advice. Beyond his current duties, Mr. Riberas adds the leadership of electric vehicle business area.

Mr. Francisco López Peña keeps its role as the Chief Executive Officer. From this position, he manages the industrial operations of the Group, as well as the financial area, internal control and other corporate functions.

## **Macroeconomic and sector evolution**

2018 has been a challenging year on the macroeconomic and political front as well as in the automotive sector. Global economic growth for 2018 stood at 3.7%, as stated in the January 2019 World Economic Outlook (WEO) forecast, which is in line with 2017 and slightly above the long-term average. Whilst the first half of the year was strong, the economic environment experienced a slowdown during the second half mainly as a result of the weakness in China and Western Europe. The result of the ongoing uncertainties around trade tariffs during 2018 was also reflected in the financial markets with strong declines across most stock markets around the world with all major indices closing in negative territory.

The automotive sector saw a similar trend with a solid first half of the year but a challenging second half. The main challenges related to the diesel crisis and the implementation of new emission tests, Worldwide Harmonized Light Vehicle Test Procedure (WLTP), in Europe as well as a decrease in production volumes in China for the first time in twenty years. Ongoing trade tensions also led to an increased level of uncertainty.

OEMs have continued to focus on developing and taking on the challenges associated with CASE. OEMs have accelerated their strategies towards Electrification with announcements to the market of new vehicles as well as an increase in electric vehicles models in pipeline, which are expected to be launched in the near future.

The aforementioned macroeconomic and auto sector trends have led to a 1.1% decline in global light vehicle production in 2018 in Gestamp's footprint (according to IHS as of February 2019).

## **Management Report for the twelve months period ended December 31<sup>st</sup>, 2018**

During the year 2018 growth in Gestamp's footprint was mainly driven by Mercosur (+3.1%), Eastern Europe (+2.9%) and NAFTA (+0.4%). According to IHS (as of February 2019), global light

vehicle production is expected to grow at 0.6% in 2019E and 1.6% in 2020E across Gestamp production footprint (lower production volumes in absolute terms vs. October 2018 forecast).

As previously mentioned, OEMs have increasingly allocated resources and capital to CASE which has led to higher levels of outsourcing in other important areas of vehicle construction such as Body-in-White and Chassis development and production. OEMs entrust a select number of strategic supply partners with an increasingly high content of vehicle production. In line with that trend, during 2018 Gestamp continued to execute on its stated strategy by supporting its clients with strong capital investments and the opening of new production facilities. During 2018 Gestamp added 6 new plants to its footprint by launching its first plant in Japan, two plants in China with the creation of a JV with BHAP, a plant in Brazil, a plant in the UK and a plant in Mexico. Gestamp currently also has 4 plants under construction.

Despite the underlying macroeconomic and auto sector uncertainties, Gestamp continued to grow above the market.

### **Financial Results Overview**

Within this environment, the Company, at an individual level, continues to develop its financial and counselling 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 the year 2018, the profit before tax has amount to €121,670 thousand (€188,460 thousand in 2017). The reduction is mainly due to a decrease of €19,409 thousand in dividend revenues, a decrease of €9,746 thousand in revenues from other marketable securities to Associated Companies, an increase of €9,892 thousand in impairment losses and an increase of €19,532 thousand in financial expenses.

At the end of 2018, the company has a positive working capital fund of €1,221 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 €471,6 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.

### **Main risks and uncertainties**

To deal with the uncertainties inherent in complex scenarios such as those faced by Gestamp on a day-to-day basis, the Group has a Comprehensive Risk Management System (hereinafter,

## Management Report for the twelve months period ended December 31<sup>st</sup>, 2018

"CRMS") that aims to facilitate the correct identification, assessment, management and control of the potential outcomes of these uncertainties.

Gestamp's CRMS has been designed and continues to be developed on the basis of the best corporate risk management practices set out in the ISO 31000 standard and the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) for Risk Management (known as COSO ERM or COSO II). There has also been taken into consideration the good practices mentioned in the Good Governance Code of listed companies and the Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

Thus, the CRMS Policy, approved by Gestamp's Board of Directors, establishes:

- the different risk categories (operational, strategic, financial, compliance and reporting),
- the basic principles and guidelines for action to be observed in the control and management of risks,
- the bodies responsible for ensuring the proper functioning of the internal risk control and management systems, together with their roles and responsibilities,
- the level of risk considered acceptable.

Although the CRMS is a process that affects and involves all the Group's personnel, those entrusted with safeguarding its smooth operation and its main functions are the following:

- The risk owners, who are responsible for identifying, assessing and monitoring the risks that jeopardise compliance with their aims.
- The Risk Committees, which ensure that risks are kept at an acceptable level and report to the Audit Committee.
- The Board of Directors and Audit Committee in monitoring and following up on the CRMS.
- The Internal Audit and Risk Management Direction, which supports the Audit Committee and coordinates the risk identification and assessment processes, as well as the Risk Committees.

In 2018, Gestamp updated the Corporate Risk Map, which, with the participation of the members of the Risk Committees, included, among other aspects, the prioritisation of the risks, based on the assessment of their probability of occurrence and their possible impact in the event of the materialisation of the risk, analysed from diverse points of view, both from a purely economic perspective and from reputational, legal and operational impact perspectives. Similarly, for the prioritisation of the risks, consideration has been given to the effectiveness of the controls that mitigate them.

At an individual level, financial risks to which the activity of Gestamp is exposed and its respective mitigating actions, are detailed in the correspondent note of the financial statements.

### **R&D activities**

## Management Report for the twelve months period ended December 31<sup>st</sup>, 2018

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

### Operations with own shares

On 27 July 2018, the Parent Company entered into a liquidity agreement with JB Capital Markets, S.V., S.A.U., adapted to Circular 1/2017, of 26 April, of the CNMV.

The framework of this agreement will be the Spanish stock markets.

This agreement stipulates the conditions in which the financial intermediary will operate for the account of the issuer, buying or selling own shares of the latter, with the sole objective of favouring the liquidity and regularity of their listing, and it will have a duration of 12 months, deemed to be tacitly extended for the same period, unless indicated otherwise by the parties.

The amount earmarked to the cash account associated with the agreement is 9,000 thousand euros.

The own shares at 31 December 2018 represented 0.19% of the Parent Company's share capital and comprised 1,078,834 shares at an average acquisition price of 5.60 euros per share.

The movement in 2018 was as follows:

	Number of own shares	Thousands of euros
<b>Balance at December 31, 2017</b>	-	-
Increases/Purchases	2.648.637	15.497
Decreases/Sales	(1.569.803)	(9.456)
<b>Balance at December 31, 2018</b>	<b>1.078.834</b>	<b>6.041</b>

The sales price of the own shares detailed in the previous table amounted to 8,702 thousand euros, generating a negative result of 754 thousand euros. Likewise, the fees amounted to 13 thousand euros. The total result amounting to 767 thousand euros was recognised under Unrestricted reserves.

### 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 Greenshoe of 23,308,331 shares). The price was set at 5.60 euros per share, representing an initial market capitalization of €3,222 million.

Since December 2017, the company's shares have been included in the IBEX Medium Cap index.

## **Management Report for the twelve months period ended December 31<sup>st</sup>, 2018**

On June 4th, 2018, Acek Desarrollo y Gestión Industrial, S.L., major shareholder, sold 8,532,331 shares to minority shareholders, an amount representing 1.48% of the share capital of the company.

As of December 31st of 2018, 69.79% of the share capital was controlled (directly and indirectly) by Acek Desarrollo y Gestión Industrial S.L. (the Riberas Family industrial holding), being 57.265% owned by Acek and 12.525% by Mitsui. Gestamp's total Free Float amounted to 30.21% as of December 2018 (including shares held by the Board of Directors and Gestamp own shares that JB Capital Markets operates under the liquidity contract).

As of December 31st, 2018, Gestamp's shares decreased by -16.6% since the 1st of January, implying a market capitalization of €2,860 million at the end of the year. Total volume traded during 2018 stood at 178 million shares or €1,131.75 million.

The shares reached its maximum level for the year on June 11th 2018 (€7.42) and its minimum level on December 28th 2018 (€4.86). During 2018, our average share price stood at €6.32.

### **Dividend policy**

In December 2018, the Board of Directors of Gestamp approved a new dividend policy. Gestamp will continue to distribute on an annual basis a total dividend equivalent to approximately 30% of the consolidated net profit for each year, but in two payments, anticipating part of the payment via an interim dividend:

- I. A first payment, through the distribution of an interim dividend, that will be approved pursuant to a resolution of the Board of Directors to be adopted in December of each year and paid between January and February of the following year.
- II. A second payment, through the distribution of an ordinary dividend, that will be approved by virtue of a resolution of the Ordinary General Shareholders' Meeting at the time of approval of the annual accounts and will be paid between the months of June and July of each year.

Thus and in line with this new policy, the Board of Directors approved the distribution of an interim cash dividend against 2018 financial results for a gross amount of 0.065 euros per share, a dividend that was paid on January 14th, 2019.

### **Credit Rating**

On May 2013, the Group completed an issuance of bonds through its subsidiary Gestamp Funding Luxembourg, S.A., a company belonging to the Western Europe segment. This issuance was carried out in two tranches, one amounting to 500 million euros at an annual coupon of 5.875%, and the other amounting to 350 million dollars with a 5.625% annual coupon.

On May 4th, 2016 the Group issued a bond, through the subsidiary Gestamp Funding Luxembourg, S.A. for €500 million with an annual coupon of 3.5%. The issuance was used to fully refinance the May 2013 Euro bond and accrued interest. The US dollar bonds issued in May 2013

## **Management Report for the twelve months period ended December 31<sup>st</sup>, 2018**

were fully refinanced on June 17th, 2016 with the tranche A2 of the new syndicated loan granted on May 20th, 2016. The maturity date of the bonds is May 15th, 2023.

On April 20th, 2018 the Group issued a new bond, through the Company for €400 million with an annual coupon of 3.25%. The issuance was used to refinance certain of Gestamp's existing long and short-term debt facilities. The maturity date of the new bonds is April 30th, 2026.

This is the third time that Gestamp issues bonds since in 2013, showing diversification of financing sources by accessing the fixed income market. The coupon of the new issue has shown an improvement compared to the conditions recorded in the previous issues.

As of December 31st, 2018 Gestamp's corporate credit rating was "BB / stable outlook" by Standard & Poor's and "Ba2 / stable outlook" by Moody's. These ratings were confirmed on April 19th, 2018 by Standard & Poor's and by Moody's.

### **Average period for payment to suppliers**

The internal processes and payment policy terms of the Company 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 2018 with commercial suppliers for parts manufactured in Spain have included periods of payment equal to or less than 60 days in 2018 and in 2017, according to the second transitory legal provision of the Law.

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 2018 and 2017, 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 2018 and 2017 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, 2018 and 2017 there were no outstanding amounts to suppliers located in Spanish territory that exceeded the legal term of payment.

### **Subsequent events**

On February 22, 2019 the Parent Company has signed an agreement modifying the original syndicated loan, signed on April 19, 2013 and modified in 2016, 2017 and 2018, whereby:

- The initial maturity date in 2020 and 2021 has been modified to April 30, 2023 amounted to 324 thousand euros.



## **Management Report for the twelve months period ended December 31<sup>st</sup>, 2018**

- The tranche of the Revolving Credit Facility has been increased by 45 thousand euros to the final amount to 325 thousand euros, the maturity date has not been modified (July, 2022)
- The financial cost of the Revolving Credit Facility drawn down depends on the fluctuation of the ESG qualification, with a maximum variation of 2.5 bps.

*This document is a translation into English of an original document drafted in Spanish. This translation is for information purposes only, therefore, in case of discrepancy, the Spanish version shall prevail.*

**MODEL ANNEX I**

**ANNUAL CORPORATE GOVERNANCE REPORT OF  
LISTED COMPANIES**

**IDENTIFICATION DETAILS OF THE**

**END OF REPORTING PERIOD 31/12/2018**

**Tax ID 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

Remarks

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

Remarks

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

Individual or company name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
Acek Desarrollo y Gestión Industrial, S.L.	19.69	50.10	-	-	69.79

Remarks

Details of the indirect shareholding:

Individual or company name of indirect holder	Individual or company name of direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights
Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	50.10	00.00	50.10

<b>Remarks</b>

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

<b>Most significant changes</b>

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 director	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights	% voting rights that can be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr. Francisco López Peña	0.14	-	-	-	0.14	-	-
Mr. Javier Rodríguez Pellitero	0.00	-	-	-	0.00	-	-
Mr. Alberto Rodríguez-Fraile Díaz	0.01	-	-	-	0.01	-	-
Mr. Pedro Sainz de Baranda Riva	0.01	-	-	-	0.01	-	-

<b>Total percentage of voting rights held by the board of directors</b>	0.16
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<b>Remarks</b>

Details of the indirect shareholding:

Individual or company name of director	Name or company name of the direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights	% voting rights that can be transferred through financial instruments
-	-	-	-	-	-

<b>Remarks</b>
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A.4 State, if applicable, the family, commercial, contractual, or corporate relationships between significant shareholders, insofar as they are known to the company, unless they are immaterial or result from the ordinary course of business, except those that are reported in section A.6:

<b>Related individual or company name</b>	<b>Type of relationship</b>	<b>Brief description</b>

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:

<b>Related individual or company name</b>	<b>Type of relationship</b>	<b>Brief description</b>
Acek Desarrollo y Gestión Industrial, S.L. Gestamp Automoción, S.A.	Contractual	Gestamp Automoción, S.A. (hereinafter referred to as the "Company") and any 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 shareholder or companies belonging to its group, which results from the ordinary course of business undertaken under market conditions.  The relationship referred to is described in section D of this report.

A.6 Describe the relationship, unless it is of little relevance to both parties, that exists between significant shareholders or representatives on the board and the directors, or their representatives, in the case of legal person directors.

Explain, where applicable, how significant shareholders are represented. Specifically, any directors who have been appointed on behalf of significant shareholders, those whose appointment was encouraged by significant shareholders, or who are related to significant shareholders and/or entities in their group, specifying the nature of such relationships, shall be indicated. In particular, mention shall be made, where appropriate, of the existence, identity and position of members of the board, or representatives of directors, of the listed company, who are, in turn, members of the management body, or their representatives, in companies which hold significant shareholdings in the listed company or in group entities of these significant shareholders.

Individual or company name of the related director or representative	Individual or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship / position
Mr Francisco José Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Director. 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. He is also Director of companies in the Acek Desarrollo y Gestión Industrial, S.L. group (hereinafter, “Acek Group”).
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Director. 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. He is also Director of companies in the Acek Group.
Mr. Francisco López Peña	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Shinichi Hori	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Shinichi Hori	Acek Desarrollo y Gestión Industrial, S.L.	GRI Renewable Industries, S.L., S.L.	He is Director of GRI Renewable Industries, S.L.

<b>Remarks</b>

A.7 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	Expiration date of the agreement, if any
Acek Desarrollo y Gestión Industrial, S.L. Mitsui & Co., Ltd Gestamp 2020, S.L.	69.79	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.	69.79	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. 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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<b>Remarks</b>

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	Expiration date of the agreement, if any

<b>Remarks</b>

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.8 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

<b>Individual or company name</b>
Acek Desarrollo y Gestión Industrial, S.L.

<b>Remarks</b>
<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 19.69% direct share in the capital of Gestamp Automoción, S.A. Therefore, Acek Desarrollo y Gestión Industrial, S.L., controls 69.79% 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 its entire share 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.9 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
1,078,834	0	0.19

Remarks
The number of treasury shares of the Company included in this section are those corresponding to the operations carried out under the liquidity contract signed between the Company and JB Capital Markets, Sociedad de Valores, S.A.U. and notified to the market by means of a Significant Event dated 24 September 2018 (record number 269864).

**(\*) Through:**

Individual or company name of direct holder of the interest	Number of direct shares
<b>Total:</b>	

Remarks

Explain any significant changes that have occurred during the year:

Explain any significant changes

A.10 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.11 Estimated free float:

	%
<b>Estimated free float:</b>	29.86

<b>Remarks</b>

A.12 State whether there are any restrictions (statutory, legislative or of any kind) on the transfer of securities and/or any restrictions on voting rights. In particular, state whether there are any type of restrictions that may hinder the takeover of the company by means of the acquisition of its shares on the market, as well as any systems regarding prior authorisation or communication which, regarding the acquisitions or transfers of the company's financial instruments, are applicable to it by sectorial regulations.

Yes                       No

<b>Description of restrictions</b>

There are no statutory or legislative restrictions on the transfer of securities and or voting rights.

As stated in Section A.7 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 system for transferring the shares of the Company, owned by the shareholders who formalised said agreement. This transfer regime could hinder a takeover of the Company by means of the acquisition of its shares on the market. For further information see the Significant Event of 7 April 2017 (Record No. 250532) and the note included in section H.

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. This the procedure for deciding the direction of the vote could hinder the takeover of the Company by means of the acquisition of its shares on the market. For further information, see the Significant Event of 7 April 2017 (Record No. 250503) and the note included in section H.

A.13 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

Explain the approved measures and the terms on which the restrictions will become ineffective.

A.14 State whether or not the company has issued securities that are not traded on an EU regulated market.

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 two senior notes traded on the Euro MTF market of the Luxembourg Stock Exchange, one through the wholly-owned investee Gestamp Funding Luxembourg, S.A., and the other in which the Company itself has acted as the issuer.

For further information relating to these debt instruments, see the website of the abovementioned market, [www.bourse.lu](http://www.bourse.lu).

**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

	<b>% quorum differing from that established in Art. 193 of Spanish Capital Companies Act (LSC) for general cases</b>	<b>% quorum differing from that established in Art. 194 LSC for special cases pursuant to Art. 194 LSC</b>
<b>Quorum required on 1st call</b>		
<b>Required quorum upon 2nd call</b>		

<b>Description of the differences</b>

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.

	<b>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</b>	<b>Other instances in which a qualified majority is required</b>
<b>% established by the entity for the adoption of resolutions</b>		
<b>Describe the differences</b>		

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 two previous financial years:

Date of general shareholders' meeting	Attendance data				% Total
	% of shareholders present in person	% of shareholders represented by proxy	% absentee voting		
			Electronic voting	Others	
07/05/2018	0.41	83.15	0	0.15	83.71
Of which free float:	0.27	11.88	0	0.15	12.30
22/03/2017	0	100	0	0	100
Of which free float:	0	0	0	0	0
03/03/2017	0	100	0	0	100
Of which free float:	0	0	0	0	0
13/12/2016	0	100	0	0	100
Of which free float:	0	0	0	0	0
27/06/2016	0	100	0	0	100
Of which free float:	0	0	0	0	0
10/06/2016	0	100	0	0	100
Of which free float:	0	0	0	0	0
29/04/2016	0	100	0	0	100
Of which free float:	0	0	0	0	0
01/02/2016	0	100	0	0	100
Of which free float:	0	0	0	0	0

Remarks
The data on attendance in person includes those shareholders natural persons present at the General Shareholders' Meeting. On the other side, data on attendance represented includes shareholders natural persons represented by proxies present at the General Shareholders' Meeting and shareholders legal entities which are largely the majority of the share capital.

B.5 State whether at the general meetings held throughout the year there were any items on the agenda that, for any reason, were not approved by the shareholders.

Yes  No

Agenda items not approved	% votes against (*)

(\*) If the non-approval of the item is due to a reason other than a vote against, it is to be explained in the text part, placing “n/a” in the column “% votes against”.

B.6 State whether or not there are any by-law restrictions requiring a minimum number of shares to attend the general shareholders’ meeting, or to vote remotely:

Yes  No

Number of shares required to attend the general shareholders’ meeting	
Number of shares required to vote remotely	

B.7 State whether it has been established that certain decisions, other than those established by law, which involve the acquisition, disposal or contribution of essential assets to another company or other similar corporate operations, must be subject to the approval of the general shareholders' meeting.

Yes  No

Explanation regarding the decisions to be submitted to the board, other than those established by law

B.8 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](http://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 General Shareholders' Meeting and on the Board of Directors and its committees, among other content, 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 Minimum and maximum number of directors provided for in the Articles of Association and the number set by the General Meeting:

<b>Maximum number of directors</b>	15
<b>Minimum number of directors</b>	9
<b>Number set by the general meeting</b>	12

<b>Remarks</b>

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

<b>Individual or company name of director</b>	<b>Representative of</b>	<b>Category of director</b>	<b>Position on the Board</b>	<b>Date of first appointment</b>	<b>Date of last appointment</b>	<b>Election procedure</b>
Mr. Francisco José Riberas Mera	-	Executive	Executive Chairman	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Francisco López Peña	-	Executive	CEO	05/03/2010	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Juan María Riberas Mera	-	Proprietary	Vice-chairman	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Shinichi Hori	-	Proprietary	Member	04/04/2018	04/04/2018	Agreement of the Board of Directors
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.

<b>Total number of directors</b>	12
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State any resignations, dismissals or vacancies that have occurred for any other reason on the Board of Directors during the reporting period:

Individual or company name of director	Class of director at time of vacancy	Date of last appointment	Date of vacancy	Specialist Committees of which he/she was a member	Indicate whether the resignation/dismissal took place before the end of the term of office
Mr. Noboru Katsu	Proprietary	24/03/2017	02/04/2018	Nomination and Compensation Committee	Yes

Reason for resignation/dismissal and other observations
Mr. Noboru Katsu resigned as a member of the Board of Directors and of the Company's Nomination and Compensation Committee by means of a letter sent to the Board of Directors in which he expressly justifies that his resignation is due to a change in his position within the organisational structure of Mitsui & Co. Ltd.

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	Profile
Mr. Francisco José Riberas Mera	Executive Chairman.	He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid. He began his professional career by taking on different positions in the Gonvarri Group as Director of Corporate Development and later as Managing Director. In 1997 he created the Company and since then he has been its Executive Chairman, shaping over time what the Group is today.



		He sits on the management bodies of other Group companies and of companies in the Acek Group (including companies in the Gonvarri Group, Acek Energías Renovables and Inmobiliaria Acek). He is also a member of other Boards of Directors outside the Acek Group such as: Telefónica, CIE Automotive, Global Dominion Access and Sideacero. In addition, he participates in the Endeavor Foundation and is the Chairman of the Family Business Institute, among others.
Mr. Francisco López Peña	CEO	<p>He holds a degree in Civil Engineering from the Polytechnic University of Barcelona and a Master of Business Administration (MBA) from the IESE Business School, Barcelona.</p> <p>He has extensive experience in the vehicle parts sector with over 18 years in the Group. Previously, he held executive management positions in companies in sectors such as industrial mining and textiles. In 1998 he joined the Group as Director of Corporate Development, becoming Vice Chairman and CFO in 2008 and then CEO in 2017.</p> <p>He is a Director of several subsidiaries of the Company.</p>

<b>Total number of executive directors</b>	2
<b>Total % of the board</b>	16.67%

<b>Remarks</b>

#### **EXTERNAL PROPRIETARY DIRECTORS**

<b>Individual or company name of director</b>	<b>Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment</b>	<b>Profile</b>
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	<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 currently Chief Executive Officer of the Gonvarri Group and the Group Acek Energías Renovables S.L.. He began his professional career in the Corporate Development area of the Gonvarri</p>

		<p>Group, where he later became Chief Executive Officer, a position he currently holds. In 2007, he promoted the creation of the Group Acek Energías Renovables, S.L., holding the position of Executive Chairman ever since.</p> <p>He is Chairman of the Board of Directors of Gonvarri and Acek Energías Renovables, S.L. and a member of the management bodies of the subsidiaries of these companies. He is also a member of the board of Acek Group companies (including the Inmobiliaria Acek Group). Outside the Acek Group, he sits on the Boards of Directors of CIE Automotivo, S.A. and companies in the Sideacero, S.L. Group. He is also a Director of the Juan XXIII Foundation, among others.</p>
Mr. Shinichi Hori	Acek Desarrollo y Gestión Industrial, S.L.	<p>He has a degree in Commerce from Waseda University, Tokyo. He also holds a master's degree in business from MIT, Sloan School of Management, Massachusetts.</p> <p>He has extensive experience in the steel sector, having worked for over 30 years in the Mitsui &amp; Co. Ltd. Group, where he worked in different international positions and where he is currently the General Director and Director of Operations of the Iron and Steel Products Business Unit. He began his professional career at Mitsui &amp; Co. Ltd. Group in the area of Planning and Administration of the Iron and Steel Division, later holding different managerial positions in the USA and Japan. In 2009 he was appointed Deputy Chairman and CEO of Grupo Mitsui &amp; Co. Ltd. Group. He was subsequently appointed General Director of the International Investment and Project Planning Unit of the Iron and Steel Division of the Mitsui &amp; Co Ltd. Group. In 2014 he became Vice Chairman of Mitsui &amp; Co. (USA) and Director of Operations of the Steel division in USA overseeing the business of the entire region. Prior to his current position, he was the General Director of the Washington D.C. offices.</p> <p>He is also a member of the Board of Directors of Mitsui &amp; Co. Steel and other Group companies.</p>
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	<p>He holds a degree in Economics from Wakayama University, Japan.</p> <p>Over the last 29 years he has worked for the Mitsui &amp; Co. Ltd., developing its extensive experience in the steel sector through different international positions. He is currently the General Director of Automotive Parts Business for the Iron and Steel Products Business Unit in Japan. Before working for the Mitsui &amp; Co. Ltd. Group, He was CFO of CAEMI Mineracao e Metalurgia for 7 years. After</p>

		<p>joining Mitsui, he was Director General of the Investment Department of the Mineral Resources and Metals Business Unit and General Director of the Investment Department of the Iron and Steel Products Business Unit in Japan. In the Mitsui &amp; Co. Ltd. offices in New York he was, among other things, General Director of the Investment Department for the Financial Management Division. Later in Japan, he became the Deputy General Director of the Iron and Steel Products Business Unit.</p> <p>He is a Director in companies belonging to the Mitsui &amp; Co. Ltd. Group, and in his investee company, Bangkok Coil Center. He is also a Director in some companies of the Acek Group (including companies in the Group and in the Gonvarri Group). In the past, he was a member of the board of Mitsui Group companies, those of Siam Yamato Steel, Vina Kyoei Steel, Mahindra Sanyo Special Steel, MS Avant.</p>
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<b>Total number of proprietary directors</b>	3
<b>Total % of the board</b>	25%

<b>Remarks</b>

**EXTERNAL INDEPENDENT DIRECTORS**

<b>Individual or company name of director</b>	<b>Profile</b>
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&amp;G), 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 board of A&amp;G Group companies. He started his professional career as a financial consultant at Merrill Lynch.</p>
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 &amp; 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</p>

	<p>Companies. He was also a member of the Commission of Experts that produced the 2015 Code of Good Governance for Listed Companies. He is also a Director of Engie España, S.L.U.</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&amp;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 a member of the Board of Directors of Zardoya Otis, Scalpers Fashion, Naturgy Energy Group and the Social Council of the 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 of Business Administration (MBA) from the MIT, Sloan School of Management, Massachusetts.</p> <p>She currently sits on the Boards of Directors of Renovalia, Technicolor, Eutelsat Communications, Merlin Properties, DLA Piper and Globalvia. She started her professional career working at McKinsey &amp; Co., for Wolff Olins and Goldman Sachs International. She is also a member of the advisory councils of the mutual benefit fund of the Spanish Lawyers and Salesforce Association in Spain.</p> <p>At TPI- Páginas Amarillas (Telefónica Group) she was General Director of the Corporate Development area and subsequently Chief Financial Officer. 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 CEO of Yell for business in Spain and Latin America for 7 years, and as Global General Director of Business Strategy and Development, as well as being a member of its Global Steering Committee.</p>
Mr. César Cernuda Rego	<p>He holds a Degree in Business Administration and Marketing from the ESIC University, Business &amp; Marketing School, Madrid. Furthermore, he participated in the Managerial Development Programme (PDD) 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 East and Africa; Global Vice-chairman of Microsoft Business Solutions; Vice-chairman of Sales, Marketing and Services at Microsoft Latin America, and Chairman</p>

	<p>of Microsoft for Asia-Pacific.</p> <p>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.</p>
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<b>Total number of independent directors</b>	5
<b>Total % of the board</b>	41.67%

<b>Remarks</b>

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	Profile
Mr. Geert Maurice Van Poelvoorde	Over the last year, he has had a significant business relationship with the Company, Group Companies 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.	<p>He holds a Master's degree in Electrotechnical Engineering from the University of Ghent, Belgium.</p> <p>He has over 28 years of experience in the steel and mining sector. He is currently the Vice President and General Director of ArcelorMittal Flat Products and Purchasing Europe. He has also been a member of the Management Committee of the ArcelorMittal Group since 2011. He began his professional career at Sidmar as Head of Process</p>

			<p>Automation and Project Engineer. Later in Stahlwerke, he held the position of Director of the Engineering Department, among others. At Arcelor, he was a member of the Board of Directors and Director of Operations, as well as General Manager of Arcelor's Central Maintenance and Logistics Department. Subsequently at ArcelorMittal, he held various senior management positions until taking up his current position.</p> <p>He is a member of the board of directors of ArcelorMittal Group companies and the Group's investee companies, including Bamesa Otel, Borçelik Çelik, Borusan Demir, Bamesa Celiç. He is also a Director of Holding Gonvarri. He is also the Chairman of the European Steel Association (Eurofer) and a member of the Board of the German Steel Federation.</p>
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.	<p>He holds a degree in Economics and Political Science from Yale University, Connecticut and an MBA from Instituto de Empresa, Madrid.</p> <p>He is currently the Executive Chairman of Abengoa. He began his professional career in the banking sector, working in different positions for Citibank and Crédit Agricole. He later became Director and Chief Financial Officer of Corporación J M Aristrain and Chief Financial Officer of Aceralia Corporación Siderúrgica. In the ArcelorMittal Group he held different managerial positions, such as Vice President of Stainless Steel, Long Products and China, Head of the areas of AACIS, AMDS, or Director of Tubular Products, CSR, Communication, Institutional Relations and Occupational Safety. Subsequently, before taking up his current position, he was Director of Strategy at ArcelorMittal.</p> <p>He is a member of the Board of Directors of Vocento, and Fertiberia. He is also chairman of the Hesperia Foundation and member of the Board of the Princess of Asturias Foundation. He was a member of the Board of Directors of the Company before his current term of office, of Holding Gonvarri, Aperam and of certain companies in the ArcelorMittal Group and Atlantica Yield.</p>

<b>Total number of other external directors</b>	2
<b>Total % of the board</b>	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

Remarks

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
<b>Executive</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Proprietary</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Independent</b>	1	1	0	0	8.33	8.33	0	0
<b>Other external</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total:</b>	1	1	N/A	N/A	8,33	8,33	N/A	N/A

Remarks

C.1.5 State whether the company has diversity policies in relation to the company's board of directors with regard to issues such as age, gender, disability, or professional training and experience. Small and medium-sized entities, according to the definition contained in the Auditing Act, shall report, as a minimum, on the policy they have established regarding gender diversity.

Yes  No  Partial Policies

If so, describe these diversity policies, their objectives, the measures and how they have been implemented and their results for the year. Also state the specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee to achieve a balanced and diverse presence of directors.

If the company does not implement a diversity policy, explain why not.

Description of the policies, objectives, measures and the way in which they have been implemented, as well as the results obtained
The Selection Policy of the Board of Directors approved by the Company's Board of Directors on 14 December 2017, at the proposal of the Nomination and Compensation Committee, sets out the procedures and mechanisms for the selection of Directors in order for the Company's Board of Directors to have the knowledge, skills and experience necessary to guarantee suitable governance of the Company at all times. This policy sets out the underlying principles that are to govern it, which include the

following:

- Equal treatment and transparency. This principle states that the selection of directors shall be transparent and free from implicit bias, so as to guarantee the same opportunities for all qualified candidates.
- Diversity. This principle states that diversity of experience, knowledge and gender is to be encouraged.

The Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors sets out the knowledge, skills, diversity and experience that the Board of Directors as a whole must possess such that it serves as a reference and support tool for the Selection Policy of the Board of Directors. This guide, approved on 14 December 2017 by the Board of Directors at the proposal of the Nomination and Compensation Committee, develops the aforementioned principles and establishes that, for the purposes of selecting candidates and re-electing Directors, and in the face of equal knowledge and experience, diversity is to be encouraged, thus preventing discrimination on grounds of gender, age, culture, religion and race, and that the composition of the Board of Directors is to be in accordance with the demographic reality of the markets in which the Company operates.

In this respect, in accordance with Article 41. 1. (b) of the Board of Directors' Regulations, the Nomination and Compensation Committee verified compliance with the aforementioned Board of Directors Selection Policy at its meeting on 17 December 2018, and no deficiencies in its implementation were identified.

- 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 in order to allow for a balanced presence of men and women:

As set out in Section C.1.5. of the Board of Directors Selection Policy, which was approved, 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 Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors. The guide contains the main criteria that were followed to design the composition of the current Board of Directors and that are to be followed when it comes to filling future vacancies while no amendments are made.

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 grounds of gender, among other reasons.

In this sense, as described in section C.1.17, the action plan drawn up by the Nomination and Compensation Committee for the approval of the Board of Directors at its first meeting of 2019, includes some recommendations to be performed, between others, the monitoring of the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the



Board of Directors.

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

Explanation of reasons

As referred to in section C.1.5., the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors approved by the Board of Directors at the proposal of the Nomination and Compensation Committee establishes as a fundamental principle, the promotion of the selection of candidates and the re-election of Directors who, having the necessary knowledge and experience, benefit diversity, thus preventing discrimination on grounds of gender, among others. In this respect, given the recent status of the Company as a listed company, the conditions have not yet been met for the selection of female directors in the context of the selection of a candidate to form part of the Board of Directors and in view of equal knowledge and experience.

- C.1.7 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 for the number of female directors to represent at least 30% of all members of the board of directors by 2020.

The Nomination and Compensation Committee at its meeting on 17 December 2018 verified compliance with the Selection Policy of the Board of Directors in financial year 2018. During this year, only one vacancy occurred in the context of the resignation submitted by Mr. Noboru Katsu as a member of the Board of Directors and of the Nomination and Compensation Committee itself, with effect from 2 April 2018. The Company's Board of Directors formally recognised this resignation and co-opted Mr. Shinichi Hori as a member of the Board of Directors on a proprietary basis.

Given the prospect of the resignation of Mr. Noboru Katsu on 26 February 2018, and before such, the Nomination and Compensation Committee, in accordance with Article 529r of the Spanish Companies Act and Article 41.1. (f) of the Board of Directors' Regulations, drew up the corresponding report on the proposal for the appointment of Mr. Shinichi Hori. As stated in the aforementioned report, the Nomination and Compensation Committee took into account the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors regarding the Board of Directors in its assessment of the proposed appointment and concluded that Mr. Shinichi Hori had the competence, experience and merits required to hold the position of member of the Board of Directors of the Company.

Again, in order to increase the number of female directors on the Company's Board of Directors and encourage the selection thereof, the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors approved by the Board of Directors at the proposal of the Nomination and Compensation Committee establishes as a fundamental principle, the promotion of the selection of candidates and the re-election of Directors who, having the necessary knowledge and experience, benefit diversity, thus preventing discrimination on grounds of gender, among others.

- 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, where applicable, the powers and faculties granted by the board of directors to directors or to board committees:

Individual or company name of director or committee	Explanation
Mr. Francisco José Riberas Mera	In a meeting held on 3 March 2017, the Company's Board of Directors appointed Mr. Francisco José Riberas Mera as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, except for those which cannot be delegated by law or under the Articles of Association.
Mr. Francisco López Peña	In a meeting held on 14 December 2017, the Company's Board of Directors appointed Mr. Francisco López Peña as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, except for those which cannot be delegated by law or under the Articles of Association.

- C.1.10 Identify, where applicable, the members of the board who hold the position of directors, representatives of directors or executives in other companies that form part of the listed company's group:

<b>Individual or company name of director</b>	<b>Name of entity within the group</b>	<b>Position</b>	<b>Does he/she have executive duties?</b>
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, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering Spain, S.L.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering France, S.A.S.	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-chairman	NO
Mr. Francisco José Riberas Mera.	CP Projects limited (without activity)	Board Member	YES
Mr. Francisco José Riberas Mera.	Diede Die Development, S.L.	Representative (natural person) of Sole Director (legal person).	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Components (Kunshan) Co., Ltd	Chairman	YES
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	YES
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 Automotive SLP Servicios Laborales, S.A.P.I. DE C.V.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha North America Technologies, LLC	Sole Director	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	YES

		sole director (legal person)	
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 Slovakia, S.R.O.	Joint and Several Director	YES
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 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.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Aguas Calientes, S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Alabama, LLC	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Aragón, S.A.	Representative (natural person) of sole director (legal person)	YES

		person)	
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/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga, LLC	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Esmar, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Finance Slovakia, s.r.o.	Board Member	YES
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 Westerborg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Hardtech, A.B.	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding China, A.B.	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.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Kartek Corp.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Levante, S.A.	Representative (natural person) of sole director (legal person)	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	Representative (natural person) of sole director (legal person)	YES

Mr. Francisco José Riberas Mera.	Gestamp Mason, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metalbages, S.A.	Representative (natural person) of sole director (legal person)	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.	Representative (natural person) of sole director (legal person)	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 director (legal person)	YES
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.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Navarra, S.L.U.	Representative (natural person) of sole director (legal person)	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.	Representative (natural person) of sole director (legal person)	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/CEO	YES
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) of Managing Director/Chairman (legal person)	YES
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/Chairman	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/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Metal Forming (Wuhan) Ltd.	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Prisma, S.A.S.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Tallent Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Şasi Otomotiv	Vice-chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Wroclaw 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.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Loire, S.A.F.E.	Representative (natural person) of	YES

		Managing Director/Chairman (legal person)	
Mr. Francisco José Riberas Mera.	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco José Riberas Mera.	Çelik Form Gestamp Otomotiv, A.S.	Chairman	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 sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Metalbages Aragón P21, S.L.U.	Representative (natural person) of sole director (legal person)	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 sole director (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.	Representative (natural person) of sole director (legal person)	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 (Chongqing) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Shenyang) 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/CEO	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	Board Member	YES
Mr. Francisco José Riberas Mera.	Reparaciones Industriales Zaldibar, S.L.	Representative (natural person) of sole director (legal person)	
Mr. Francisco López Peña	Autotech Engineering Spain, S.L.	Secretary	NO
Mr. Francisco López Peña	Autotech Engineering France, S.A.S.	Board Member	NO
Mr. Francisco López Peña	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Board Member	NO
Mr. Francisco López Peña	Edscha Automotive Hauenberg, 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 Hauenberg 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 Director	YES
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 Autotech Japan K.K	Board Member	NO
Mr. Francisco López Peña	Gestamp Finance Slovakia, S.R.O.	Board Member	YES
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.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	Chairman	YES
Mr. Francisco López Peña	Gestamp Auto Components (Beijing) Co.,	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Aguas Calientes, S.A. De C.V.	Vice-chairman	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-chairman	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-chairman	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-chairman	NO
Mr. Francisco López Peña	Gestamp North America, Inc.	Board Member	NO
Mr. Francisco López Peña	Gestamp Noury S.A.S	Board Member	NO
Mr. Francisco López Peña	Gestamp Puebla II, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Puebla S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Ronchamp, S.A.S.	Board Member	NO
Mr. Francisco López Peña	Gestamp Servicios Laborales de Toluca S.A. de C.V	Vice-chairman	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-chairman	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	Sofedit S.A.S.	Board Member	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-chairman	NO
Mr. Francisco López Peña	Gestamp Pune Automotive Private Limited	Board Member	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-chairman	NO
Mr. Francisco López Peña	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Vice-chairman	NO
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 (without activity)	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 Mexicana de Servicios Laborales, 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	Todlem, S.L	Secretary	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
Mr. Shinichi Hori	Gestamp North America, Inc.	Board Member	NO
Mr. Shinichi Hori	Gestamp Holding Argentina, S.L.	Board Member	NO
Mr. Shinichi Hori	Gestamp Holding Mexico, S.L.	Board Member	NO

<b>Remarks</b>

C.1.11 Identify, where applicable, the directors or representatives of legal entity directors of your company, who are members of the board of directors or representatives of legal entity directors of other companies listed on official stock exchanges other than those of your group, that have been reported to the company:

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

Remarks

C.1.12 State and, where applicable explain, whether or not the company has established any rules regarding the maximum number of company boards on which its directors may sit, identifying, in turn, where it is regulated:

Yes  No

Explanation of the rules and identification of the document where it is regulated
<p>Pursuant to the provisions under Article 17 of the Regulations of the Board of Directors, natural persons who represent a legal entity Director and natural persons or legal entities 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, may not 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.</p>

C.1.13 State the amounts of the following items relating to the overall remuneration of the Board of Directors:

Remuneration accrued in the year by the board of directors (thousands of euros)	2,538
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

Remarks

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C.1.14 Identify the members of the company's senior management who are not executive directors and state the total remuneration accrued by them during the financial year:

<b>Individual or company name</b>	<b>Position/s:</b>
Mr. Mario Eikelmann	Manager of the Chassis Business Unit and Sales Director of BIW
Mr. Fernando Macias Mendizabal	Manager of South Europe Division
Mr. Manuel López Grandela	Manager of the Mercosur Division
Mr. Juan Miguel Barrenechea Izarzugaza	Manager of the North America Division
Mr. Kevin Stobbs	Manager of the Asia Division
Mr. Torsten Greiner	Manager of the Business Mechanism Unite (Edscha)
Mr. Manuel de la Flor Riberas	General Manager of Human Resources and Organisation
Mr. David Vázquez Pascual	General Manager of Legal, Tax and Corporate Governance
Mr. Miguel Escrig Meliá	Chief Financial Officer

<b>Total senior management remuneration (in thousands of euros)</b>	5,011
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<b>Remarks</b>
The total remuneration figure for Senior Management also includes the remuneration paid to Mr. Unai Agirre Mandaluniz and to Ms. María José Armendariz Tellitu, who ceased to be members of the Company's Management Committee during the year in question.

C.1.15 State whether or not the regulations of the board have been amended during the financial year:

Yes  No

<b>Description of amendments</b>

C.1.16 State the procedures for the selection, appointment, re-election and removal of directors. Describe the competent bodies, procedures to be followed and the criteria to be used 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 Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors. The analysis will be undertaken by the Board of Directors, with advice from the Appointments and Remuneration 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 co-option.

#### **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 co-option.

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.

### 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 (as stated in section C.1.19 of this report). 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.1.17 Explain the extent to which the annual assessment of the board has led to significant changes in its internal organisation and the procedures applicable to its activities:

Description of amendments

Pursuant to Article 36 of the Regulations of the Company's Board of Directors, the Board shall devote the first of its meetings of the year to evaluating its own functioning in the previous year 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.

In this regard, the Nomination and Compensation Committee, at the request of the Chairman of the Board of Directors, began the coordination of the annual evaluation of the Board of Directors at its meeting on 22 October 2018, the results and action plan of which were addressed by the Board of Directors at its first meeting in 2019. In this respect, the action plan approved by the Board of Directors in relation to the result of the evaluation corresponding to financial year 2018 includes some recommendations to be carried out in 2019, some of which imply changes in the internal organisation and procedures applicable to its activities. Therefore, an indicative deadline has been officially set for the distribution of the documentation required to prepare the meetings of the Board of Directors, methods permitting the attendance of Directors who, exceptionally, cannot attend in person will be improved and the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills,

diversity and experience required on the Board of Directors will be monitored by the Nomination and Compensation Committee.

Describe the evaluation process and the areas evaluated by the board of directors assisted, where appropriate, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been subject to evaluation.

The evaluation process of the Company's Board of Directors began on 22 October 2018 and was coordinated by the Nomination and Compensation Committee, at the request of the Chairman of the Board of Directors. To this end, the Nomination and Compensation Committee approved an evaluation form that was provided to all the Company's Directors so that they could submit it completed within a specified period of time. The areas evaluated were as follows:

- Quality and efficiency of the Board of Directors.
- Diversity in the composition and functions of the Board of Directors.
- Performance of the Chairman of the Board of Directors.
- Performance of the CEO of the Company.
- Performance and contribution of each Director.
- Functioning and composition of the Audit Committee.
- Functioning and composition of the Nomination and Compensation Committee.

On 17 December 2018, the results of their evaluation were submitted to the Nomination and Compensation Committee, as well as those regarding the evaluation of the Board of Directors, the Chairman of the Board of Directors and the CEO. On the same date, the evaluation results were submitted to the Audit Committee. After analysing the results, each of the Committees issued a report on the evaluation. In addition, the Nomination and Compensation Committee has approved an action plan to be presented at the first meeting of the Board of Directors in 2019 together with the reports issued by each of the Committees, in line with the provisions of Article 36 of the Board of Directors' Regulations.

- C.1.18 For any years where the evaluation was assisted by an external consultant, list the business relationships between the consultant or any company in their group and the company or any company of its group.

Not applicable since the evaluation was not carried out with the help of an external consultant.

- C.1.19 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 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.1.20 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.1.21 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

<b>Description of requirements</b>

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.1.22 State whether or not the articles of association or the regulations of the board set forth any age limit for directors:

Yes                       No

	Age limit
<b>Chairman</b>	
<b>CEO</b>	
<b>Board Member</b>	

<b>Remarks</b>

C.1.23 State whether or not the articles of association or the regulations of the Board establish any limit on the term of office or any other stricter requirements in addition to those legally stipulated for independent directors, other than what is established in the regulatory provisions:

Yes                       No

<b>Additional requirements and / or maximum number of terms</b>	8
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C.1.24 State whether or not the articles of association or the regulations of the Board set out any specific rules for proxy-voting by means of other directors 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 Article 19 of the Articles of Association and Article 36 of the Regulations of the Board of Directors, in the event that the directors cannot attend sessions of the Board of Directors in person, they may delegate their vote to another Director, together with the appropriate instructions, by means of a letter addressed to the Chairman.

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.

Non-Executive Directors may only delegate their representation to another non-Executive Director.

- C.1.25 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.

<b>Number of meetings of the board</b>	7
<b>Number of meetings of the board at which the chairperson was not in attendance</b>	0

<b>Remarks</b>

State the number of meetings held by the coordinating director with the other directors, without the attendance or representation of any executive director:

<b>Number of meetings</b>	0
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<b>Remarks</b>

State the number of meetings held by the different committees of the board of directors during the financial year:

<b>Number of meetings of the Executive or delegated Committee</b>	N/A
<b>Number of meetings of the Audit Committee</b>	8
<b>Number of meetings of the Appointments and Remuneration Committee</b>	5
<b>Number of meetings of the Appointments Committee</b>	N/A
<b>Number of meetings of the Remuneration Committee</b>	N/A
<b>Number of meetings of the Committee ____</b>	N/A

- C.1.26 State the number of meetings that the board of directors has held during the financial year and the data regarding member attendance:

<b>Number of meetings attended in person by at least 80% of the directors</b>	7
<b>% personal attendance out of total votes during the financial year</b>	96.42%
<b>Number of meetings attended in person, or by representatives with specific instructions, by all directors</b>	7
<b>% votes cast with personal attendance and representatives with specific instructions, out of the total votes during the financial year</b>	100%

Remarks

C.1.27 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, where applicable, the person(s) that has(have) certified the individual and consolidated financial statements of the company for preparation by the board:

Name	Position
Mr. Francisco López Peña	Member of the Board of Directors and CEO of the Company.

Remarks
In accordance with Article 11.1 of the Regulations of the Company's Board of Directors, the Company's individual and consolidated financial statements are previously certified regarding their completeness and accuracy by the Company's Chief Financial Officer, with the approval of the Chairman. In this regard, the individual and consolidated financial statements for financial year 2017, prepared by the Board of Directors on 26 February 2018, were previously certified by Mr. Francisco López Peña, current CEO of the Company, who at that time held the position of Chief Financial Officer of the Group.

C.1.28 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the individual and consolidated financial statements 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, during the year the Audit Committee has held meetings with

the external auditor without the presence of the Management to ensure the auditing process of the individual and consolidated financial statements is undertaken correctly.

C.1.29 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

Remarks

C.1.30 State the specific mechanisms established by the company to preserve the independence of the external auditors and also the mechanisms, if any, to preserve the independence of financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented in practice.

The Company has established diverse mechanisms aimed at preserving the necessary independence of the auditor. 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 Regulations of the Board of Directors 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.

Also, in compliance with the recommendations set out in Technical Guide 3/2017 of the National Securities Market Commission on audit committees of public interest entities, the Audit Committee, in its meeting on 28 June 2018, approved the Policy for the approval of services by the external auditor other than the auditing of the Company's financial statements which is intended as a series of criteria and procedures for the approval of non-prohibited services other than the auditing of financial statements provided by the external auditor.

In relation to the mechanisms established to preserve the independence of financial analysts, investment banks and rating agencies, on 17 December 2018, Board of Directors of the Company approved the Policy on Communication and Contact with Shareholders, Investors and Voting Advisors which (i) establishes the basic principles that are to govern the Company's communication and contacts with its shareholders, institutional investors, voting advisors and other stakeholders, such as intermediary financial institutions, managers and depositories of the Company's shares, financial analysts, regulatory and supervisory bodies, rating agencies, information agencies and such like, and (ii) defines the communication channels that the Company makes available to them to maintain communication that is efficient, transparent and ongoing.

Furthermore, the Company has an Investor Relations Department which continuously deals with queries and recommendations from analysts and investors, rating agencies, bondholders, as well as those made by socially responsible investors (SRI). A telephone number and email address have been set up for such purpose.

C.1.31 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

Remarks

If there has been any disagreement with the outgoing auditor, provide an explanation:

Yes  No

Description of the disagreement

C.1.32 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	Companies of the Group	Total
Amount of other non-audit work (thousands of euros)	124	870	994
Amount of non-audit work / Amount of audit work (in %)	16%	21%	20%

Remarks
The total amount of the audit work for the Company amounts to 4,878 thousands of euros and includes fees related to (i) the legal audit of the individual and consolidated annual financial statements of the Group (ii) the limited review of the Financial Report for the first 6 months of 2018, (iii) the issuance of a comfort letter on the bond issuance which is traded on the Euro MTF market of the Luxembourg Stock Exchange, (iv) the review of the non-financial information of the consolidated management report for the year 2018 and (v) some ratio reports.

C.1.33 State whether the audit report on the financial statements for the prior financial year has observations or qualifications. If so, state the reasons given to the general meeting by the chairperson of the audit committee to explain the content and scope of such observations or qualifications.

Yes  No

Explanation of reasons

C.1.34 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:

	Individual	Consolidated
<b>Number of continuous financial years</b>	20	17

	Individual	Consolidated
<b>Number of years audited by the current audit firm / Number of years that the company or its group has been audited (%)</b>	95%	100%

Remarks

C.1.35 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

Describe the procedure

As set out in Article 36 of the Regulations of the Board of Directors, annual meetings of the Board of Directors shall be convened with at least five (5) days' notice 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.

In this regard, in accordance with the provisions of Articles 19 of the Articles of Association and 30 and 34 of the Regulations of the Board of Directors, the person responsible for ensuring that the Directors receive all the necessary information in sufficient time and in the appropriate format is the Chairman



of the Board of Directors, with the collaboration of the Secretary.

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 addition, Article 27 of the Regulations of the Board of Directors grants Directors the power to study the documentation deemed necessary, contact the heads of the departments affected and 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.1.36 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

<b>Explain the rules</b>

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 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.1.37 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 Spanish Companies Act:

Yes  No

Name of director	Criminal case	Remarks

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 those that it plans to take.

Yes

No

Decision made / action taken	Duly substantiated explanation

- C.1.38 Describe any significant agreements entered into by the company that take effect, are amended, or terminate in the event of a change in control of the company as a result of a takeover bid, and the effects thereof.

There are none.

- C.1.39 Identify, on an individual basis in reference to directors, and on an aggregate basis for all other cases, and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for compensation, 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:** 1

**Type of beneficiary:**

Senior Management

**Description of agreement:**

A member of Senior Management in the Company is to receive a 12-month notice period in the event that 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.

**Number of beneficiaries:** 1

**Type of beneficiary:**

CEO (Mr. Francisco López Peña)

**Description of agreement:**

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.

**Number of beneficiaries:** 1

**Type of beneficiary:**

CEO (Mr. Francisco Riberas Mera)

**Description of agreement:**

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, beyond the cases set out in the regulations, such agreements have to be reported and/or approved by the decision-making bodies of the company or its group. If so, specify the procedures, cases set out and the nature of the decision-making bodies responsible for approving or reporting them:

	<b>Board of directors</b>	<b>General Shareholders' Meeting</b>
<b>Decision-making body approving the provisions</b>	Yes	No

	<b>Y E S</b>	<b>NO</b>
<b>Is the General Shareholders' Meeting informed of such provisions?</b>		x

<b>Remarks</b>

## 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 COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Category</b>

<b>% executive directors</b>	
<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

<b>Remarks</b>

Explain the functions delegated or attributed to this committee other than those already described in section C.1.10, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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## AUDIT COMMITTEE

Name	Position	Category
Mr. Javier Rodríguez Pellitero	Chairman	Independent
Mr. Juan María Riberas Mera	Member	Proprietary
Ms. Ana García Fau	Member	Independent

<b>% proprietary directors</b>	33.33%
<b>% independent directors</b>	66.67%
<b>% other external</b>	0%

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

The procedures and rules for the organisation and functioning of the Audit Committee are set out in Article 20 of the Articles of Association and Article 39 of the Regulations of the Board of Directors. Furthermore, Article 20 of the Articles of Association and Article 40 of the Regulations of the Board of Directors regulate the functions of the Audit Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Audit Committee and how each of its functions has effectively been performed in financial year 2018, it will draw up an activity report 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 the General Shareholders' Meeting is held. The activities carried out by the Audit Committee during 2018 include, among others:

- the oversight and review of the preparation and presentation process of regulated financial information (quarterly and half-yearly), both individual and consolidated.
- the review and favourable report of the individual and consolidated financial statements of the Company and its group of companies, for financial year 2017;
- the review and favourable report on the liquidity situation prepared by the Board of Directors in the context of the dividend charged to the 2018 profits approved on 17 December 2018;
- the review of the offering memorandum related to the notes issued by the Company amounting to EUR 400.000.000 traded on the Euro MTF market of the Luxembourg Stock Exchange;
- establishing the appropriate relationship with the external auditor with whom a meeting has been held on four occasions during the year in question in order to receive information on the progress of the audit and limited review work and the most relevant aspects of both;
- the approval of the Policy for the Approval of Services by the External

- Auditor other than Auditing and the mandatory report on the independence of the external auditor;
- the proposal to the Board of Directors to, in turn, submit it to the Annual General Shareholders' Meeting, regarding the re-election of the external auditor to audit the financial statements for financial year 2019;
  - periodical monitoring of the activities performed during the year by the Internal Audit Department and approval of the 2019-2021 Internal Audit Plan and the corresponding budget for the year 2019;
  - the oversight and periodic review of the Internal Control Over Financial Reporting system (hereinafter ICFRS) and the approval of its scope matrix for financial year 2018;
  - the oversight and periodic review of internal risk control and management systems through the re-evaluation of the corporate risk map and updating of the risk assessment scales;
  - reporting to the Board of Directors on related party transactions;
  - reviewing the wording of the Company's Code of Conduct and the approval of the Anti-Fraud and Anti-Corruption Policy;
  - the review and approval of the Group's Sustainability Report for financial year 2017;
  - the review of the communications exchanged with the CNMV;
  - the issuance of the evaluation report of the Audit Committee for the approval of the Board of Directors;
  - the review an favourable report on the Annual Report on the Remuneration of Directors for the year 2018, and
  - the members of this Committee have received training regarding several aspects related to its functions, as new accounting rules, the amendment project of the General Accounting Plan, the content of the new non-financial statement, or new regulations regarding data protection.

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Identify any directors who are members of the audit committee and who have been appointed taking into account their knowledge and experience in the areas of accounting, auditing, or both, and report the date of appointment of the Chairperson of this committee.

<b>Name of directors with experience</b>	Ms. Ana García Fau
	Mr. Javier Rodríguez Pellitero
	Mr. Juan María Riberas Mera
<b>Date of appointment of the current chairperson</b>	24/03/2017

<b>Remarks</b>

#### APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Category
Mr. Alberto Rodríguez-Fraile Díaz	Chairman	Independent

Mr. Gonzalo Urquijo Fernández de Araoz	Member	Other external directors
Mr. Pedro Sainz de Baranda	Member	Independent

<b>% proprietary directors</b>	0%
<b>% independent directors</b>	66.67%
<b>% other external</b>	33.33%

<b>Remarks</b>

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

The procedures and rules for the organisation and functioning of the Nomination and Compensation Committee are set out in Article 21 of the Articles of Association and Article 39 of the Regulations of the Board of Directors. Furthermore, Article 20 of the Articles of Association and Article 41 of the Regulations of the Board of Directors regulate the functions 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 and how each of its functions has effectively been performed in financial year 2018, it will draw up an activity report 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 the General Shareholders' Meeting is held. The activities carried out by the Nomination and Compensation Committee during 2018 include, among others:

- the favourable reports on the dismissal of Mr. Noboru Katsu as Director and member of the Nomination and Compensation Committee and on the appointment by co-option of Mr. Shinichi Hori as Director;
- Favourable report on the dismissal and appointment of Senior Managers.
- verification of the degree of achievement of the 2017 objectives in relation to the variable component of the remuneration of Executive Directors and the Management Committee, as well as the result of this component
- proposing objectives in relation to the variable component of the remuneration of Executive Directors and the Management Committee for 2018;
- evaluation of compliance with the Company's Remuneration Policy and with the Policy for the Selection of the Board of Directors;
- the proposal for the new Directors' Remuneration Policy approved by the Annual General Shareholders' Meeting on 7 May 2018;
- the coordination of the evaluation of the Board of Directors, its

- Committees and the CEO and, together with the Coordinating Director, the Chairman of the Board of Directors, and the preparation of the required reports for approval by the Board of Directors; and
- the review and favourable report on the 2017 Annual Report on Directors' Remuneration approved in a consultative manner by the Annual General Meeting on 7 May 2018, and the review of the content of the 2017 Annual Corporate Governance Report in all sections within its remit.

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#### APPOINTMENTS COMMITTEE

Name	Position	Category

<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### REMUNERATION COMMITTEE

Name	Position	Category

<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the

functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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**COMMITTEE** \_\_\_\_

<b>Name</b>	<b>Position</b>	<b>Category</b>

<b>% executive directors</b>	
<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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C.2.2 Complete the following table with information on the number of female directors on the committees of the board of directors at the end of the last four financial years:

	<b>Number of female directors</b>			
	<b>Year t</b>		<b>Year t-1</b>	
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
<b>Executive Committee</b>	0		0	
<b>Audit Committee</b>	1 (33.33%)		1 (33.33%)	
<b>Appointments and remuneration committee</b>	0 (0%)		0 (0%)	
<b>appointments committee</b>	0		0	



remunerati on committee	0	0	0	0
committee ____	0	0	0	0

<b>Remarks</b>

C.2.3 State, where applicable, the existence of regulations of the board committees, where such regulations can be consulted, and any amendments made during the financial year. Also state if any annual report of the activities performed by each committee has been voluntarily prepared.

The Regulations of the Board of Directors thoroughly regulate the rules of composition and functioning, as well as the responsibilities of both the Audit Committee and the Nomination and Compensation Committee.

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 were approved in 2017 including all of the requirements laid down by the legislation in force, 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](http://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.

**D RELATED-PARTY TRANSACTIONS AND INTRAGROUP TRANSACTIONS**

D.1 Explain, where applicable, the procedure and competent bodies for approving related party and intragroup transactions.

<b>Procedure for communicating the approval of related-parted transactions</b>

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.

Moreover, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L. 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 of the Company and its subsidiaries, with its related parties, particularly the group of companies led by parent company Acek Desarrollo y Gestión Industrial, 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 III 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:

<b>Individual or company name of significant shareholder</b>	<b>Individual or company name of the company or entity within its group</b>	<b>Nature of the relationship</b>	<b>Type of transaction</b>	<b>Amount (thousands of euros)</b>
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Services received	6,617
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Unpaid interest due	1,192
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Purchase of goods, whether finished or not	1,365,057
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Sale of goods, whether finished or not	40,157
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Services received	19,002

Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Services rendered	2,005
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Unpaid interest due	1,296
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Sideacero, S.L.	Contractual	Sale of goods, whether finished or not	225,746
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Services received	2,252
Acek Desarrollo y Gestión Industrial, S.L.	Air Executive, S.L.	Contractual	Services received	320

<b>Remarks</b>

- 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: Loans.	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 carried out 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 Give details of any significant transactions carried out between the company or entities in its group and other related parties that have not been disclosed under the previous headings.

Company name of related party	Brief description of transaction	Amount (thousands of euros)

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<b>Remarks</b>

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, executives, 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. In this sense, on the occasion of the preparation of the annual accounts and the financial information for the first six months of the year, Directors must complete a form in which they state the existence of any conflict of interest between them and the Company.

Furthermore, Articles 21, 24, 25 and 26 of the Regulations the Board of Directors govern the duties of the directors as regards their abstention duty, 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.

With regard to the Senior Management, as stated in the Internal Code of Conduct in the Securities' Markets of the Company, they must act with loyalty, refrain from intervening or influencing in the decision making on those matters where they are conflicted, and not to access confidential information related to such conflict.

D.7 Is more than one company of the group listed in Spain?

Yes                       No

Identify the subsidiaries listed in Spain and their relationship with the company:

<b>Identity and relationship with other listed companies in the group</b>

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

<b>Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group</b>

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies with the group:

<b>Mechanisms to resolve possible conflicts of interests</b>

**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, regarding 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 targets set.

In this regard, the Group has a Comprehensive Risk Management System (hereinafter SIGR) at corporate level that identifies, monitors and responds to the different types of financial and non-financial risks to which the Group is exposed, including within the category of financial or economic risks, those related to tax, contingent liabilities and other off-balance risks.

This SIGR, which the Group continued to develop and evolve in 2018, is based on the COSO ERM—Enterprise Risk Management—model (a systematic and detailed approach that helps identify occurrences, evaluate, prioritise and respond to risks related to achieving business objectives), and in the good practices referred to in the Code of Good Governance for Listed Companies and in Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

In order to facilitate and promote effective, comprehensive and uniform management, the Group established 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 an 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 has a Corporate 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 preventing or, in the event of occurrence, minimising them. During the 2018 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 and informed manner.

Furthermore, on 19 November 2018, the Operational Risk Committee (hereinafter, "CRO") approved the SIGR Corporate Procedure, which establishes the basic guidelines for the identification, assessment, management, response and reporting of risks of a different nature from each of the organisational areas.

It should be noted that in addition to corporate risk management, each of the Group's areas carries out more fragmented risk management through its corresponding managers. The work carried out by these managers is included in the Corporate Risk Map through the involvement of the members of the CRO, which is made up of top-

level executives, representatives of the Group's Divisions, Business Units and Corporate Departments.

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.

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 SIGR targets, providing shareholders, other stakeholders and the general market with an adequate level of guarantee that protects generated value.

Although the SIGR is a process that affects and involves all of the Group's personnel, in accordance with the SIGR Policy approved by the Board of Directors, those entrusted with ensuring 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.

In addition to other committees set up at the level of the different organisational units to monitor specific risks (such as, among others, those associated with project management, information systems and regulatory compliance, including tax compliance); at corporate level there is the CRO and the Executive Risk Committee (CRE), made up of top-level executives, representatives of the Group's Divisions, Business Units and Corporate Departments. 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 remain at an acceptable level.

- 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.

In accordance with the rules governing the department, approved by the Audit Committee, the Internal Audit Department is responsible for coordinating the Group's risk management, among other things. The following key responsibilities have been set out in the SIGR Policy, in relation to such:

- Audit Committee support,
- coordination of risk identification and assessment processes through the preparation and updating of Risk Maps and

- coordination with the Risk Committees and with those responsible for specific risk management for risk measurement processes, controls, action plans and procedures required to mitigate them.

Within the Group structure, Internal Audit and Risk Management Department 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 State the main risks, including tax risks and insofar as those arising from corruption are significant (the latter being understood under the scope of Royal Decree Law 18/2017), which may affect the achievement of the business objectives.**

The Group defines risk as any potential event, internal or external, that may negatively affect the achievement of the objectives regarding the various Group processes and, therefore, the materialisation of the Group's strategic objectives, its methods or its reputation. Given the nature of the sector and the geographical areas in which the Group operates, the organisation is subject to various risks that could impede the attainment of its objectives and the successful execution of its strategies.

The process of identifying and assessing the risks affecting the Group mainly 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.
  - Disruption of our customer supply chain due to various factors (both internal and external), such as:
    - supply problems concerning our suppliers,
    - internal business conflicts,
    - prolonged breakdown of machinery, tools or plants,
    - serious accidents and
    - other factors that occur without warning (such as 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.
  - Potential deviations in the profitability of projects, either in the industrialisation phase or in the production phase.
  - Security risks concerning computer applications and cyberattacks
- **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:

- Political and economic instability in the different countries where the Group operates.
- Development, adoption and assurance of the necessary technical skills at industrial level, both in terms of innovations in materials and products as well as in production processes and industry 4.0, in an environment which is constantly changing and evolving.
- 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.

The risks associated with the criminal liability of legal entities, the impact of corruption in the different countries where the Group operates and unethical or irregular conduct are considered, among others. This category also includes risks arising from potential legislative and regulatory changes, and the Group's capacity to anticipate and ability to react such.

- Financial Risks. These include financial 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.

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 in the SIGR Policy, approved by the Company's Board of Directors, and sets out that all risks that jeopardise compliance with the Group's strategies and objectives are to be kept at an acceptable low risk level.

The members of the Operational Risk Committee (CRO) and the Executive Risk Committee (CRE) took part in updating the Corporate Risk Map in financial year 2018. The main objectives of this updating process were to identify possible emerging risks and to assess all of the risks in terms of impact, probability of occurrence and effectiveness of the controls established, in accordance with the assessment scales defined and which were updated in 2018 in order to adapt to the strategy and changes in our business environment and which will continue to be reviewed at least once a year for the same purpose. These assessment scales cover the different aspects of risk impact (financial, operational, regulatory framework and reputation) and entail suitable levels that allow for a standardised risk assessment. These scales reflect the Group's appetite and level of risk tolerance.



**E.5 State what risks, including tax risks, have materialised during the financial year.**

During the year, the risks inherent in Group's activity materialised at levels consistent with the Group's levels in the past and within acceptable impact limits. These risks include fluctuations in exchange rates due to the volatility of the currencies of emerging countries during the year, the impact of which has been reasonably mitigated.

The translation effect of the EBITDA into currencies different than those at an average exchange rate of 2018 entails a reduction of 70 EUR millions, comparing to average exchange rate of 2017. This has been softened by sale price adjustments in order to compensate currency devaluation. Also, there has been a negative impact amounting to 19 EUR millions because of the open positions in currencies different than those of each country.

In general, the SIGR, along with the policies and risk control and management systems that develop it, allow effective action to be taken on the risks and for suitable action plans to be drawn up, where necessary.

**E.6 Explain the response and oversight plans for the entity's main risks, including tax risks, as well as the procedures followed by the company to ensure that the board of directors responds to any new challenges that arise.**

The Group has defined a SIGR that entails organisation, procedures and resources, making it possible to identify, measure, assess, prioritise, and respond to risks to which the Group 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 include the Group's Code of Conduct, the Whistleblowing Hotline, the Ethics Committee, which is responsible for the analysis and investigation of complaints received, and the Anti-Corruption and Fraud Policy, along with other mechanisms broadly defined in the SIGR Policy, as part of the responsibilities of the SIGR's constituent bodies which are set out in point E.2 above:

- Those responsible for managing specific risks are in charge of identifying and monitoring the risks that threaten the fulfilment of their objectives, as well as guaranteeing the proper functioning of the controls defined for their mitigation.
- Risk Committees 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, and for ensuring that the risks remain at an acceptable level, keeping the Audit Committee informed.
- 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 Committee and coordinates the risk identification and assessment processes and Risk Committees. In addition, the Internal Audit Department independently oversees compliance with the policies, procedures and controls set out for mitigating the Group's main risks.

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 ensure that operational activities carried out are aligned with the Group's aims and targets.

In this sense, the Group currently has various organisational units or departments that analyse, continuously monitor and provide a response in various areas specialised in risk management, including: Internal control over financial information, Human Resources, Regulatory Compliance, Insurance, Corporate Social Responsibility, Quality, Operations Control, Corporate Security, Information Systems, Occupational Hazards Prevention, Project Management, Communication, Commercial, Financial Management and Development of advanced equipment. These units and departments form part of the Group's SIGR and are represented on the Risk Committees.

## **F INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE PROCESS OF ISSUING FINANCIAL REPORTS (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). For these purposes, the Regulations governing Gestamp's Board of Directors 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".

The Group has developed an ICFRS Policy, approved by the Board of Directors, 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); This Policy establishes that the Group's Financial Management (through the Internal Control Function) is responsible for the design, implementation and operation of the ICFRS. Within the scope of these functions, it must promote the importance of internal control in the different countries where the Group is present, starting with raising awareness of control requirements at all levels of the Group, all through ongoing support in its work both regarding determining documentation associated with the ICFRS, validating the design and effectiveness of the controls, and the implementation of the identified action plans.

The 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 this end, the Audit Committee relies on the Internal Audit Department, which has rules regulating the task of overseeing the effective functioning of the internal control system.

**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 and Organisation Management and the Board of Directors through its Executive Chairman are in charge of defining and modifying the organisational structure of the Group at a high level, with the monitoring support by the Nomination and Compensation Committee. 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 and its contribution on the organisation charts published on the Company's intranet. These organisation charts graphically represent the relationships between the different Group departments.

For each role defined, the Human Resources and Organisation 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 Group 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.

The ICFRS documentation includes a risk and control matrix where, individually for each control, both the responsible organisational structures and the owners of each of the controls have been identified in relation to the financial reporting process.

- 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 which sets out the standards of ethical conduct that the Group requires from all of its employees and which is available on the Group's website.

In 2018, the Code of Conduct was reviewed and updated to adapt it to the Group's current situation. The new version was drafted by the Ethics Committee, proposed by the Audit Committee and, finally, approved by the Board of Directors on 7 May 2018.

The main changes have been:

- The inclusion of the responsibilities of all employees: to be compliant, lead by example, seek help and communicate.
- The reorganisation of the Rules of Conduct according to the area of application.
- The inclusion of rules in relation to the use of privileged information.

In 2018, replicating the action for the initial launch in 2011, the Group implemented a dissemination plan in relation to the new Code of Conduct among employees in all jurisdictions, who were also asked to confirm receipt of such. In addition, as part of the plan to welcome new Group employees, a copy of the Code of Conduct is provided and their adhesion 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 Company 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, Human Resources Managers identify whether it is necessary to implement a plan of action in relation to the Code of Conduct.

In relation to the financial information, there is a section in the Code on "Integrity towards our shareholders and business partners", which establishes that acting responsibly and with transparency goes hand in hand with protecting value. All employees create value for the shareholders when they put the company's interests first, when they ensure that business records are accurate and when they properly protect the company's resources, its information and assets. Furthermore, this section also includes a rule corresponding to "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 the Group. Therefore, an employee of the Group:

- Must not falsify any kind of information, whether financial or any other kind.
- Must not deliberately enter any false or misleading data into any report, record, file or expenses claims.
- Must not accept contractual obligations on behalf of Gestamp that exceed the authority the company has given them.
- Must fully cooperate with auditors, ensuring the accuracy of the information provided.

The Ethics Committee is the body responsible for analysing non-compliances of the Code of Conduct, studying complaints and proposing remedial actions and sanctions. Its duties and governance are set out in the Regulations of the Ethics Committee. Members of Senior Management and an external advisor make up the Committee and reports directly to the Board of Directors.

- 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 Group has two channels of communication for employee complaints and accusations.

Complaints can also be made through the Human Resources managers. Each month, the Human Resource managers report any complaint made to the person in charge of managing complaints at corporate level (Compliance Office). This person is part of the Group's Human Resources and Organisation Department.

Furthermore, there is a reporting channel for complaints that can be used by Group personnel and by third parties (such as customers or suppliers), which offers increased confidentiality for whistle-blowers. The difference between the channels is as follows:

- Internal channel: complaint sent to a generic inbox of an email address that the Compliance Office directly receives.
- External channel: the complaints channel, which has been available since December 2016, is managed by an external company (SpeakUp Line), thus increasing the whistle-blower's trust and confidence with regard to confidentiality. Such communication may take place via telephone, web form or email. It is available 24/7 in over 200 languages. Communications are sent to the Compliance Office.

Both channels are available on the company's intranet and on the website.

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.

The Group's Reporting Channel allows any kind of non-compliance with Code of Conduct, including irregularities of a financial and accounting nature, and any irregular activity that could take place within the Group, to be communicated. The Audit Committee receives a periodic report on the complaints made through the Reporting Channel, the investigations carried out and, where appropriate, the measures adopted.

In 2018, 122 reports were received, 120 of which were complaints regarding potential breaches and 2 were queries and suggestions. 23 complaints were received through Human Resource Managers (Representatives), 31 directly through the Compliance Office by email and 66 through SpeakUp 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 Group's Training and Development Department draws up a training plan with all areas, including those that are part of the Finance Department. This plan includes the different external and internal training activities geared towards members of the areas under the Group's Finance Department and 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 the Group's clients, products and technology, and training activities regarding its internal processes and management systems.

– Specific programmes

The Group 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 occasional specific training activities aimed at personnel in finance areas and other related areas in the countries where the Group operates in order to communicate, train or update any subjects 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.

Therefore, in financial year 2018, there was over 4,590 hours of specific training and 294 training events given in which approximately 639 employees took part from the 22 countries where the Group operates. These training activities consist of regular training and update programmes for personnel involved in the preparation and oversight process of financial reporting and they cover accounting standards, auditing, internal control, and risk management, among other areas of knowledge.

Furthermore, in the first quarter of 2018, the Group's Human Resources and Organisation Department launched a talent attraction programme, aimed at developing functional analysts, with the objective of giving training on the parameterisation of the IT tool, Corporate SAP, used in preparing financial information. This supports compliance with the Group's Criteria Manual and Accounting Policies, as well as continuous improvement regarding the control and monitoring of the Group's financial, control, purchase and sales processes. 10,746 hours, divided into theoretical and practical stages, have been dedicated to this highly specialised programme.

## **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 regard to the reliability of the regulated financial information.

As referred to in section F.1.1., the Group has an ICFRS Policy that includes, among other aspects, the general description of the ICFRS 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. Based on this methodology, the scope matrix of the ICFRS was defined.

The scope matrix for the ICFRS, which is updated on an annual basis, after the consolidated financial statements have been prepared, aims to identify the accounts and disclosures that have significant associated risks and which could have a potential material impact on financial reporting. It also establishes the processes to review regarding its design and effectiveness in each country where the Group operates.

During financial year 2018, the Group identified the financial reporting risks by analysing the information contained in the audited consolidated financial statements at 31 December 2017, selecting the most relevant accounts and significant disclosures according to quantitative criteria and risks. The 2018 ICFRS scope matrix was approved by the Audit Committee on 7 May 2018.

- 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.

For each of these accounts and significant disclosures, their associated critical processes and subprocesses are established and the risks that could lead to errors and/or fraud in financial reporting are identified, covering all of the financial reporting objectives (existence and occurrence; integrity; assessment; presentation and breakdown; and rights and obligations).

- 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 regard to the scope of consolidation, the Chairman, the CEO, the Group's Legal Manager, the Tax Consultancy Manager and the Finance Manager hold meetings as the Finance and Tax Committee, where they address issues relating to, among others, the purchase or withdrawal of companies in which the company has direct or indirect interests, as well as possible changes to be made regarding said interest. Similarly, the Committee identifies the need to undertake specific corporate operations, such as incorporations, mergers, divisions or the winding-up of companies that form part of the Group.

The conclusions approved by the Finance and Tax Committee in the area of company acquisitions and dispositions, and adoption of company operations, are initially compiled by the Group's Legal Department, which is in charge of drawing up the legal documentation required. Furthermore, the Legal Department informs the Consolidation team of any company acquisition or disposition, as well as any interest in them, and any corporate operation that may affect the scope of consolidation. This is done at least on the date on which such operation becomes effective. -

Based on the information received by the Finance and Tax Committee and by the Legal Department, the Department Responsible for Consolidation in the Group's Economic-Finance Department updates the scope of consolidation on the consolidation application used by the company. Furthermore, on a quarterly basis, this information is compared with that contained in the consolidation reporting package that each Group company sends to carry out the quarterly consolidation.



- 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.

As referred to in section E.1., the Group has SIGR Policy, which was approved by the Board of Directors in 2017. The purpose of the SIGR is to establish the basic principles, guidelines and the general framework for action to ensure that 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 the Group.

The SIGR Policy is inspired by the following reference frameworks:

- The COSO ERM model, risk management reference framework 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, containing five risk categories (strategic, operational, reporting, compliance and financial) is applicable to 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. Consideration is given, among others, to the types of operational, technological, financial, legal, environmental, social and tax- and reputation-related risks, including, under financial risks, those relating to contingent liabilities and other off balance-sheet risks.

Following the update of the Risk Map, which is analysed every year, it is verified that the risks that could have an impact on the financial information drafting processes or on the reliability of it are provided for in the ICFRS model. This is done to analyse the need to include additional processes or controls in said model and/or in the matrix scope for the following financial year.

- What governance body of the entity supervises the process.

Responsibility for the oversight of the effectiveness of the ICFRS and the Integrated Risk Management System lie with the Audit Committee through the Internal Audit Management, according to that set out in Article 40 of the Regulations governing Gestamp's Board of Directors.

As stated in the previous sections, the Audit Committee approved the ICFRS scope matrix on 7 May 2018 as a way of supervising the risk evaluation process.

### **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 Executive Chairman and the Managing Director, who then proceed to approve them. The annual review and authorisation procedure will conclude with them being submitted to the Audit Committee by the Managing Director and the Finance Department, and its preparation by the Board of Directors.

In financial year 2018 and, in accordance with the scope matrix of the ICFRS, the Internal Control Department continued to define the risk and control matrix, and the process documentation 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, stock, fixed assets, collection and payment management, etc.), specifically including the closing, reporting and consolidation process, as well as all of those that are affected by significant judgments, estimates, assessments, and projections.

The documentation in each of the processes comprises:

- Breakdown of the information systems that impact the 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.
- Results of the internal control design evaluation conducted by the Internal Control Department, identifying the best opportunities and establishing the action plans, persons responsible and the corresponding implementation deadline.

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 controls identified, as well as identifying other departments affected, where appropriate.
- Owner in charge of each control.

- Frequency of the controls.
- Level of automation of the controls.
- Type of control: preventive or detective.
- Risks to mitigate.
- Association regarding the objectives of the financial information and the prevention/detection of fraud.
- Information systems involved in the control.

The Group is launching an ongoing process for updating the internal control system which guarantees the quality and reliability of financial and non-financial reporting, not merely limiting itself to yearly or half-yearly financial reports.

As such, among other measures, in 2018 the Group finalised the internal development of a specific tool called Gescompliance. This tool allows an ongoing updating, self-evaluating and supervising process to take place on the correct functioning of the internal control system of financial information, ensuring its reasonable reliability in a single centralised environment. Gescompliance contributes to strengthening the internal control at all levels of the organisation, facilitating the effectiveness evaluation process and the control designs, as well as monitoring the action plans.

In financial year 2018, the undertaking of the initial load of all the control and risk matrices of the processes identified as key, of the companies whose review had finalised and was approved in said year, commenced.

Furthermore, during financial year 2018, work started on defining the training plan for all users of the tool, owners of the controls and others involved in the ICFRS in order to carry out the evaluations that continuously ensure the effectiveness of the ICFRS in the Group through said tool. Said training plan is expected to finalise during the first quarter of 2019, although there will be continuous training due to the extensive geographical diversity in which the Group operates.

With regard to significant judgments, estimates and projections, it is the Group's Economic-Finance Department or the Division Controlling departments that set the hypotheses and perform the calculations. To do so, they use 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), the information provided by specialists external to the Group is also used. 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.**

The Group has internal control policies and procedures on the information systems supporting the 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, the Group 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 into account this information, the Plan of Business Continuity of Information Systems is reviewed on a yearly basis. This plan establishes action plans for mitigating the risks arising from information system dependency that could affect the achievement of business objectives.

Generally speaking, the following controls exist to provide the Group with reasonable assurance concerning the internal control of reporting systems:

- The Group has a road map of the most relevant applications, including those with the objective of processing 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 2018, 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.

Within the Group's Economic-Finance Department, there is Department Responsible for Consolidation (hereinafter, "Consolidation Team"). The functions assigned to said team, specifically established in the Group's Criteria and Accounting Policies Manual, include a team update, which must be undertaken at least once per year.

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 December 2018.

In addition, there is another department in the Economic-Finance Department that is responsible for the design and definition of the 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 regard to daily transaction accounting, the responsibility for resolving queries in relation to these processes lies with the Department Responsible for the design and Definition of Financial Processes, whereas any queries regarding accounting policies are resolved by the Consolidation Team, as stated in the Manual. This centralisation of query resolution allows for increased standardisation of criteria.

The information required to update the Criteria and Accounting Policies Manual is received by the Consolidation Team 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 Consolidation Team 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 Consolidation Team. 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, with support from the Internal Audit Management, which hierarchically depends on the Managing Director and functionally on the Audit Committee.

Some of the duties of the Internal Audit Management are supporting the Audit Committee in overseeing the correct functioning of the ICFRS, reporting the conclusions obtained from its audits through the regular appearances of the Internal Audit Director at Audit Committee meetings during the financial year. Such conclusions include possible corrective actions of the weaknesses detected, and their monitoring once approved.

In this respect, the Internal Audit Management is responsible for executing the Internal Audit Plan for financial year 2018 that was approved on 14 December 2017 by the Audit Committee. The 2018 Audit Plan includes, among other aspects, the auditing of the design of the key ICFRS processes and the effectiveness evaluation of the general IT controls, implemented in the applications or systems under the ICFRS scope due their importance in producing the Group's financial information.

On 7 May 2018, the Audit Committee approved the scope matrix of the ICFRS established by the Internal Control Department, in accordance with what is stated in section F.2.1, and supervised degree of progress of the work carried out in relation to the ICFRS through periodic reports submitted by the Internal Audit Director to the Audit Committee.

During the 2018 financial year, in accordance with the Audit Plan and the ICFRS scope matrix, a review continued on the design of the controls at plants included in the scope.

In the area of IT, 3 out of the 4 SAP systems that currently support the industrial and financial processes in the Group were audited. The 4th is envisaged to be reviewed in 2019. Furthermore, a review was carried out on other transversal applications that are used both at a corporate level and at the majority of the Group's plants. These include the Group consolidation application, the applications of administration support for human resources management and the application for purchasing process management.

In these audits, action plans aimed at strengthening the internal control system were established. The results of the audits have been periodically reported to the Audit Committee.

As such, the Audit Committee, in accordance with its duties, includes in its Activities Report the tasks it has undertaken under its role of overseeing the Internal Control System during 2018. Among other aspects, the activity report for financial year 2018 includes:

- the supervision and revision of the preparing and presentation process of the regulated individual and consolidated financial information (quarterly and half-yearly) to provide the market.
- the overseeing of relationships with the external auditor of the company and Group.
- related transactions.
- correct application of the generally accept accounting principles and the safeguarding of the integrity of financial information.
- the approval of the ICFRS scope matrix established for the financial year 2018.

- review of the degree of implementation of the ICFRS.
- monitoring of the ICFRS design evaluation results, as well as monitoring of the improvement plans detected.
- approval of the 2019 Internal Audit Plan, the 2019-2021 Strategy Plan and of the budget and resources of the Internal Audit Management.

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 govern the power held by the Audit Committee with regard to regularly receiving information on the activities of the Internal Audit Department; verifying 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, without ever compromising its independence. To this end, and where applicable, recommendations and proposals, together with the relevant follow-up deadlines, may be submitted to the board of directors.

In accordance with the process established for such purpose, any significant internal control weakness that has been detected by the auditor of the financial statements in the course of its work, will be formally reported in writing to the two levels of management: to the Management that will define, in such case, the action plans to be implemented to mitigate the internal control weaknesses detected, which will be subsequently presented to the Audit Committee.

Eight meetings of the Audit Committee were held in 2018.

External auditors attended four Audit Committee meetings to communicate the provisional status of the audit work on the limited review of the half-yearly information, the Group's financial statements and the essential facts detected, including the areas for improvement detected in the internal control, which, without being significant weaknesses, have been deemed to be potentially useful.

The Director of the Internal Audit Committee has periodically participated in Audit Committee meetings, presenting the degree of progress of the work undertaken in relation to the ICFRS, as well as the internal control weaknesses identified in the course of said work.

**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 its admission to trading 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  Partly complies  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  Partly complies  Explain

During the Ordinary General Shareholders' Meeting held on 7 May 2018, the Chairman of the Board of Directors gave the floor to the Secretary of the General Meeting so as to inform the shareholders of the most relevant aspects of Corporate Governance relating to said General Meeting, that is, regarding: (i) the Annual Report on the Remuneration of Directors for financial year 2017, which was submitted for advisory approval of the General Meeting under point five of the agenda; (ii) the Corporate Governance Annual Report for financial year 2017, detailing how the company complies with the Recommendations from the Good Governance Code of Listed Companies applicable to it following its admission to trade on the stock market; and (iii) the report on the independence of the external auditor issued by the Audit Committee. It was not necessary to inform on changes relating to corporate governance arising after the previous Ordinary General Meeting as no change took place.

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  Partly complies  Explain

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  Partly complies  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  Partly complies  Explain

7. **The company should broadcast its general shareholders' meetings live on the corporate website.**

Complies  Explain

The company did not believe that live broadcasting of the Ordinary General Shareholders' Meeting held on 7 May 2018 was necessary, given that it was the first General Meeting that the Company had held as a limited listed company. In that respect, it was considered to firstly analyse the advisability of broadcasting the referred meeting. In future meetings of the General Shareholders' Meeting, this broadcasting possibility will be analyse once again.

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 chairperson of the audit committee and the auditors should give a clear account to shareholders of their scope and content.**

Complies  Partly complies  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  Partly complies  Explain

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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  Explain

As referred to in section C.1.7., Nomination and Compensation Committee, in the context of the evaluation that was conducted on the compliance of the Policy for the

Selection of the Board of Directors on 17 December 2018, an evaluation was not carried out on how said policy is fostering the objective of obtaining at least a 30% representation of women on the Board of Directors by 2020.

However, in the context of the evaluation of the Board of Directors referred to in sections C.1.17 and C.1.18, the action plan drawn up by the Nomination and Compensation Committee submitted for the approval of the Board of Directors, includes some recommendations to be performed during 2019, between others, the monitoring of the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on 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  Partly complies  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  Partly complies  Explain

- 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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  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       Partly complies       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       Partly complies       Explain

In 2018, the Board of Directors met seven (7) times. Further meets were not necessary for the correct monitoring of the business or appropriate company representation, management and administration. However, as in 2017, the number of meetings may be higher in future financial years.

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       Partly complies       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       Partly complies       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       Partly complies       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 chairperson 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       Partly complies       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  Partly complies  Explain

33. **The chairperson, 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  Partly complies  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 chairperson or vice-chairpersons, 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 chairperson's succession plan.**

Complies  Partly complies  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 chairpersons 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  Partly complies  Explain

**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  Partly complies  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  Partly complies  Explain  Not applicable

**39. All members of the audit committee, particularly its chairperson, 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  Partly complies  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 chairperson or the chairperson of the audit committee.**

Complies  Partly complies  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 activities report at the end of each year.**

Complies  Partly complies  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  Partly complies  Explain

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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  Explain

**47. Members of the appointments and remuneration 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       Partly complies       Explain

**48. Large cap companies should operate separately constituted appointments and remuneration committees.**

Complies       Explain       Not applicable

**49. The appointments committee should consult with the company's chairperson 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 may consider suitable.**

Complies       Partly complies       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       Partly complies       Explain

**51. The remuneration committee should consult with the company's chairperson and chief executive, especially on matters relating to executive directors and senior officers.**

Complies       Partly complies       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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  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  Partly complies  Explain  Not applicable

The Company's variable remuneration system is based on strictly objective, measurable and quantifiable economic-financial criteria that is 100% linked to the value of the Group. Such objective is understood as a multiple of the consolidated EBITDA, less the net debt. In this respect, the company understands that said criteria consider the risk undertaken in order to obtain the result; as such, they consider not only the obtention of the results, measured in EBITDA terms, but also the levels of debt the company has in achieving them.

The variable remuneration system applied to the Company's Executive Directors is applicable to all employees with variable remuneration. That is, the same measurement

objectives and criteria are applied to over 1,200 employees, including directors, managers and employees. The variable remuneration policy exclusively includes financial criteria relating to the degree of compliance with the rules and the company's internal procedures, and its risk control and management policies. The company applies the zero-tolerance principle to all partial and full non-compliances of the company's internal procedures and risk control and management policies through the commitment and acceptance, by employees, directors and managers, of the company's Code of Conduct and its internal development rules.

The company's remuneration policy is established based on a balance between the short-medium- and long-term compliance of objectives, given that, in addition to annual variable remuneration, the company also has:

- A long-term incentive plan was approved in 2016 corresponding to the 2016-2020 period for certain company executives, among whom is Mr Francisco López Peña, the CEO, 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 the company's key employees. The 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.
- The alignment of executives, including Francisco López Peña, the CEO, with the company's long-term strategy, market evolution, and share price on the stock exchange, is undertaken by means of the plan launched in 2016, through which key executives were offered the chance to buy company shares at the market price.

**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       Partly complies       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       Partly complies       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       Partly complies       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.

The company does not directly contemplate a variable remuneration system for Executive Directors that includes the giving of shares or financial instruments whose value is linked to the share price. However, in 2016 the company offered certain key directors of the Group, including Francisco López Peña, the CEO of the Group, the possibility of buying company shares at the market price, a measure with which the interests of executive directors and senior management are aligned with the long-term objectives of the company. As a result, the inclusion of the provision of shares as variable remuneration has been deemed unnecessary.

- 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       Partly complies       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       Partly complies       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       Partly complies       Explain       Not applicable



## 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.
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.

### Section A.7.

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 the following within 3 months:
  - (a) That Gestamp 2020, S.L. sells company shares that indirectly belong to the transferring shareholder, using the price obtained from such sale to buy shares of Gestamp 2020, S.L., which directly belong to the transferring Shareholder.



- (b) The shares in Gestamp 2020, S.L. are amortised obtaining in return the distribution of company shares indirectly held.
- (c) Gestamp 2020, S.L. is dissolved, allocating to each partner the company shares that correspond to it in accordance with the stake held in Gestamp 2020, S.L.
- (iv) Except where provided for in the agreement, Gestamp 2020, S.L. cannot sell or use the company shares in its name as security without the consent of both partners.
- (v) Acek Desarrollo y Gestión Industrial, S.L. may transfer at any time all or part of the company shares that it directly holds.
- (vi) Without prejudice to the rights of Mitsui & Co. Ltd. under the agreement, Acek Desarrollo y Gestión Industrial, S.L. may keep control of the company and of Gestamp 2020, S.L. and its business.
- (vii) 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 and to appoint its proxy for said meetings.
- (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. The aforementioned rights will not come into play in particular transfers to member of the Riberas family or to companies or foundations controlled by the transferring shareholder or his/her family.
- (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.1.3**

Regarding the appointment of Mr. Shinichi Hori and Mr. Tomofumi Osaki, it is established that they 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.7.

### **Section C.1.13**

The amount of remuneration of the Board of Directors accrued in 2018 included in this section differs from the amount included on the Note 32.2. to the annual financial statements of the Group as the accrual criteria applied is different regarding the long term incentive.

### **Section C.1.14**

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.1.14 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 2018 as set out in section C.1.14 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 2018 Financial Statements have been formally approved by the Annual General Shareholders' Meeting which will be held in 2019; the sum of any benefits granted and compensation paid due to two Senior Managers leaving the Management Committee in the year in question.

Also, the remuneration amount of the Senior Management accrued in 2018 included in this section differs from the amount included on the Note 32.3. to the annual financial statements of the Group as the accrual criteria applied is different regarding the long term incentive.

### **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 Chairperson.

(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 Chairperson'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 Chairperson shall have the casting vote.

(i) The Chairman 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 CEO 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 the years prior to 2017, it is hereby stated that the Company did not have an Audit Committee or Nomination and Compensation Committee established in such years given that its shares were admitted to trading in 2017.

**Section D.2.**

For further information, see section 32 of the report of the Group's Consolidated Financial Statements corresponding to year-end 31 December 2018.

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.

The Group has been a signatory of the Principles of the United Nations Global Compact since 24 July 2008, and it became a partner of the Global Compact in 2011.

This annual corporate governance report was approved by the Company’s Board of Directors at its meeting held on 28 February 2019.

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 2018

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 (consolidated annual accounts) of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries for Fiscal Year 2018, drawn up by the Board of Directors at its meeting of February 28, 2019 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 28, 2019.

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Mr. Francisco José Riberas Mera  
*(Executive Chairman)*

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Mr. Francisco López Peña  
*(CEO)*

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Mr. Juan María Riberas Mera  
*(Director)*

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Mr. Shinichi Hori  
*(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)*

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Mr. Gonzalo Urquijo Fernández de Aroz  
*(Director)*

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Mr. Geert Maurice Van Poelvoorde  
*(Director)*

The Secretary of the Board of Directors states for the record that this document does not include Director Mr. Geert Maurice van Poelvoorde signature because he is absent due to unavoidable professional commitments and he has issued a proxy to delegate his vote to Director Mr. D. Juan María Riberas Mera, in connection with the matters set forth in the Agenda for the Board of Directors meeting of 28 February 2019 (which includes the approval of the Individual and Consolidated Annual Financial Statements and of the Individual and Consolidated Management Reports for Fiscal Year 2018).

**Secretary**

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**Mr. David Vázquez Pascual**



**GESTAMP AUTOMOCIÓN, S.A.**

The previous Annual Financial Statements for the fiscal year 2018, de GESTAMP AUTOMOCIÓN, S.A., included in preceding pages 1 to 78, both inclusive, the Management Report for the year 2018 included in the preceding pages 79 to 87, both inclusive, and the Annual Corporate Governance Report included in the preceding pages 1 to 87, both included, have been sign off by the members of the Board of Directors at their meeting on February 28, 2019.

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Don Francisco José Riberas Mera  
**President**

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Don Juan María Riberas Mera  
**Vicepresident**

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Don Francisco López Peña  
**Vocal**

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Don Shinichi Hori  
**Vocal**

---

Don Tomofumi Osaki  
**Vocal**

---

Don Alberto Rodríguez Fraile Díaz  
**Vocal**

---

Don Javier Rodríguez Pellitero  
**Vocal**

---

Don Pedro Sainz de Baranda Riva  
**Vocal**

---

Doña Ana García Fau  
**Vocal**

---

Don César Cernuda Rego  
**Vocal**

---

Don Geert Maurice Van Poelvoorde  
**Vocal**

---

Don Gonzalo Urquijo Fernández de Araoz  
**Vocal**