



Management Discussion and Analysis of the
Financial Condition and Results of Operations for
the three months period ended March 31st, 2023

Gestamp Automoción, S.A.

May 9th, 2023

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1. LEGAL NOTICE IN RELATION TO THE PRESENTATION OF FINANCIAL AND OTHER INFORMATION

1.1. 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.

In this sense, certain information presented in this report has not been prepared in accordance with IFRS or any other accounting standards and also contains alternative performance measures ("APM") as defined in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority (ESMA) on October 5, 2015¹. 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, growth at constant exchange rates, and capex split by categories. We present these non-IFRS measures because we believe those indicators 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. Growth at constant exchange rates is a numerical translation of our figures from local currencies to euros, and not a description of the situation if the currencies had not moved, as this could have had some other implications on the economy and our business situation and contracts. Capex split in categories is a management judgement, and should not be considered as a substitute for additions of tangible and intangible assets, nor depreciation and amortization. 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.

¹ In this regard, a breakdown of the explanations, definitions and reconciliations of the APMs used in this report can be found, as applicable, in Note 4.6. of the Notes to the Consolidated Financial Statements of the Gestamp Group as of December 31, 2022, in the relevant results presentation and also in this report, all of them available both on Gestamp's corporate website (<https://gestamp.com/Investors-Shareholders/Economic-Financial-information>) and on the website of the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (www.cnmv.es).

1.2. 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 in. 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 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.

1.3. 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 2026.

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. Please be cautioned not to place undue reliance on these forward looking statements. These forward statements are made as of the date of this report and are not intended to give any assurance as to future results.

2. BUSINESS PERFORMANCE UPDATE

The International Monetary Fund (*IMF World Economic Outlook as of April 2023*) slightly revised downwards its global GDP growth forecasts a +2.8% year-on-year (YoY) growth for 2023 (-0.1 percentage points lower than the January 2023 WEO projections at +2.9% YoY). The outlook for global economy remains weak due to the still tight monetary policies from central banks to tackle inflation, a potential contagion effect of the financial sector stress we have seen at the beginning of the year and the effects of the war in Ukraine. As for 2024, the IMF now expects global GDP to grow by +3.0% YoY, vs. a +3.1% YoY expected in the January forecast.

Within the auto sector, IHS forecasts production volumes for the year to grow by +3.8% YoY (IHS geographies as of April 2023) to 85.5 million vehicles, which is +0.5% above the 85.1 million vehicles for 2023 that were estimated in February. The slight increase in projections for the full year confirmed that light vehicle production continue its recovery trend in 2023, with demand supported by low inventory levels and pent-up demand, and despite risks still lying on semiconductors, the uncertainty in China due to the COVID-19 recovery and the overall macro situation.

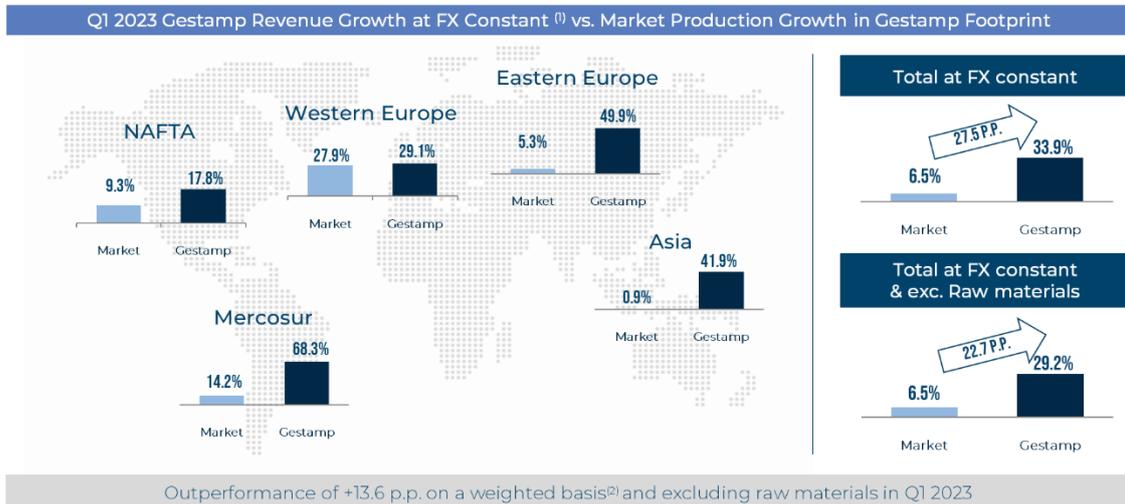
During the first quarter of 2023 the auto sector has performed positively with an increase in production volumes in Gestamp's footprint of +6.5% YoY (according to IHS as of April 2023). During the period, all regions in which Gestamp is present experienced a rise in volumes. Western Europe has seen the strongest volumes' growth (+27.9% YoY), followed by Mercosur (+14.2% YoY), NAFTA (+9.3% YoY) and Eastern Europe (+5.3% YoY). In the case of Asia, volumes have been broadly flat at +0.9% YoY.

In this context, Gestamp has reached a +39.4% YoY revenues growth in the first quarter of 2023 to €3,144 million, which includes the €163 million contribution from Gescrap, our most recent acquisition. Organic revenues growth (excluding Gescrap) has been 32.1%, which implies an outperformance to the market on a constant currency basis by 27.5 percentage points (in Gestamp's footprint – IHS data as of April 2023). Revenues include the impact from the raw materials pass through during this period, with no EBITDA impact. Excluding the impact from raw materials price increases on our revenues we have outperformed the market by 22.7 percentage points, while on a weighted basis, the outperformance stood at 13.6 percentage points for the period.

With regards to profitability, EBITDA in absolute terms increased by 32.7% YoY in the first quarter of 2023, reaching €336.5 million. In terms of EBITDA margin, Gestamp has achieved a 12.0% (excluding the impact of raw materials at top line), which is below our target for the full year due to: i) the typical business seasonality, ii) the ramp-up phase of the strategic projects we announced last year in July, and iii) the ongoing discussions with our clients regarding high inflationary pressures. Nevertheless, this is in line with our expectations for the year and Gestamp remains committed to reach its 12.5%-13.0% EBITDA margin target for the full year.

Looking at the short term and considering current market volume expectations, Gestamp continues working towards achieving the financial targets set for 2023, based on: i) double-digit YoY revenue growth, which entails a high-single digit outperformance to market and a 4-5% of additional growth from consolidating Gescrap; ii) EBITDA on absolute terms to grow by double-digit compared to 2022, with an EBITDA margin excluding raw materials of 12.5% to 13.0%; iii) capex standing at around 7.5% of revenues, and iv) Free Cash Flow generation above €200 million in the year.

Going forward, the Group continues to focus on the long run by reinforcing its strong competitive position, keeping a financial discipline and capturing new opportunities in the EV transformation, in a context of industry decarbonisation in which we are committed to comply with our ESG targets.



1. Gestamp's organic growth (excluding Gescrap) at FX constant used for comparability with production volumes. Market production volume growth is based on countries in Gestamp's production footprint (IHS data for Q1 2023 as of April 2023. Western Europe data includes Morocco in line with our reporting)

2. Market and Gestamp weighted growth measured with Q1 2022 geographical weights as base (at FX constant and excluding raw materials)

3. FINANCIAL PERFORMANCE FOR THE PERIOD

	First Quarter		
	2022	2023	% Change
Consolidated Income Statement Data			
<i>(Millions of Euros)</i>			
Operating income	2,376.0	3,199.8	34.7%
Revenue	2,255.9	3,144.0	39.4%
Other operating income	35.8	30.3	-15.3%
Changes in inventories	84.3	25.5	-69.7%
Operating expenses	-2,122.4	-2,863.3	34.9%
Raw materials and other consumables	-1,469.7	-2,055.0	39.8%
Personnel expenses	-391.1	-464.6	18.8%
Other operating expenses	-261.6	-343.7	31.4%
EBITDA	253.5	336.5	32.7%
Depreciation, amortization and impairment losses	-151.9	-163.2	7.4%
Operating profit	101.6	173.3	70.5%
Finance income	1.9	6.1	223.2%
Finance expenses	-30.5	-48.1	57.5%
Exchange gains (losses)	3.1	-14.7	-577.4%
Other	1.6	10.6	582.1%
Profit from continuing operations	77.7	127.3	63.9%
Income tax expense	-18.6	-31.5	69.7%
Profit for the period	59.1	95.8	62.1%
Profit (loss) attributable to non-controlling interests	-14.3	-15.9	11.2%
Profit attributable to equity holders of the parent	44.8	79.8	78.3%

3.1. Revenues

During the first quarter of 2023, revenues reached €3,144.0 million, of which Body-in-White and Chassis represented €2,585.3 million, Mechanisms €300.0 million, Gescrap €163.3 million and Tooling and others €95.4 million.

Revenues in the first quarter of 2023 increased by €888.1 million or 39.4% to €3,144.0 million versus €2,255.9 million in the first quarter of 2022.

3.2. Operating expenses

Raw materials and other consumables. Expenses related to raw materials and other consumables increased by €585.2 million, or 39.8%, to €2,055.0 million in the first quarter of 2023, compared to €1,469.8 million for the same period of 2022. This increase is in line with the increase in revenues taking into account the specific weight of raw materials in total revenues..

Personnel expenses. Personnel expenses increased by €73.5 million, or 18.8% for the first quarter of 2023 to €464.6 million from €391.1 million for the same period in 2022. The increase in the average workforce in the first quarter of 2023 compared to the first quarter of 2022 is lower than the increase in activity due to an improvement in the efficiency of our production processes.

Other operating expenses. Other operating expenses increased by €82.1 million, or 31.4%, to €343.7 million in the first quarter of 2023 from €261.6 million for the same period of 2022. The increase was in line with the increase in the activity level.

3.3. EBITDA

EBITDA for the first quarter of 2023 reached €336.5 million, representing an increase of €83.0 million from €253.5 million for the same period in 2022. The increase was mainly due to the increase in activity level and containment of personnel expenses.

Depreciation, amortization and impairment losses. Depreciation expense increased by €11.3 million, or 7.4%, to €163.2 million in the first quarter of 2023 versus €151.9 million in the same period in 2022 for the provision corresponding to the assets that came into operation during the second half of fiscal 2022.

3.4. Operating result

The operating result reached €173.3 million in the first quarter of 2023 versus €101.6 million for the same period in 2022, an increase of €71.7 million. This increase was mainly due to higher EBITDA partially offset by higher depreciation and amortization.

3.5. Financial result

Net financial expenses for the first quarter of 2023 increased by €13.4 million, or 46.8%, to €41.9 million versus €28.6 million for the same period in 2022. This increase is mainly due to the increase in the Euribor and Libor reference interest rates.

3.6. Exchange differences

Exchange losses amounted to €14.7 million in the first quarter of 2023 versus gains of €3.1 million in the first quarter of 2022. Exchange losses in Q1 2023 were mainly recorded in NAFTA and Argentina.

3.7. Income tax expense

The tax expense was €31.5 million in the first quarter of 2023, which implies an increase of €12.9 million with the €18.6 million expenses for the same period in 2022. Effective tax rate for the period was 24.8%.

3.8. Result attributable to non-controlling interests

Result attributable to non-controlling interests for the first quarter of 2023 implied a negative impact of €15.9 million. The gains attributable to non-controlling interests in the first quarter of 2023 is consistent with the result of gains in those operations in which the group has non-controlling interests.

4. FINANCIAL INFORMATION BY GEOGRAPHIC SEGMENT

4.1. Revenues & EBITDA

	First Quarter		
	2022	2023	% Change
Revenues	<i>(Millions of Euros)</i>		
Western Europe	977.0	1,252.0	28.2%
Eastern Europe	328.2	450.2	37.2%
NAFTA	489.2	617.3	26.2%
Mercosur	141.2	220.9	56.4%
Asia	320.3	440.3	37.5%
Gescrap	0.0	163.3	n.a.
Total	2,255.9	3,144.0	39.4%

	First Quarter		
	2022	2023	% Change
EBITDA	<i>(Millions of Euros)</i>		
Western Europe	95.4	136.7	43.3%
Eastern Europe	54.0	60.4	12.0%
NAFTA	40.5	46.6	15.0%
Mercosur	15.1	23.7	57.0%
Asia	48.6	55.9	15.0%
Gescrap	0.0	13.2	n.a.
Total	253.5	336.5	32.7%

Western Europe

In the first quarter, revenues in Western Europe reached €1,252.0 million, an increase of €275.0 million, or +28.2% (+29.1% at constant FX) versus Q1 2022. This increase is driven by a strong production volume growth in the region of +27.9% (IHS data as of April 2023 for Gestamp's footprint) and also by the pass-through to customers of the increase in the price of raw materials.

EBITDA in the quarter rose to €136.7 million, implying an increase of €41.3 million, or +43.3% versus Q1 2022. This leads into an EBITDA margin of 10.9% in the first three months of the year, above the 9.8% reported in Q1 2022.

Eastern Europe

Revenues in Q1 2023 in the region increased by €121.9 million, or +37.2% (+49.9% at constant FX), versus the first quarter of 2022, reaching €450.2 million. The region experienced FX headwinds, mainly in Turkey, which impacted negatively the results.

In the quarter, EBITDA reached €60.4 million, resulting in a +12.0% growth or an increase of €6.5 million when compared to the first quarter of 2022. EBITDA margin has reached 13.4% in the quarter.

NAFTA

Revenues in Q1 2023 increased by €128.1 million, or +26.2% (+17.8% at constant FX) versus Q1 2022, reaching €617.3 million.

During the first quarter of the year, EBITDA in the region grew to €46.6 million, an increase of €6.1 million or + 15.0% when compared to Q1 2022. EBITDA margin in the quarter deteriorated to a 7.6%.

Mercosur

During the first quarter, revenues in the region increased by €79.7 million, or +56.4% (+68.3% at constant FX) versus Q1 2022, reaching €220.9 million. The increase in revenues is driven by the positive performance of both Brazil and Argentina.

EBITDA in Q1 2023 reached €23.7 million, an increase of €8.6 million or +57.0% versus the first quarter of 2022. EBITDA margin in the quarter was in line with Q1 2022, coming at 10.7%.

Asia

During Q1 2023, revenues reached €440.3 million, implying an increase of €120.0 million, or +37.5% (+41.9% at constant FX) versus the first quarter of 2022. The increase in revenues is mainly driven by the good performance in China.

EBITDA in Asia reached €55.9 million in the first quarter of 2023, resulting in a +15.0% increase or €7.3 million when compared to the same period of 2022. EBITDA margin in the region reached 12.7% in Q1 2023, which is below the 15.2% in Q1 2022 due to the ramp-up phase of the strategic projects announced in July 2022.

Gescrap

Gescrap revenues in Q1 2023 amounted to € 163.3 million and EBITDA was € 13.2 million. This implies an EBITDA margin of 8.1%.

5. INFORMATION ON CASH FLOW STATEMENT

	First Quarter	
	2022	2023
CASH FLOWS FROM OPERATING ACTIVITIES	<i>(Millions of Euros)</i>	
Profit for the year before taxes and minority interest	77.7	127.3
Adjustments to profit	175.8	209.2
Depreciation and amortization of fixed assets	151.9	163.2
Financial income	-1.9	-6.1
Financial expenses	30.5	48.1
Total exchange rate differences	-3.1	14.7
Share of profits from associates - equity method	-1.4	0.1
Change in fair value of financial instruments	0.0	-0.2
Gains or losses on disposal of financial instruments	0.0	0.0
Inflation result	-0.1	-10.5
TOTAL EBITDA	253.5	336.5
Other Adjustments to profit	-5.5	4.2
Change in provisions	5.0	1.2
Grants released to income	-1.1	-1.1
Profit from disposal of fixed assets	0.5	-0.4
Unrealized exchange rate differences	-10.0	-7.5
Other income and expenses	0.1	12.0
Changes in working capital	-82.3	-114.8
(Increase)/Decrease in Inventories	-155.5	-61.5
(Increase)/Decrease in Trade and other receivables	-199.6	-269.3
(Increase)/Decrease in Other current assets	-17.9	-32.3
Increase/(Decrease) in Trade and other payables	291.0	248.5
Increase/(Decrease) in Other current liabilities	-0.3	-0.2
Other cash-flows from operating activities	-33.7	-48.1
Interest paid	-24.0	-41.3
Interest received	1.9	6.1
Proceeds (payments) of income tax	-11.6	-12.9
Cash flows from operating activities	132.0	177.9

	First Quarter	
	2022	2023
CASH FLOWS FROM INVESTING ACTIVITIES	<i>(Millions of Euros)</i>	
Payments on investments	-186.2	-323.4
Group companies and associates	0.0	-4.1
Intangible assets	-22.9	-34.4
Property, plant and equipment	-160.3	-186.3
Other financial assets	-3.0	-98.6
Proceeds from divestments	12.1	7.2
Group companies and associates	0.0	0.0
Intangible assets	0.2	1.9
Property, plant and equipment	11.9	4.7
Other financial assets	0.0	0.6
Grants, donations and legacies received	2.9	20.6
Cash flows from investing activities	-171.2	-295.7
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds and payments on equity instruments	-61.3	-21.0
Purchase of shares from non-controlling interests	-33.0	-27.0
Contribution of funds from non-controlling interests	2.1	-3.5
Change in non-controlling interests	0.0	0.0
Own shares	-1.0	0.1
Other equity movements	-29.3	9.4
Proceeds and payments on financial liabilities	-64.5	-225.0
Proceeds from	40.8	63.8
Bonds and other securitites to trade	0.0	0.0
Interest-bearing loans and borrowings	40.7	62.8
Net increase of credit lines and commercial discount	0.0	0.0
Borrowings from Group companies and associates	0.0	1.0
Other borrowings	0.1	0.0
Repayment of	-105.3	-288.9
Bonds and other securitites to trade	0.0	0.0
Interest-bearing loans and borrowings	-64.2	-20.6
Net decrease of credit lines and commercial discount	-35.8	-263.3
Borrowings from Group companies and associates	-4.6	0.0
Other borrowings	-0.8	-4.9
Payments on dividends and other equity instruments	-21.8	-35.1
Dividends	-21.8	-35.1
Cash flows from financing activities	-147.7	-281.1
Effect of changes in exchange rates	13.1	-7.2
Cash in assets held for sale	0.0	0.0
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS	-173.8	-406.1

5.1. Cash flow from operating activities

Cash flow from operating activities in the first quarter of 2023 reached €177.9 million, an increase of €45.9 million from €132.0 million for the same period of 2022. This increase was mainly due to the increase in EBITDA in the first quarter of 2023 by €83.0 million partially offset by an increase in working capital in the amount of €32.5 million compared to the development in the first quarter of 2022.

5.2. Working capital

Working capital represented a cash outflow of €114.8 million during the first quarter of 2023 versus a €82.3 million outflow in the first quarter of 2022.

Our working capital requirements are largely derived from our trade accounts receivable and other accounts receivable, which are comprised primarily of amounts owed by our customers, inventories comprised primarily of raw materials (primarily steel), and other current assets that include accounts receivable with the Public Treasury for payments on account of taxes or tax refunds.

Our accounts payable to suppliers and other accounts payable correspond to the amounts payable for the purchase of raw materials and services, amounts payable to the Treasury for taxes and payments to our employees for accrued remuneration. Historically, we have financed our working capital needs through the funds generated by our operations, as well as loans from financial entities and funds from other sources of financing.

5.3. Cash flow used in investing activities

Cash flow used in investing activities during the first quarter of 2023 increased by €124.5 million to €295.7 million from €171.2 million for the same quarter of 2022. The Investments in the first quarter of 2022 were mainly focused on projects in NAFTA, China, Spain, Germany and Brazil.

5.4. Cash flow from financing activities

Cash flow used by financing activities during the first quarter of 2023 amounted to €281.1 million mainly due to the repayment of bilateral financing transactions of €283.9 million partially offset by the contracting of new bilateral operations in the amount of €62.8 million.

6. INVESTMENTS IN FIXED ASSETS

	First Quarter	
	2022	2023
Capital expenditures	<i>(Millions of Euros)</i>	
Intangible assets	22.8	33.3
Tangible assets	126.2	170.8
- Growth Capex	70.8	90.4
- Recurrent Capex	55.4	80.4
Total (excl IFRS 16)	149.0	204.1
- Effect IFRS 16	8.3	0.0
Total	157.3	204.1

Investments in fixed assets during the first quarter of 2023 amounted to €204.1 million compared to the €157.3 million for the first quarter of 2022. This represents a 6.5% of our Revenues. Investments in fixed assets consist mainly of property, plant and equipment.

Growth capital expenditure has increased during the first quarter of 2023 by €19.6 million compared to the same period in 2022. Growth capex include greenfield projects, additional plant expansions, and new customer products / technologies.

Recurrent capex increased by €25.0 million during the first quarter of 2023 compared to the same period in 2022. This capex includes investments in plant maintenance and business replacement.

Intangible capital expenditures during the first quarter of 2023 amounted to €33.3 million and includes expenditure on intangible assets such as research and development costs.

Contractual obligations

Our contractual obligations provide for payments primarily in accordance with our outstanding financial debt, including financial obligations arising from senior secured bonds, but excluding financial derivatives.

	As of March 31, 2023			
	Total	Less than 1 year	1 - 5 years	More than 5 years
Contractual obligations	<i>(Millions of Euros)</i>			
Interest bearing loans and borrowings	2,864.7	594.7	2,245.8	24.2
Financial leases and operating leasing	454.6	82.3	185.9	186.4
Borrowings from associated companies	130.1	113.7	7.2	9.2
Other financial debts	308.5	246.2	13.3	49.0
Total Financial Debts	3,757.9	1,036.9	2,452.2	268.8
Non interest bearing loans	9.4	0.0	5.7	3.7
Current non-trade liabilities	152.6	141.9	10.7	0.0
Total Contractual Obligations	3,919.9	1,178.8	2,468.6	272.5

7. INFORMATION ON CONSOLIDATED BALANCE SHEET

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

	March 31, 2022	December 31, 2022	March 31, 2023
Consolidated Balance Sheet Data:	<i>(Millions of Euros)</i>		
Non-current assets	5,444.1	5,805.9	5,948.4
Intangible assets	474.0	528.9	570.6
Property, plant and equipment	4,347.5	4,645.6	4,764.8
Financial assets	148.2	183.8	145.6
Deferred tax assets	474.4	447.6	467.4
Current assets	3,437.3	4,235.4	4,319.7
Assets held for sale	0.0	0.0	0.0
Inventories	521.1	541.2	583.8
Assets from contract with customers	489.7	519.6	526.6
Trade and other receivables	932.3	1,260.1	1,568.9
Other current assets	120.9	114.8	147.7
Financial assets	66.9	104.6	203.8
Cash and cash equivalent	1,306.5	1,695.1	1,289.0
Total assets	8,881.3	10,041.3	10,268.1

	March 31, 2022	December 31, 2022	March 31, 2023
Consolidated Balance Sheet Data:	<i>(Millions of Euros)</i>		
Equity	2,295.9	2,757.9	2,875.5
Equity attributable to shareholders of the parent	1,848.5	2,125.1	2,254.4
Equity attributable to non-controlling interest	447.3	632.8	621.1
Non-current liabilities	3,622.6	3,250.6	3,319.6
Deferred income	36.6	35.7	55.1
Provisions	184.3	171.3	173.8
Non-trade liabilities	3,058.7	2,706.3	2,741.1
Deferred tax liabilities	328.7	319.9	332.6
Other non-current liabilities	14.4	17.4	17.0
Current liabilities	2,962.8	4,032.8	4,073.0
Non-trade liabilities	812.7	1,461.5	1,178.8
Trade and other payables	2,112.8	2,501.1	2,824.1
Provisions	32.1	62.3	61.7
Other current liabilities	5.3	7.9	8.4
Total equity and liabilities	8,881.3	10,041.3	10,268.1

7.1. Liquidity

Available Liquidity

Available liquidity consists of cash and cash equivalents and undrawn lines of credit, as shown in our consolidated financial statements, without adjusting non-controlling interests or accessibility restrictions due to the rules applicable to the Group's subsidiaries.

As of March 31, 2023, the Group's liquidity position amounted to €2,251.4 million and included: Cash and other liquid assets amounting to €1,289.0 million, current financial investments for €203.8 million (including loans granted, portfolio of current securities and other current financial investments), available and undrawn long-term credit lines amounting to €95.2 million, Revolving Credit Facility amounting to €325.0 million and available and undrawn short-term credit lines amounting to €338.5 million.

In addition, the debt maturities for the next 12 months as of March 31, 2023 amounted to €1,036.9 million (€708.5 million from loans and other loans and financial debts with associates, €246.2 million from debts owed to third parties at cost and the rest corresponding to financial leases) and, in the first quarter of 2023, the net cash flow used in investment activities (not including purchases and income between companies) amounted to €319.3 million, while the flow of net cash flow from operating activities amounted to €177.9 million.

Liquidity Risk Management

The Group manages liquidity risk by seeking the availability of cash to cover its cash needs and the maturity of the debt for a period of 12 months, thus avoiding the need to raise funds under unfavorable conditions to cover short-term needs. This liquidity risk management over the next 12 months is complemented by an analysis of the Group's debt maturity profile, seeking an adequate average maturity and, therefore, refinancing short-term maturities in advance, especially the first two years following. As of March 31, 2023, the average maturity of the Group's net financial debt was 3.86 years (estimated considering the use of cash and credit lines with a maturity of more than 12 months to repay the short-term debt).

Our main 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 in turn depends, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control.

We believe that the potential risks to our liquidity include: (i) a reduction in operating cash flows due to a lowering in operating profit from our operations, which could be caused by a downturn in our performance or in the industry as a whole ; (ii) the failure or delay of our customers to make payments due to us; (iii) the failure to maintain low working capital requirements; and (iv) the need to fund expansion and other development capital expenditures.

In the event of lack of liquidity, we may be forced to reduce or delay our business activities and capital expenditures, sell our assets, or obtain additional debt or equity financing.

8. OTHER RELEVANT FINANCIAL DATA

	YTD March 31,	
	2022	2023
Other Financial Data	<i>(Millions of Euros)</i>	
EBITDA	253.5	336.5
Cash, cash equivalent and current financial assets	1,373.4	1,492.7
Total Financial Debt	3,755.8	3,757.9
Total Net Financial Debt	2,382.4	2,265.2

	YTD March 31,	
	2022	2023
Operating profit	101.6	173.3
<i>Adjusted for:</i>		
Depreciation, amortization and impairment losses	151.9	163.2
EBITDA	253.5	336.5

Cash, cash equivalents and current financial assets as of March 31, 2023 amounted to €1,492.7 million (including cash and equivalents of €1,289.0 million and current financial investments of €203.8 million).

Non-trade liabilities not considered financial debt as of March 31, 2023 are: €9.4 million in derivative financial instruments, €141.9 million of non-interest bearing short-term liabilities of which €123.0 million correspond to suppliers of fixed assets and €10.7 million of non-interest bearing long-term liabilities.

Net financial debt as of March 31, 2023 amounted to €2,265.2 million. Net financial debt was reduced by €117.2 million during the last twelve months from €2,382.4 million in March 31, 2022.