



January-March 2011 Results

**In line with market guidance, steadily moving
forward with our BP 2011-2013 objectives**

May 12, 2011, Bilbao

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Period highlights

Quarterly performance in line with market guidance

- **MWe sold increased 24% YOY, to 579**, and O&M service sales increased 30% to EUR78MM.
 - **100% of international sales**, with 24% coming from India.
- **2011 sales volume coverage ⁽¹⁾ increased 10 percentage points to 58%⁽¹⁾** in March 2011.
 - Q1 order flow (291MW) reflects the increasing weight of the highly seasonal Chinese market.
- **WTG EBIT margin reached 5.1% ⁽²⁾** in line with FY2011 market guidance of 4% to 5%.
- The development of wind farms, with **a sale agreement signed in Q1 2011 (112MW)** and with commissioning and delivery in the year, led to wind farm EBIT break even in the quarter.
- **Group net debt position of EUR313 MM** at March 2011, or **0.9x NFD to EBITDA**, well in line with the market guidance.

(1) Sales coverage calculated as "Total orders for 2011 sales received up to March 2011 / average 2011 sales volume guidance range (2,800 MWe-3,100 MWe)".

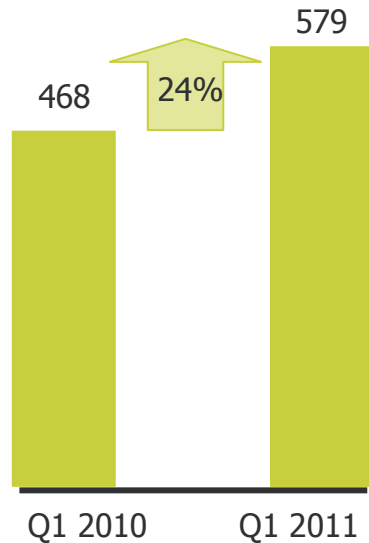
(2) Wind Turbine Manufacturing Division: EBIT margin guidance range of 4% to 5% for 2011.

Period highlights

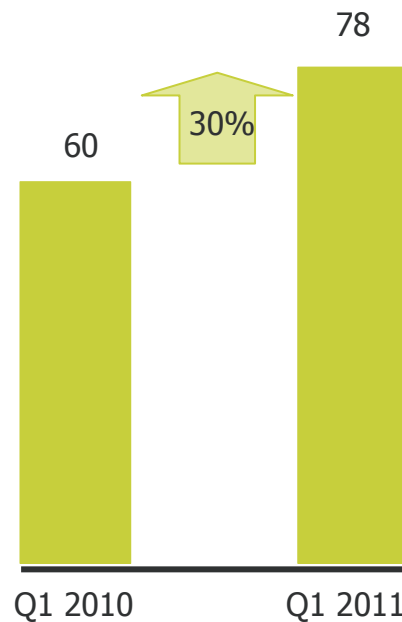
Progressive recovery of volumes and revenues

Strong contribution from the Indian market -24% of Q1 volumes- and growth in O&M service sales contribute to the recovery in volumes and revenues.

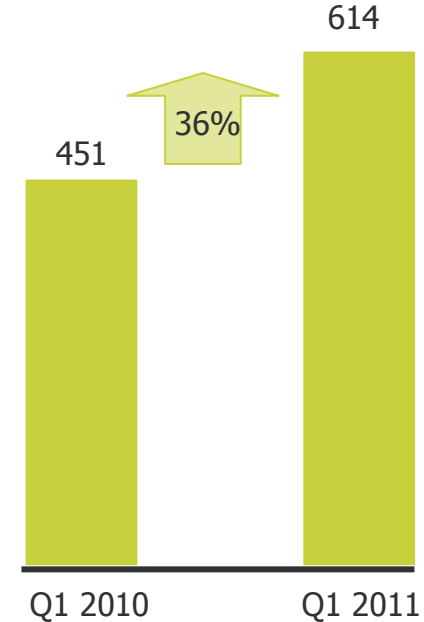
MWe sold



O&M service sales (EUR MM)



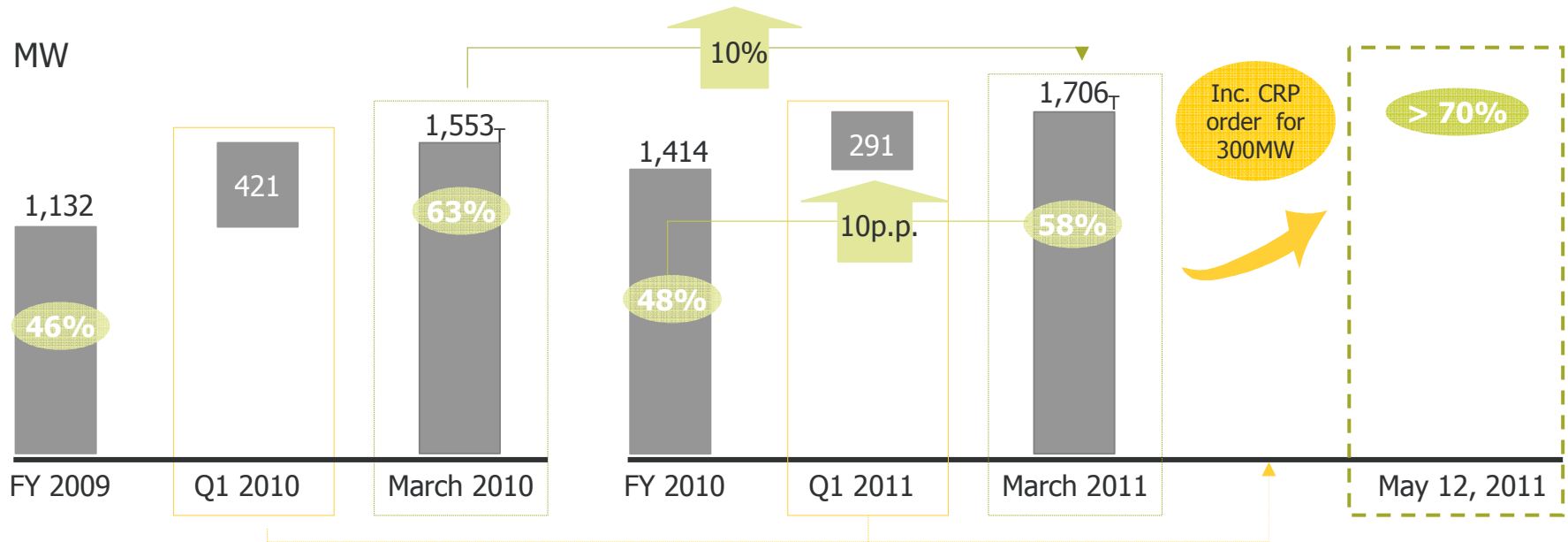
WTG sales (EUR MM)



Period highlights

2011 sales coverage up 10 p.p. to 58% by March 11

Q1 order intake and the evolution of 2011 sales coverage reflect the increasing weight of China.



- MW** Order intake current year sales
- %** Order intake for "year in progress" sales o/ volume guidance
- T-** Total MW received to date for sales in the exercise

Increasing weight of China, with higher order intake in Q2 and Q3, impacts Q1 sales coverage

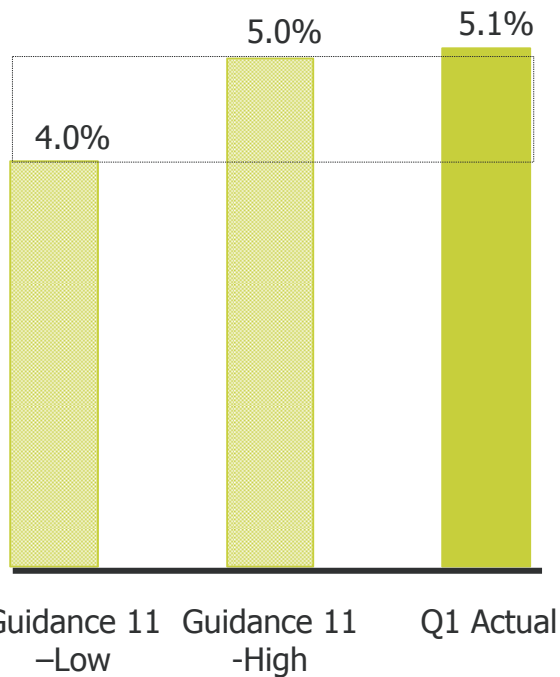


Period highlights

Sound profitability in highly competitive markets

Preserved profitability, at the high end of market guidance for Q1, despite a highly competitive environment.

EBIT Margin



- **Profitability trends reflect the highly competitive market conditions**, partially compensated by the consolidation of cost improvement measures.
- **EBIT margin ⁽¹⁾ of 5.1%, ahead of market guidance for Q1** and in the high end of FY2011 guidance (between 4% and 5%).

(1) Wind Turbine Division

Period highlights

Group NFD fully in line with the group objective

Expansion of group NFD from FY2010 driven by geographic sales expansion and business seasonality.

Group Net Financial Debt (EUR MM)

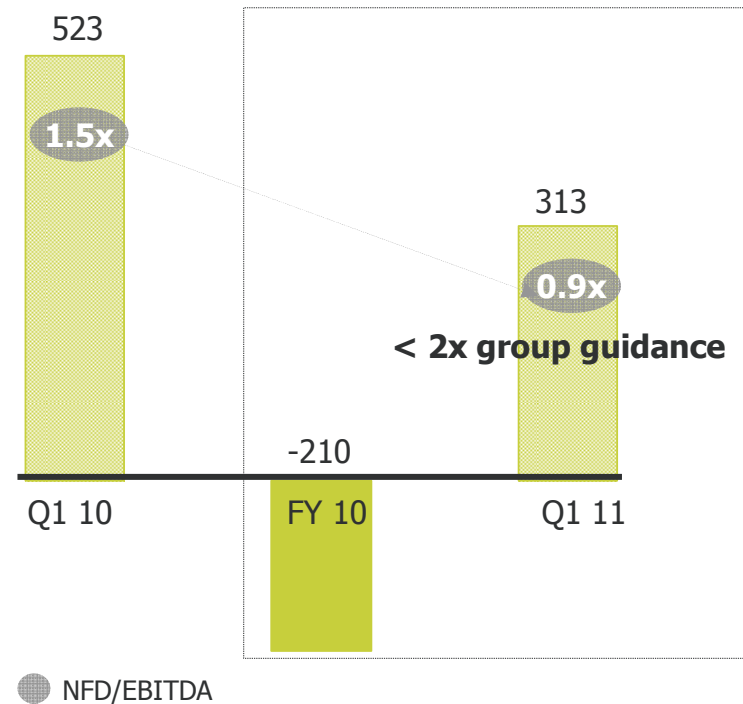


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Wind Turbine Generator Division



Q1 2011 results and KPIs

Wind Turbine Generators - Financial Statements

EUR MM	Q1 2010	Q1 2011	Var. 11/10
Sales	451	614	36%
MWe	468	579	24%
EBITDA	70	80	15%
EBITDA / Sales	15.5%	13.0%	-2.4bps
EBIT	28	31	12%
EBIT/ Sales	6.2%	5.1%	-1.1bps
Net income	16	18	19%
Net income / Sales	3.5%	3.0%	-0.4bps
NFD	267	63	-76%
NFD / EBITDA	0.7x	0.2x	-0.5x

Non-audited figures

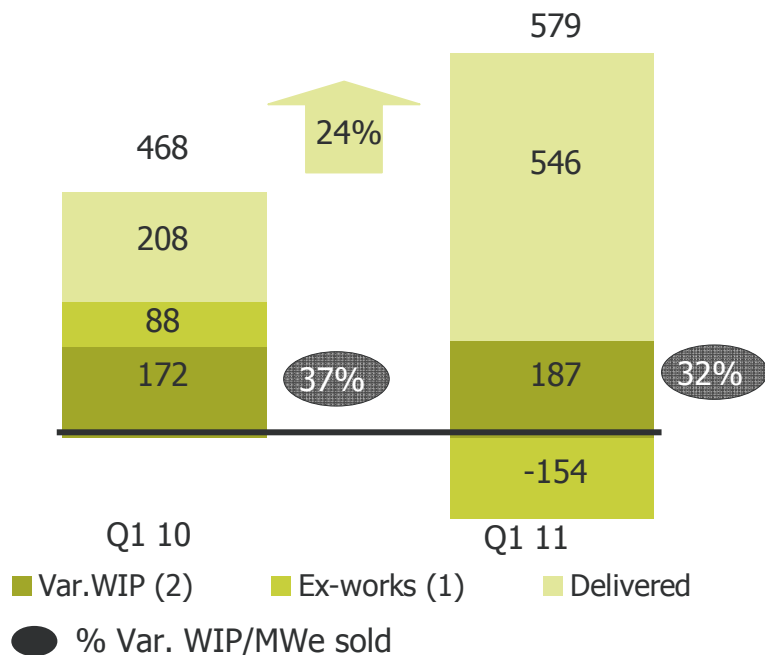


Q1 2011 results and KPIs

Wind Turbine Generators - Activity

MWe sold increased 24% YOY to 579, with more than 100% increase in MWe delivered in Q1.

Evolution of MWe sold



- o **24% increase in MWe sold** in line with 2011 sales volume guidance.
- o **MW delivered more than doubled** year-on-year **in Q1** help by the strong performance of Gamesa India.
- o Increase in **WIP to cater for the seasonality of the Chinese market.**

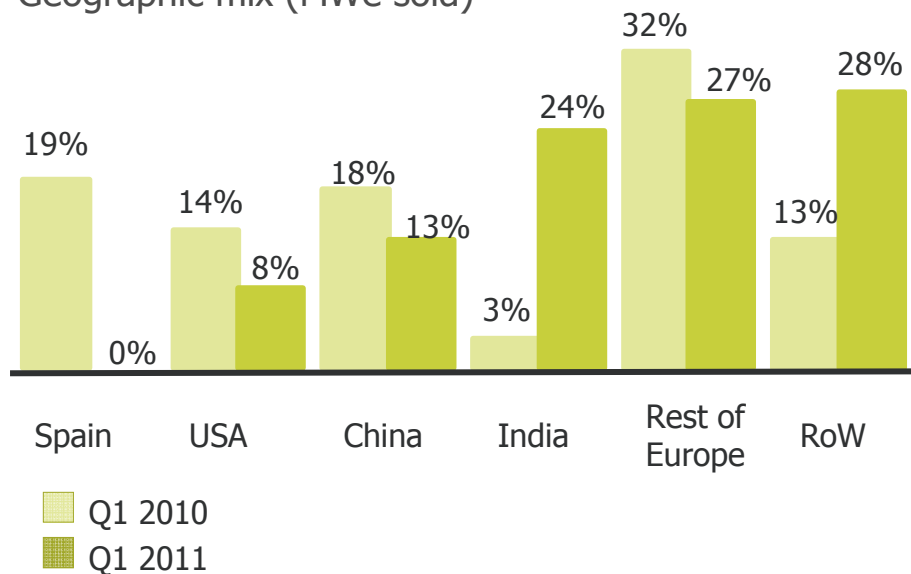
(1) Stock variation of invoiced finished products available for delivery
 (2) Stock variation of non-invoiced finished products

Q1 2011 results and KPIs

Wind Turbine Generators - Activity

100% of international sales highlight the progress of the geographic diversification strategy.

Geographic mix (MWe sold)



o **100% sales outside the Spanish market:**

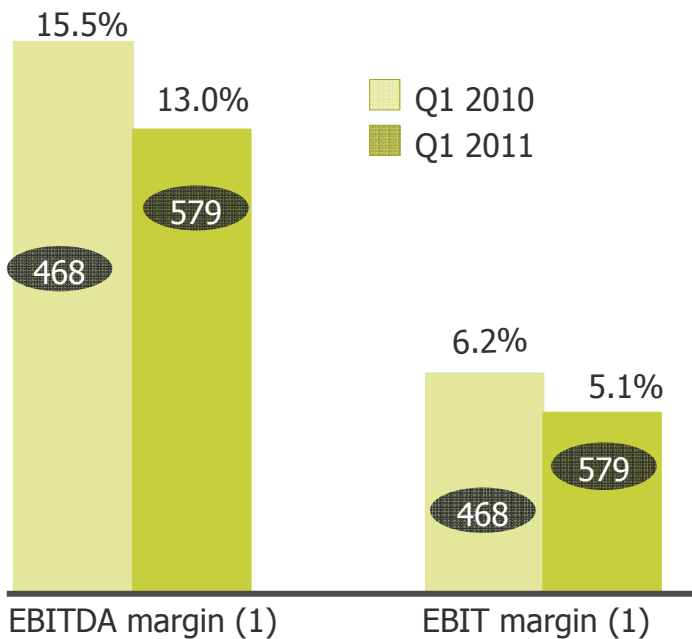
- 8x increase in Indian sales leading to a 24% contribution to group sales.
- Sales into Latin America (included in RoW) more than trebled year-on-year (+3.5x).
- Strong performance of sales into Eastern Europe .



Q1 2011 results and KPIs

WTG - Profitable delivery in a highly competitive market

Wind turbine EBIT margin of 5.1% in line with the FY2011 guidance range.



● MWe sold

(1) Wind Turbine Division

- o Margin performance driven by volume increases and the **consolidation of the 2009-2010 cost optimization programme.**
- o **Warranty provisions stable c. 3.5%** show the robustness of Gamesa's product platform and manufacturing processes.

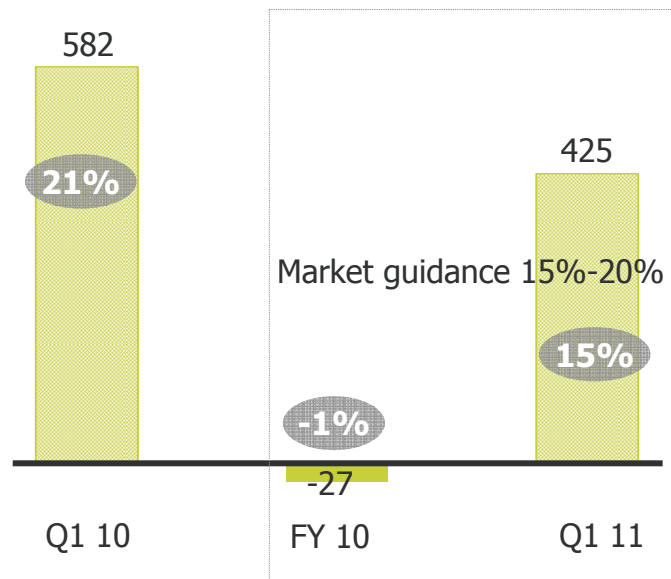


Q1 2011 results and KPIs

WTG - Working capital in line with market guidance

Q1 2011 WTG working capital in line with low end of FY 2011 guidance range.

Working Capital – WTG Division (EUR MM)



- o Traditional Q1 working capital increases explained by sales seasonality.
- o 2011 increase explained by
 - o Increasing weight of the more seasonal Chinese market, and
 - o Increasing sales to international markets without a fully localised supply chain: India and Brazil.
- o Positive gross operating cash flow ⁽¹⁾ of EUR26 MM.

● Working capital as % of sales WTG division

(1) Gross operating cash flow: Operating cash flow before working capital movements



Wind Farm Division



Q1 2011 Results and KPIs

Wind Farms - Financial Statements

112 MWs in sales agreements signed in Q1 lead to EBIT break even in the quarter.

EUR MM	1Q 2010	1Q 2011
Sales	123	17
EBITDA	-6	0
EBIT	-6	0
Net Income	-9	-2
NFD	256	251

Non-audited figures

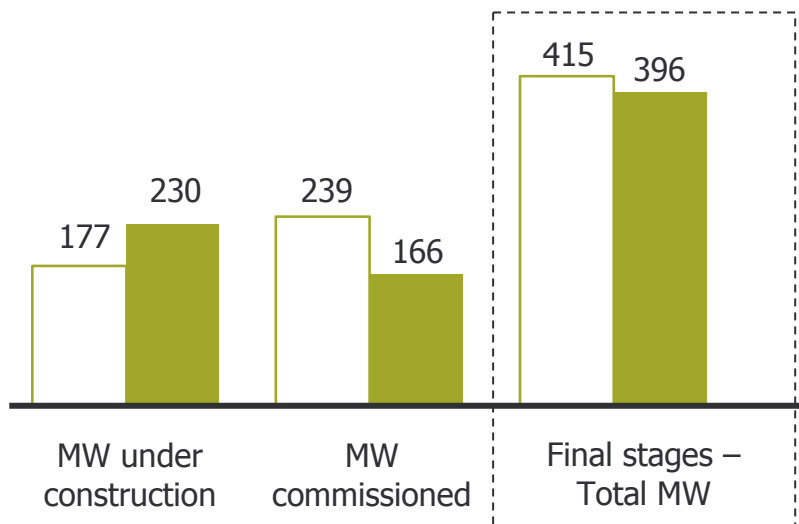
- o **Sales agreements for 112 MW signed in Q1** (G8x- 2MW) with commissioning and delivery in 2011.
- o **EBIT reflects work in progress for H2 deliveries.**

Q1 2011 Results and KPIs

Wind Farms - Activity

Work in progress for H2 delivery, with sales agreements signed for 112 MW.

Activity progress (MW) ⁽¹⁾



□ Q1 2010
■ Q1 2011

(1) Excluding Chinese and Indian wind farms

- o The recovery of the sales activity continues in Q1 2011 with sales agreements for 112MW.
 - 38 MW in Greece.
 - 74 MW in Mexico.

Q1 2011 Results and KPIs

Wind Farms - Evolution of NFD





Consolidated Group



Q1 2011 Results and KPIs

Consolidated Group - Financial Statements

MM EUR	Q1 2010	Q1 2011
Sales	474	585
WTG	451	614
Wind Farms	123	17
Adjustments	-100	-46
EBIT	23	28
WTG	28	31
EBIT Margin	6.2%	5.1%
Wind Farms	-6	0
Adjustments	1	-4
Net Income	8	13
NFD	523	313
NFD / EBITDA	1.5x	0.9x
WTG	267	63
Wind Farms	256	251

Non-audited figures

January-March 2011 Results



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Outlook

Steady progress in the Business Plan 2011-13

- o **Progress in the commercial and industrial diversification strategy:**
 - **Partnership with Longyuan** for its international expansion plans.
 - **336MW in orders from two new Chinese clients** -China Resources Power and Fujian Coal- for 2011 delivery and 2 MoUs with Datang and Longyuan for future combined capacity of 600MW.
 - **Growth leadership in India:** #3 with 10%⁽¹⁾ market share after 18 months in operation.
 - Inauguration of the Jilin (China) assembly facility scheduled for June 2011 and the blade manufacturing facility in Gujarat (India) scheduled to come into operation in Q4 11.
- o **Constant commitment to CoE reduction:**
 - 5 new R&D centers in 2011, of which Virginia, Chennai and Singapore already inaugurated.
 - **New G136-4.5 MW Class III with a 13% larger swept area and 8% more production** than the G128- 4.5 MW for low wind sites.
- o Long-term fossil fuel price trends and recent changes to nuclear investment plans highlight the **need for a balanced energy mix and the relevance of wind power in it.**

(1) Market share of installations in fiscal year end March 2011 (March 2010-March 2011). Source: India Wind Turbine Manufacturers Association.

Outlook

Qualitative leap in Gamesa's trade relations with China

" In Gamesa we have found **the ideal partner** for our growth strategy, **thanks to its comprehensive understanding of the business as a technology company and wind farm developer ...**" (1)



- o **International partnership with Longyuan** to jointly develop wind projects outside China (2).
- o **Two additional agreements** supported by Gamesa's technological leadership and expertise through the wind value chain:
 - **Training and capacity building** in areas such as Site Assessment, Maintenance and Wind Farm Design.
 - **Technical assistance** to improve turbine performance.

(1) Mr. Xie, President of China Longyuan Electric Power Group

(2) Supplied with Gamesa's WTG

Outlook

While strengthening Gamesa's commercial presence



- o **First order from Fujian Coal:**
 - **36MWs** for Q4 2011 delivery in Fujian province (signed in Q1 2011).
- o **3 MoUs** signed with Longyuan, China Resources Power and Datang **for 900 MWs** of future turbine capacity.
- o MoU with **China Resources Power** already **converted into a firm order:**
 - **300MW (G90-2 MW) for 2011 delivery.**
- o **200 MWs in new promotion agreements** with Longyuan signed in Q2 2011.
- o **Inauguration of the new assembly facility (500MW)** in Jilin scheduled for Q2 2011.

Outlook

Investment commitment in India comes hand in hand with commercial success

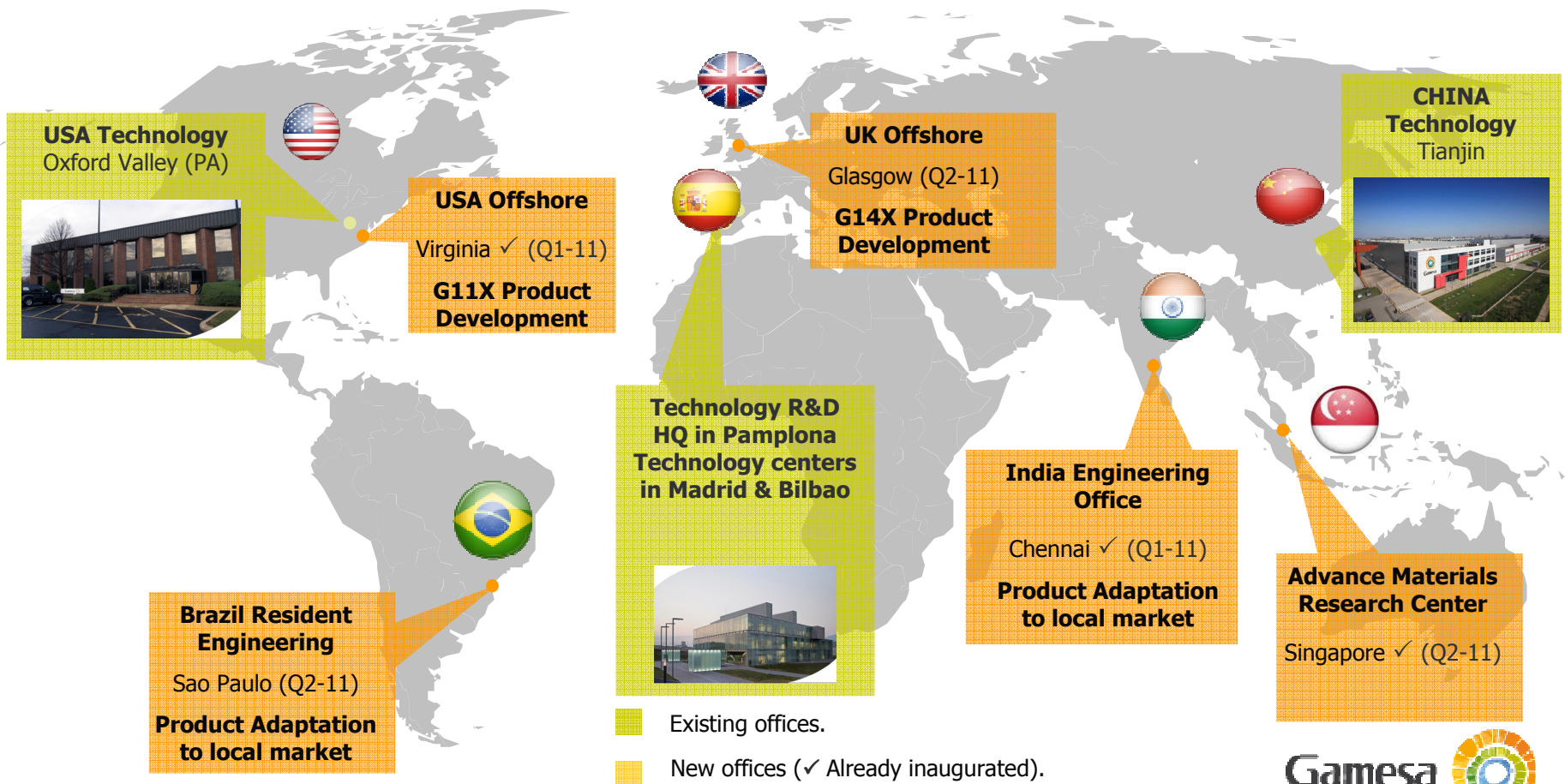


- **#3 in India with 10%⁽¹⁾ market share and 24% contribution to Q1 11 sales.**
- **Strong land bank** as a key driver to secure sales,
 - **Up to 1.730 MW in 7 states.**
 - Acquisition of RSR (c.200MW in Karnataka) and GM Navarra (c.400MW in Karnataka).
- **Blade manufacturing plant scheduled to be operating by Q4 2011.**
 - 300MW of G5x-0.85 MW scalable to G9x-2 MW.
 - EUR11MM financing from the IFC (World Bank).

(1) Market share of installations in fiscal year end March 2011 (March 2010-March 2011). Source: India Wind Turbine Manufacturers Association.

Outlook

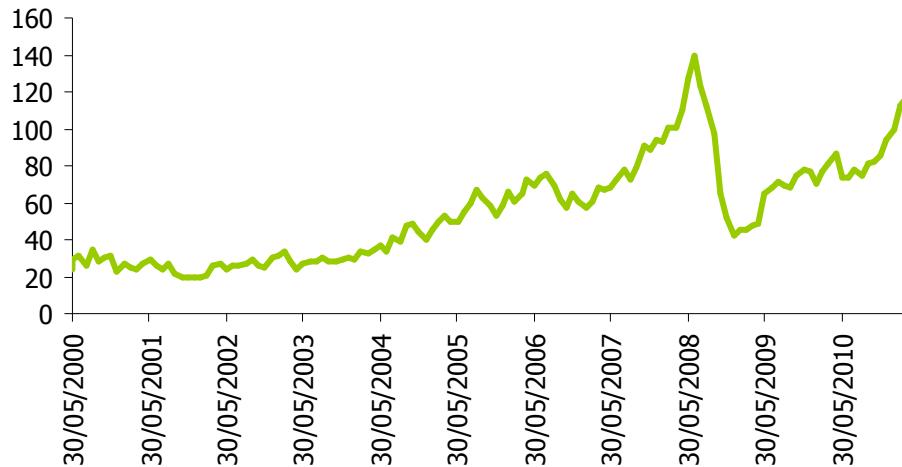
Opening new R&D facilities



Outlook

Need for a balanced energy mix

EUCDBRDT Index ⁽¹⁾ USD/b



(1) Source: Bloomberg EUCBRDT Index (Forward Dated Brent price index (USD/b))

(2) According to IEA

- **Oil price up 21% since the beginning of 2011** and closer to peak 2008 levels
- **Nuclear investment plans temporarily or permanently suspended in several countries**
- **Long term energy demand to continue growing**
 - 47% increase in primary energy demand by 2035⁽²⁾, largely on the back of emerging markets consumption growth
- **Wind power remains among the most competitive renewable energy sources**

Outlook

Guidance 2010-2013: Roadmap



WTG	Q1 2011		Guidance 2011	Guidance 2013
MWe sold	579	✓	2,800–3,100	CAGR2010-13: 15%
EBIT Margin	5.1%	✓	4% - 5%	6% - 7%
WC as % of sales	15%	✓	15-20%	c.20%
Capex	39	✓	250 ⁽¹⁾	250 ⁽¹⁾
Wind Farms				
MW delivered	0	✓	c.400 ⁽²⁾	c.400 ⁽²⁾
China JVs	0	✓	c.300	c.300
EBIT (EUR MM)	0	✓	c.20	c.25
Net debt (EUR MM)	251	✓	c.500	c.500
Group				
NFD / EBITDA	0.9x	✓	<2x	<2.5x

(1) Includes offshore investments: EUR30MM in 2011, EUR60MM in 2013

(2) Excluding Chinese joint promotion agreements

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Conclusions

In line with market guidance, steadily moving forward with our BP 2011-13

- o **Q1 performance fully in line with market guidance:**
 - ✓ 24% increase in MWe sold.
 - ✓ WTG EBIT margin of 5.1% and breakeven in the wind farm business.
 - ✓ Group net debt of EUR313MM with NFD/EBITDA of 0.9x.
- o **2011 sales coverage** ⁽¹⁾ **above 70% as of May 12**, from 58% at the end of Q1 2011.
- o Progress in the commercial expansion strategy with **100% of Q1 sales from international markets and c. 25% of total 2011 orders**⁽²⁾ **to May 12, from new clients.**
- o **Commitment to COE reduction and technological leadership** continues with the launch of the new G136-4.5 MW and the opening of 3 new R&D facilities in USA, India and Singapore.
- o **Proposal** of a share capital increase by means of a scrip issue and a cash payment which combined will give the shareholder the right to perceive an amount equal to **a 25% pay-out ratio** ⁽³⁾.

(1) Sales coverage calculated as "Total firm orders for 2011 delivery /average of 2011 sales volume guidance range of 2,800MW-3,100MW".

(2) All orders for 2011 received up to May 12, including those existing at December 2010.

(3) See appendix for more information.

Conclusions

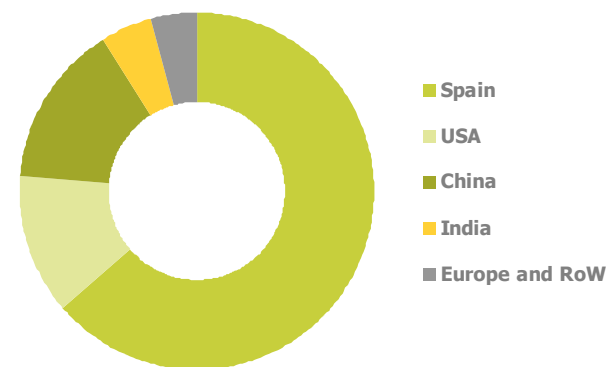
Social corporate responsibility: Much more than numbers

	2009	2010	Var.
People			
International staff	31%	36%	5 p.p
Permanent contracts	5,448	6,316	16%
Health and safety			
Frequency index (1)	4.91	4.19	(14%)
Severity Index (2)	0.158	0.127	(19%)
Environment			
ISO 14.001 Centers	46	47	-
CO2 emission reduction	27,371,550	30,979,050	13%

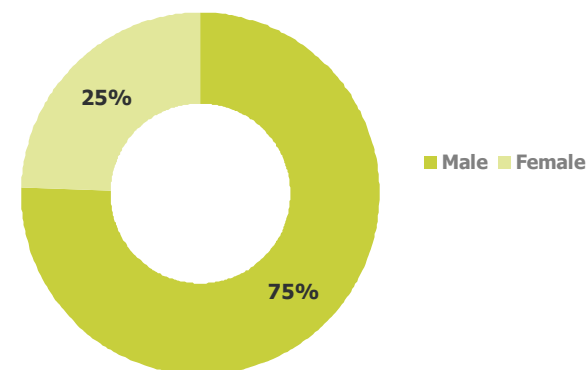
(1) N° of accident leaves per million hours worked

(2) N° of work days lost due to accidents per 1,000 hours worked

2010 Payroll- Geographic Distribution



2010 Payroll- Gender distribution



Conclusions

Aligned with the main international ethical corporate principles

Committed with the human rights and the environment



CARING FOR CLIMATE:
THE BUSINESS LEADERSHIP PLATFORM

Included in the leading sustainability indexes



S&P Global Clean Energy Index



Questions & Answers

Muchas Gracias

Thank you

谢谢！

Appendix

Scrip dividend *

- o In the General Shareholders Meeting, to be held on May 25, 2011 Gamesa proposed to approve the distribution of a gross cash dividend per share of 0.0068 Euros that should be effective not later than July 31, 2011.
- o Complementing this, Gamesa proposed an increase in share capital by means of a scrip issue, with a charge to reserves⁽¹⁾, at a maximum reference market value of €11MM.
 - Number of new shares to be issued (NNS) = €11MM/ListPri. ⁽²⁾
- o This capital increase will be used to distribute free-of-charge the newly issued shares to Gamesa's shareholders as part of the shareholders' remuneration.
- o Each outstanding Gamesa share in circulation will grant its holder one free-of-charge allocation right which may be traded in the market during a period of at least 15 days ⁽³⁾.
 - Number of rights required to receive a new share = (Outstanding shares when the agreement to ▲ capital is reached) / Number of new shares to be issued (NNS).
- o Gamesa commits to purchase the free-of-charge allocation rights at the following price:
 - Free-of-charge allocation rights purchase price = ListPri. ⁽²⁾ / (Number of rights + 1)

(*) This information is a summary of the information presented in the agenda of the General Shareholders Meeting, item 6, published in the company web page <http://www.gamesa.es/en/investors-and-shareholders/corporate-governance/general-meetings/agenda-2011.html>

(1) The share capital increase will be carried out with a charge to the unrestricted reserve called "Reserve Adjustment Regional Rule 4/1997" and to the reserve "Issue Premium"

(2) ListPri.= arithmetic mean of the average weighted listing prices of Gamesa shares in the 5 trading sessions prior to the agreement of the Board of Directors to carry over the share capital increase.

(3) The trading period starts the next trading day to the publication of the announcement of the Capital Increase in the Official Bulletin of the Commercial Registry.



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