Financial results for the three months ended June 30, 2016

Gestamp Automoción, S.A.

September 6, 2016
PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial information and operational data

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

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

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

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

Industry data

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

Forward looking statements and other qualifications

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

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

Second quarter of 2016 compared to Second quarter of 2015

Revenue

Revenue increased by € 176.1 million, or 10.0%, to € 1,935.7 million in the second quarter of 2016 compared to sales of € 1,759.6 million in the second quarter of 2015. Our sales growth outpaced the 4.1% increase in market production volumes in our manufacturing footprint in the second quarter of 2016 primarily driven by the effect of the start of production and ramp up of new projects primarily in the United States and Spain. The increase in revenue is attributable primarily to sales increases of € 108.3 million in Western Europe, € 58.9 million in North America, € 31.2 million in Eastern Europe and € 16.9 million in Asia, offset in part by a sales decrease in Mercosur of € 39.2 million. The decline in sales in South America is driven by a 15.0% drop in the volume of production in the region, and to the depreciated local currencies, compared to the second quarter of 2015, especially the Argentinian peso.

### Second Quarter

<table>
<thead>
<tr>
<th>Consolidated Income Statement Data</th>
<th>2015</th>
<th>2016</th>
<th>% Change</th>
<th>2015</th>
<th>2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>3,530.5</td>
<td>3,803.1</td>
<td>7.7%</td>
<td>3,333.1</td>
<td>3,460.9</td>
<td>4.0%</td>
</tr>
<tr>
<td>Revenue</td>
<td>3,741.2</td>
<td>3,741.2</td>
<td>0.0%</td>
<td>3,530.5</td>
<td>3,803.1</td>
<td>7.7%</td>
</tr>
<tr>
<td>Other operating incomes</td>
<td>59.7</td>
<td>61.8</td>
<td>3.5%</td>
<td>59.7</td>
<td>61.8</td>
<td>3.5%</td>
</tr>
<tr>
<td>Changes in inventories</td>
<td>1.8</td>
<td>0.1</td>
<td>-94.4%</td>
<td>1.8</td>
<td>0.1</td>
<td>-94.4%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>-1,343.5</td>
<td>-1,387.9</td>
<td>3.3%</td>
<td>3,803.1</td>
<td>3,741.2</td>
<td>-1.5%</td>
</tr>
<tr>
<td>Raw materials and other consumables</td>
<td>-3,108.6</td>
<td>-3,234.9</td>
<td>4.1%</td>
<td>-3,108.6</td>
<td>-3,234.9</td>
<td>4.1%</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>630.0</td>
<td>672.5</td>
<td>6.7%</td>
<td>630.0</td>
<td>672.5</td>
<td>6.7%</td>
</tr>
<tr>
<td>Depreciation, amortization and impairment losses</td>
<td>-182.9</td>
<td>-192.1</td>
<td>5.0%</td>
<td>-182.9</td>
<td>-192.1</td>
<td>5.0%</td>
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<td>Other operating expenses</td>
<td>-422.0</td>
<td>-488.4</td>
<td>15.7%</td>
<td>-422.0</td>
<td>-488.4</td>
<td>15.7%</td>
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<tr>
<td>Operating profit</td>
<td>187.0</td>
<td>215.2</td>
<td>15.1%</td>
<td>187.0</td>
<td>215.2</td>
<td>15.1%</td>
</tr>
<tr>
<td>Finance income</td>
<td>7.4</td>
<td>3.6</td>
<td>-53.8%</td>
<td>7.4</td>
<td>3.6</td>
<td>-53.8%</td>
</tr>
<tr>
<td>Finance expenses</td>
<td>-65.2</td>
<td>-50.9</td>
<td>-21.9%</td>
<td>-65.2</td>
<td>-50.9</td>
<td>-21.9%</td>
</tr>
<tr>
<td>Exchange gains (losses)</td>
<td>21.5</td>
<td>-13.8</td>
<td>-164.2%</td>
<td>21.5</td>
<td>-13.8</td>
<td>-164.2%</td>
</tr>
<tr>
<td>Other</td>
<td>-1.3</td>
<td>-1.4</td>
<td>7.7%</td>
<td>-1.3</td>
<td>-1.4</td>
<td>7.7%</td>
</tr>
<tr>
<td>Profit from continuing operations</td>
<td>149.8</td>
<td>152.7</td>
<td>1.9%</td>
<td>149.8</td>
<td>152.7</td>
<td>1.9%</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-43.8</td>
<td>-40.9</td>
<td>-6.6%</td>
<td>-43.8</td>
<td>-40.9</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>106.0</td>
<td>111.8</td>
<td>5.5%</td>
<td>106.0</td>
<td>111.8</td>
<td>5.5%</td>
</tr>
<tr>
<td>Result from discontinued operations</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0%</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Profit (loss) attributable to non-controlling interests</td>
<td>-27.6</td>
<td>-20.3</td>
<td>-26.4%</td>
<td>-27.6</td>
<td>-20.3</td>
<td>-26.4%</td>
</tr>
<tr>
<td>Profit attributable to equity holders of the parent</td>
<td>78.4</td>
<td>91.5</td>
<td>16.7%</td>
<td>78.4</td>
<td>91.5</td>
<td>16.7%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>369.9</td>
<td>407.3</td>
<td>10.1%</td>
<td>369.9</td>
<td>407.3</td>
<td>10.1%</td>
</tr>
</tbody>
</table>

### Second Quarter YTD June 30,

<table>
<thead>
<tr>
<th>Consolidated Income Statement Data</th>
<th>2015</th>
<th>2016</th>
<th>% Change</th>
<th>2015</th>
<th>2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>2,879.9</td>
<td>3,154.0</td>
<td>9.3%</td>
<td>3,530.5</td>
<td>3,803.1</td>
<td>7.7%</td>
</tr>
<tr>
<td>Revenue</td>
<td>448.6</td>
<td>407.3</td>
<td>-8.5%</td>
<td>413.4</td>
<td>448.6</td>
<td>8.5%</td>
</tr>
<tr>
<td>Other operating incomes</td>
<td>175.7</td>
<td>138.6</td>
<td>-21.1%</td>
<td>175.7</td>
<td>138.6</td>
<td>-21.1%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>78.4</td>
<td>91.5</td>
<td>16.7%</td>
<td>78.4</td>
<td>91.5</td>
<td>16.7%</td>
</tr>
<tr>
<td>Finance income</td>
<td>1,447.1</td>
<td>1,628.2</td>
<td>12.5%</td>
<td>2,879.9</td>
<td>3,154.0</td>
<td>9.3%</td>
</tr>
<tr>
<td>Finance expenses</td>
<td>204.1</td>
<td>228.0</td>
<td>11.7%</td>
<td>413.4</td>
<td>448.6</td>
<td>8.5%</td>
</tr>
<tr>
<td>Exchange gains (losses)</td>
<td>108.4</td>
<td>79.5</td>
<td>-26.7%</td>
<td>175.7</td>
<td>138.6</td>
<td>-21.1%</td>
</tr>
<tr>
<td>Body-in-White and Chassis</td>
<td>1,447.1</td>
<td>1,628.2</td>
<td>12.5%</td>
<td>2,879.9</td>
<td>3,154.0</td>
<td>9.3%</td>
</tr>
<tr>
<td>Mechanisms</td>
<td>204.1</td>
<td>228.0</td>
<td>11.7%</td>
<td>413.4</td>
<td>448.6</td>
<td>8.5%</td>
</tr>
<tr>
<td>Toolings and Others</td>
<td>108.4</td>
<td>79.5</td>
<td>-26.7%</td>
<td>175.7</td>
<td>138.6</td>
<td>-21.1%</td>
</tr>
<tr>
<td>Total</td>
<td>3,469.0</td>
<td>3,741.2</td>
<td>7.8%</td>
<td>3,530.5</td>
<td>3,803.1</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

**Body-in-White and Chassis.** Revenue increased by € 181.1 million, or 12.5%, to € 1,628.2 million in the second quarter of 2016 from € 1,447.1 million in the second quarter of 2015. This increase was attributable primarily to increases of sales in Western Europe of € 114.6 million (mainly in Spain and Germany), North America of € 58.1 million, Eastern Europe of € 26.4 million and in Asia of € 8.0 million (mainly in South Korea), offset by a decrease of sales in Mercosur of € 26.0 million.
Mechanisms. Revenue increased by € 23.9 million, or 11.7%, to € 228.0 million in the second quarter of 2016 from € 204.1 million in the second quarter of 2015. This increase was attributable primarily to an increase of sales in Germany, Spain, Czech Republic and South Korea, offset by a decrease of sales in Slovakia.

Tooling and Other. Revenue decreased by € 28.9 million, or 26.7%, to € 79.5 million in the second quarter of 2016 from € 108.4 million in the second quarter of 2015. This decrease was attributable primarily to a decrease in sales in Western Europe by € 17.9 million, in Mercosur by € 13.5 million and Eastern Europe by € 1.3 million, mitigated by an increase in Asia by € 3.2 million and in North America by € 0.6 million.

Operating expenses
Raw materials and other consumables. Expenses on raw materials and other consumables increased by € 116.2 million, or 11.1%, to € 1,167.6 million in the second quarter of 2016 from € 1,051.4 million in the second quarter of 2015. The increase in raw materials and other consumables expenses in the second quarter of 2016 is mainly due to higher sales volumes in Western Europe, North America, Eastern Europe and Asia and is consistent with the rate of growth of sales.

Personnel Expenses. Personnel expenses increased by € 24.8 million, or 7.7%, to € 345.6 million in the second quarter of 2016 from € 320.8 million in the second quarter of 2015, mainly in Western Europe, Eastern Europe and North America, consistent with the increase of sales.

Depreciation, amortization and impairment losses. Depreciation expense increased by € 6.3 million, or 6.8%, to € 98.9 million in the second quarter of 2016 from € 92.6 million in the second quarter of 2015, largely as a result of depreciation of new investments carried out during 2015, largely in Spain, USA, China, Germany and United Kingdom.

Other operating expenses. Other operating expenses increased by € 36.0 million, or 16.9%, to € 249.5 million in the second quarter of 2016 from € 213.5 million in the second quarter of 2015. This increase was primarily due to higher sales volume in Western Europe, North America, Eastern Europe and Asia leading to increased recruitment of temporary workers, as well as higher maintenance costs. This increase was offset by a decrease in other operating expenses due to lower sales in Mercosur.

Operating profit or loss
Operating profit increased by € 20.3 million, or 21.2%, to € 116.0 million in the second quarter of 2016 from € 95.7 million in the second quarter of 2015. This increase is primarily due to a higher volume of activity in 2016 compared to the second quarter in 2015, and a lower percentage increase in operating costs based on operating leverage in our cost base.

EBITDA
EBITDA increased by € 26.6 million, or 14.1%, to € 214.9 million in the second quarter of 2016 from € 188.3 million in the second quarter of 2015. This increase is primarily attributable to the higher volume of activity in Western Europe, North America, Eastern Europe and Asia in the second quarter of 2016 compared to the comparable period in 2015, offset by lower volume of activity in Mercosur.
Net financial income (expenses)
Net financial expenses decreased by € 4.3 million, or 16.1%, to € 22.4 million in the second quarter of 2016 from € 26.7 million in the second quarter of 2015. This decrease is primarily due to lower average interest rates and the renegotiation of loan interest margins with financial entities.

Exchange gains (losses)
In the second quarter of 2016, there were exchange losses of € 8.5 million while in the second quarter of 2015 there were exchange losses of € 14.7 million. The exchange losses in the second quarter of 2016 were primarily due to the appreciation of the Euro during the quarter, mainly against the currencies of Brazil, United States and Russia.

Income tax
Income tax expense increased by € 13.2 million, to € 23.6 million during the second quarter of 2016 from € 10.4 million during the second quarter of 2015. This increase is primarily due to higher results obtained in countries with higher tax rates.

Profit attributable to non-controlling interests
Profit attributable to non-controlling interests decreased by € 3.1 million to € 10.4 million in the second quarter of 2016 from € 13.5 million in the second quarter of 2015, largely as a result of lower results in operations with minority partners.

<table>
<thead>
<tr>
<th>Second Quarter</th>
<th>YTD June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Millions of Euros)</td>
</tr>
<tr>
<td>Profit for the year before taxes and after non-controlling interest from continuing operations</td>
<td>40.5</td>
</tr>
<tr>
<td>Adjustments to profit</td>
<td>153.7</td>
</tr>
<tr>
<td>Depreciation and amortization of fixed assets</td>
<td>92.5</td>
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<tr>
<td>Impairment of fixed assets</td>
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<tr>
<td>Impairment</td>
<td>0.1</td>
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<tr>
<td>Change in provisions</td>
<td>5.2</td>
</tr>
<tr>
<td>Grants released to income</td>
<td>-1.2</td>
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<tr>
<td>Profit (loss) attributable to non-controlling interests</td>
<td>13.5</td>
</tr>
<tr>
<td>Profit from disposal of fixed assets</td>
<td>-0.4</td>
</tr>
<tr>
<td>Profit from disposal of financial instruments</td>
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<tr>
<td>Financial income</td>
<td>-4.9</td>
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<tr>
<td>Financial expenses</td>
<td>31.6</td>
</tr>
<tr>
<td>Share of profits from associates - equity method</td>
<td>0.3</td>
</tr>
<tr>
<td>Exchange rate differences</td>
<td>17.0</td>
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<tr>
<td>Other income and expenses</td>
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</tr>
<tr>
<td>Changes in working capital</td>
<td>32.9</td>
</tr>
<tr>
<td>(Increase)/Decrease in Inventories</td>
<td>75.3</td>
</tr>
<tr>
<td>(Increase)/Decrease in Trade and other receivables</td>
<td>-18.2</td>
</tr>
<tr>
<td>(Increase)/Decrease in Other current assets</td>
<td>-7.5</td>
</tr>
<tr>
<td>Increase/(Decrease) in Trade and other payables</td>
<td>-16.3</td>
</tr>
<tr>
<td>Increase/(Decrease) in Other current liabilities</td>
<td>-0.4</td>
</tr>
<tr>
<td>Other cash-flows from operating activities</td>
<td>-47.8</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-41.5</td>
</tr>
<tr>
<td>Interest received</td>
<td>4.3</td>
</tr>
<tr>
<td>Proceeds (payments) of income tax</td>
<td>-10.6</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>179.3</td>
</tr>
</tbody>
</table>
Cash flow from operating activities
Cash flow from operating activities decreased by € 85.1 million to a net amount of € 94.2 million during the second quarter of 2016 from a net amount € 179.3 million in the second quarter of 2015, primarily due to an increase in the cash used for working capital, as well as higher cash income tax.

Cash flow from (used in) investing activities
Cash flow used in investing activities decreased by € 19.1 million in the second quarter of 2016 to € 193.1 million from € 212.2 million during the second quarter of 2015. The cash flow used in the second quarter of 2016 was primarily for investments in projects in North America, Poland, China, Germany, Spain and the United Kingdom.

Cash flow from (used in) financing activities
Cash flow from financing activities amounted to € 170.8 million during the second quarter of 2016.

<table>
<thead>
<tr>
<th>CASH FLOWS FROM INVESTING ACTIVITIES</th>
<th>2015 (Millions of Euros)</th>
<th>2016</th>
<th>YTD June 30, (Millions of Euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments on investments</td>
<td>-196.5</td>
<td>-199.7</td>
<td>-419.4</td>
</tr>
<tr>
<td>Group companies and associates</td>
<td>0.0</td>
<td>-4.5</td>
<td>-2.5</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>-35.7</td>
<td>-27.7</td>
<td>-51.4</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>-119.9</td>
<td>-164.1</td>
<td>-271.0</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>2.0</td>
<td>-3.4</td>
<td>-51.6</td>
</tr>
<tr>
<td>Other assets</td>
<td>-42.9</td>
<td>0.0</td>
<td>-42.9</td>
</tr>
<tr>
<td>Proceeds from divestments</td>
<td>-15.7</td>
<td>6.6</td>
<td>35.4</td>
</tr>
<tr>
<td>Group companies and associates</td>
<td>0.0</td>
<td>0.1</td>
<td>25.4</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>0.4</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>4.2</td>
<td>-0.1</td>
<td>8.3</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>-20.3</td>
<td>-0.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Other assets</td>
<td>0.0</td>
<td>6.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>-212.2</td>
<td>-193.1</td>
<td>-384.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH FLOW FROM FINANCING ACTIVITIES</th>
<th>2015</th>
<th>2016</th>
<th>YTD June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds and payments on equity instruments</td>
<td>0.1</td>
<td>-5.8</td>
<td>0.9</td>
</tr>
<tr>
<td>Change in non-controlling interests</td>
<td>0.0</td>
<td>-6.2</td>
<td>0.0</td>
</tr>
<tr>
<td>Grants, donations and legacies received</td>
<td>0.1</td>
<td>0.4</td>
<td>0.9</td>
</tr>
<tr>
<td>Other equity movements</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Proceeds and payments on financial liabilities</td>
<td>-48.8</td>
<td>225.2</td>
<td>22.0</td>
</tr>
<tr>
<td>Proceeds from bonds and other securities to trade</td>
<td>11.7</td>
<td>1,045.0</td>
<td>97.6</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>4.3</td>
<td>501.3</td>
<td>69.1</td>
</tr>
<tr>
<td>Net increase of credit lines and commercial discount</td>
<td>0.0</td>
<td>46.0</td>
<td>19.9</td>
</tr>
<tr>
<td>Borrowings from Group companies and associates</td>
<td>0.7</td>
<td>0.0</td>
<td>0.7</td>
</tr>
<tr>
<td>Other borrowings</td>
<td>6.7</td>
<td>-0.2</td>
<td>7.9</td>
</tr>
<tr>
<td>Repayment of bonds and other securities to trade</td>
<td>-60.5</td>
<td>-819.8</td>
<td>-75.6</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>-28.0</td>
<td>-3.5</td>
<td>-45.8</td>
</tr>
<tr>
<td>Net decrease of credit lines and commercial discount</td>
<td>-29.5</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Borrowings from Group companies and associates</td>
<td>0.0</td>
<td>-5.1</td>
<td>-0.8</td>
</tr>
<tr>
<td>Other borrowings</td>
<td>-3.0</td>
<td>-3.3</td>
<td>-29.0</td>
</tr>
<tr>
<td>Payments on dividends and other equity instruments</td>
<td>0.0</td>
<td>-48.6</td>
<td>-0.7</td>
</tr>
<tr>
<td>Dividends</td>
<td>0.0</td>
<td>-48.6</td>
<td>-0.7</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>-48.7</td>
<td>170.8</td>
<td>22.2</td>
</tr>
<tr>
<td>Effect of changes in exchange rates</td>
<td>-29.1</td>
<td>0.6</td>
<td>9.8</td>
</tr>
<tr>
<td>Cash in assets held for sale</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS</td>
<td>-110.7</td>
<td>72.5</td>
<td>-169.8</td>
</tr>
</tbody>
</table>
During the second quarter of 2016 we issued a new bond in the amount of €500 million due 2023 and increased the Term Loan component of the Senior Facility Agreement by €340 million. During the quarter we also completed the early redemption of the bonds issued in 2013, both in euros and dollars. We also entered into a €160 million loan agreement with the European Investment Bank with a bullet maturity in 2023.

**Liquidity**

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

Our long-term indebtedness primarily consists of €463.8 million Euros in senior secured notes; €838.0 million in long-term portion of a funded senior secured amortizing Term Loan (part of the Senior Financing Agreement, or “SFA”, originally syndicated on April 19, 2013, of which an additional €280 million is in the form of a Revolving Credit Facility), €160.0 million in long term debt with the European Investment Bank and €75.8 million of aggregate principal amount in other long-term financing.

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

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

We believe that the potential risks to our liquidity include:

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

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

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

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

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

Working capital

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

<table>
<thead>
<tr>
<th>Changes in working capital</th>
<th>Second Quarter 2015</th>
<th>Second Quarter 2016</th>
<th>YTD June 30, 2015 (Millions of Euros)</th>
<th>YTD June 30, 2016 (Millions of Euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase/(Decrease) in Inventories</td>
<td>75.3</td>
<td>-35.0</td>
<td>-35.7</td>
<td>-70.3</td>
</tr>
<tr>
<td>Increase/(Decrease) in Trade and other receivables</td>
<td>-18.2</td>
<td>-112.5</td>
<td>-130.9</td>
<td>-308.2</td>
</tr>
<tr>
<td>Increase/(Decrease) in Other current assets</td>
<td>-7.5</td>
<td>-1.6</td>
<td>-12.3</td>
<td>-8.9</td>
</tr>
<tr>
<td>Increase/(Decrease) in Trade and other payables</td>
<td>-16.3</td>
<td>93.0</td>
<td>51.5</td>
<td>204.3</td>
</tr>
<tr>
<td>Increase/(Decrease) in Other current liabilities</td>
<td>-0.4</td>
<td>-0.6</td>
<td>-1.3</td>
<td>-5.2</td>
</tr>
</tbody>
</table>

Our working capital requirements largely arise from our trade and other receivables, which are primarily composed of amounts owed to us by our customers, inventories primarily composed of raw materials (mainly steel) and other current assets which comprise receivables accounts with the public treasury by the advanced payments of taxes or refunds of taxes. Our trade and other payables primarily relate to trade payables to our suppliers for raw materials and services, other amounts to the public treasury for taxes and payments to our employees by way of salaries. We have historically funded our working capital requirements through funds generated from our operations, from borrowings under bank facilities and through funds from other financing sources.

Net working capital requirements increased by € 56.7 million during the second quarter of 2016 due primarily to an increase in the amount of receivables related to customer tooling that increased during the quarter by € 85.3 million, while the average days for collections from customers and the average days for payments to suppliers were at similar levels with respect to the first quarter of 2016.

Net working capital requirements decreased by € 32.9 million during the second quarter of 2015 due essentially to a decrease in Inventories. The average days for payment to suppliers in the second quarter of 2015 decreased by 2 days with respect to the second quarter of 2014; and the average days for collections from customers in the second quarter of 2015 decreased by 9 days with respect to the second quarter of 2014.
Investments in fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Second Quarter</th>
<th>YTD June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Millions of Euros)</td>
<td>(Millions of Euros)</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>35.8</td>
<td>27.7</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>127.5</td>
<td>154.8</td>
</tr>
<tr>
<td>Total</td>
<td>163.3</td>
<td>182.5</td>
</tr>
<tr>
<td>Net payments on investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>35.3</td>
<td>27.1</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>115.7</td>
<td>164.2</td>
</tr>
<tr>
<td>Total</td>
<td>151.0</td>
<td>191.3</td>
</tr>
</tbody>
</table>

Investments in fixed assets during the second quarter of 2015 and 2016 amounted to approximately € 163.3 million and € 182.5 million, respectively. Investments in fixed assets primarily consists of expenditure on property, plant and equipment. This includes expenditure on new manufacturing plants and expansion of existing plant capacity for new production lines, maintenance capital expenditure comprised of expenditures on maintenance of machinery and buildings, improvements of existing plants driven by health and safety and noise reduction concerns and replacement capital expenditure incurred in relation to changes to our production platforms in connection with new models. Replacement capital expenditure is primarily incurred in connection with updating our welding and assembly cells and equipment, given that the most costly categories of our infrastructure, such as land, buildings and press equipment, have long lives and can be adapted with relatively low expenditure for replacement or renewal business.

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

Net payments on investments reflect actual cash outlays for fixed assets, taking into account increases and decreases in payables to our suppliers of fixed assets, as well as proceeds from divestments of fixed assets, and amounted to approximately € 151.0 million and € 191.3 million during the second quarter of 2015 and 2016 respectively.
Contractual obligations
We have contractual commitments providing for payments primarily pursuant to our outstanding financial debt, including the financial obligations arising from the senior secured notes but excluding financial derivatives.

<table>
<thead>
<tr>
<th>Contractual obligations</th>
<th>Total</th>
<th>Less than 1 year</th>
<th>1 - 5 years</th>
<th>More than 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>2,020.4</td>
<td>482.8</td>
<td>908.6</td>
<td>629.0</td>
</tr>
<tr>
<td>Financial leases</td>
<td>32.3</td>
<td>3.5</td>
<td>10.4</td>
<td>18.4</td>
</tr>
<tr>
<td>Borrowings from associated companies</td>
<td>68.8</td>
<td>1.7</td>
<td>67.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Other financial debts</td>
<td>31.2</td>
<td>0.0</td>
<td>21.3</td>
<td>9.9</td>
</tr>
<tr>
<td>Total Financial Debts</td>
<td>2,152.7</td>
<td>488.0</td>
<td>1,007.4</td>
<td>657.3</td>
</tr>
</tbody>
</table>

| Operating leases                                            | 440.6  | 75.4             | 244.4      | 120.8            |
| Non interest bearing loans                                  | 17.8   | 2.2              | 12.8       | 2.8              |
| Current non-trade liabilities                               | 120.9  | 120.9            | 0.0        | 0.0              |
| Total Contractual Obligations                               | 2,732.0 | 686.5           | 1,264.6    | 780.9            |

Other Financial Data

<table>
<thead>
<tr>
<th>Other Financial Data</th>
<th>YTD June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>(Millions of Euros)</td>
</tr>
</tbody>
</table>

| Other Financial Data                                       | 369.9        | 407.3        |
|-----------------------------------------------------------|--------------|
| EBITDA (1)                                                 | 484.8        | 369.6        |
| Cash, cash equivalent and current financial assets        | 2,024.3      | 2,152.7      |
| Total Financial Debt                                      | 1,539.5      | 1,783.1      |

(1) “EBITDA” represents operating profit before depreciation, amortization and impairment losses. Our management believes that EBITDA is meaningful for investors because it provides an analysis of our operating results, profitability and ability to service debt and because EBITDA is used by our chief operating decision makers to track our business evolution, establish operational and strategic targets and make important business decisions. EBITDA is also a measure commonly reported and widely used by analysts, investors and other interested parties in our industry. To facilitate the analysis of our operations, this indicator excludes amortization, impairment and depreciation expenses from operating profit in order to eliminate the impact of general long-term capital investment. Although we are presenting this measure to enhance the understanding of our historical operating performance, EBITDA should not be considered an alternative to operating profit as an indicator of our operating performance, or an alternative to cash flows from operating activities as a measure of our liquidity. The following table presents the calculation of this measure:
Total financial debt consists of interest-bearing loans and borrowings, financial leasing, borrowings from associated companies, loans from the Ministry of Science and Technology and other interest-bearing loans but does not include derivative financial instruments, non-interest bearing loans, other current non-trade liabilities, deferred income, provisions, deferred tax liabilities, trade and other payables and other liabilities. Net financial debt consists of total financial debt less cash and cash equivalents and current financial assets. The following table presents a calculation of these measures.

<table>
<thead>
<tr>
<th>Operating profit</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation, amortization and impairment losses</td>
<td>182.9</td>
<td>192.1</td>
</tr>
<tr>
<td>EBITDA</td>
<td>369.9</td>
<td>407.3</td>
</tr>
</tbody>
</table>

Cash, cash equivalents and current financial assets includes cash and cash equivalents as of June 30, 2016 of €346.5 million and current financial assets as of June 30, 2016 of €23.1 million (including loans and receivables, securities and other current financial assets).

The following non-trade liabilities are not considered financial debt as of June 30, 2016: €96.2 million in derivative financial instruments, €120.9 million of non-interest bearing short-term liabilities (of which €97.6 million were to suppliers of fixed assets) and €15.6 million of non-interest bearing long-term liabilities.
## GESTAMP AUTOMOCION, S.A. AND SUBSUBSIDIARIES
### CONSOLIDATED BALANCE SHEET

---|---|---
**Non-current assets** | (Millions of Euros) | (Millions of Euros) | (Millions of Euros)
Intangible assets | 347.3 | 359.4 | 380.1
Property, plant and equipment | 2,793.8 | 2,861.8 | 2,933.7
Financial assets | 50.3 | 57.7 | 53.5
Deferred tax assets | 253.1 | 270.8 | 262.0
**Current assets** | | | 
Assets held for sale | 0.0 | 0.0 | 0.0
Inventories | 605.2 | 586.4 | 655.4
Trade and other receivables | 1,196.3 | 1,194.7 | 1,523.5
Other current assets | 30.6 | 23.5 | 32.4
Financial assets | 170.7 | 35.4 | 23.1
Cash and cash equivalent | 314.1 | 356.0 | 346.5
**Total assets** | 5,761.4 | 5,745.7 | 6,210.2

---|---|---
**Equity** | (Millions of Euros) | (Millions of Euros) | (Millions of Euros)
Equity attributable to shareholders of the parent | 1,392.8 | 1,391.8 | 1,390.3
Equity attributable to non-controlling interest | 457.6 | 406.6 | 419.1
Non-current liabilities | 2,144.9 | 2,087.8 | 2,180.5
Deferred income | 30.2 | 30.7 | 27.8
Provisions | 143.9 | 156.8 | 154.8
Non-trade liabilities | 1,727.4 | 1,674.2 | 1,776.5
Deferred tax liabilities | 243.4 | 225.5 | 220.8
Other non-current liabilities | 0.0 | 0.6 | 0.6
Current liabilities | 1,766.1 | 1,859.5 | 2,220.3
Non-trade liabilities | 481.8 | 450.9 | 611.2
Trade and other payables | 1,264.6 | 1,384.4 | 1,588.4
Provisions | 18.4 | 16.3 | 18.0
Other current liabilities | 1.3 | 7.9 | 2.7
**Total equity and liabilities** | 5,761.4 | 5,745.7 | 6,210.2