

Zamudio, 24 July 2014

January-June 2014 Results

STRONGER GROWTH PROSPECTS IN THE SHORT, MEDIUM AND LONG TERM

Gamesa Corporación Tecnológica¹ ended the first half of 2014 with a firm growth trend coupled with improved profitability and access to funding. Strong commercial activity, with order intake amounting to 801 MW² in the second quarter of 2014, enabled the company to end the first half of the year having attained 100%³ of the sales volume guidance for the full year. Revenues in the first half of 2014 amounted to €1,262 million, 13% more than in H1 2013, and EBIT totalled €83 million, reflecting growth of 26% y/y and an EBIT margin of 6.5%, 0.7 percentage points better than in H1 2013. At constant exchange rates, revenues in H1 2014 expanded by 21%⁴ y/y, and the EBIT margin was 7.7%⁴, near the EBIT margin range envisioned for 2015 and 1.9 percentage points higher than in H1 2013. Together with the ongoing improvement in profitability and growth in sales, Gamesa was able to reduce debt by €71 million y/y, meeting the sound balance sheet objective set out in the plan.

Main consolidated figures for H1 2014:

- **Sales:** €1,262 million (+13.1% y/y)
- **EBIT:** €83 million (+26.1% y/y)
- **Net profit:** €42 million (87.9%)
- **Net interest-bearing debt:** €549 million (1.8x EBITDA)
- **MWe sold:** 1,187 (+24.9% y/y)
- **Firm order intake:** 1,297 MW (+54.4% vs. H1 2013)

Gamesa Corporación Tecnológica ended the first half of 2014 with revenues of €1,262 million, i.e. 13% more than in H1 2013, due to growth in the company's two areas of activity: wind turbine manufacturing and O&M services. The Wind Turbine division obtained €1,051 million in revenues in the first half, i.e. 12% more than in H1 2013, supported by growth in volume, which was partially offset by the depreciation of the Indian rupee and the Brazilian real. Wind turbine generator volume amounted to 1,187 MWe, 25% more than in H1 2013 (950 MWe), due to the strong contribution by the Indian and Brazilian markets to sales, the recovery in the US, and the contribution of emerging markets, such as the Philippines. Growth in the aforementioned markets was offset by a temporary reduction in Europe's contribution to sales, which will recover gradually in the second half, in line with firm orders received through the end of June 2014.

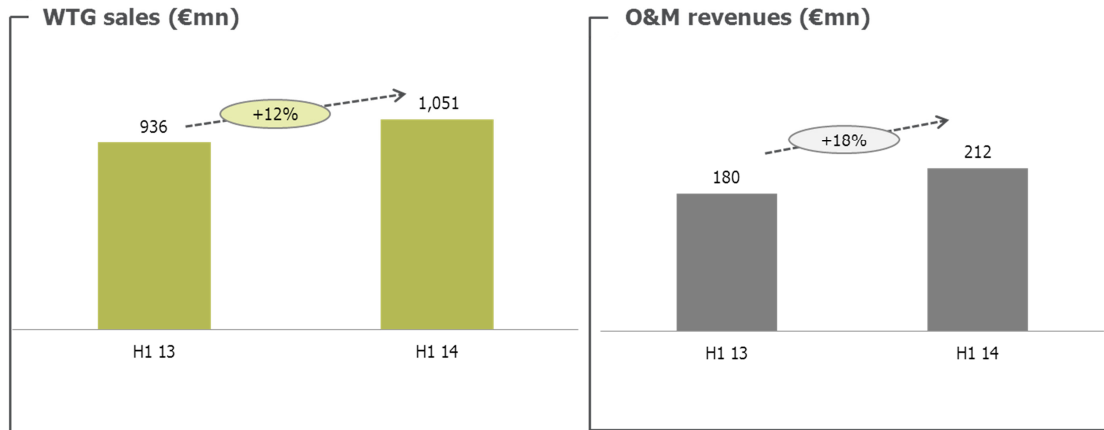
Revenues from O&M services totalled €212 million, i.e. 18% higher than in H1 2013, supported by 14% growth in the post-warranty fleet under maintenance compared with H1 2013.

¹ Gamesa Corporación Tecnológica includes wind turbine manufacturing and O&M services. The wind farm development, construction and sale business, which was part of the Wind Farm division (Gamesa Energía) prior to 2013, is now classified as part of the wind turbine generator manufacturing business.

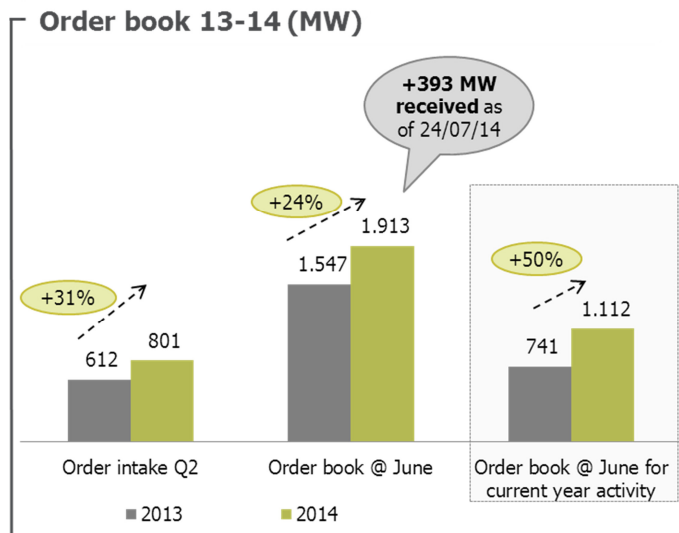
² Firm orders and confirmation of framework agreements for delivery in the current and subsequent years. Includes orders signed through June 2014 and announced in July (contract in Mexico for 100 MW, contracts in India for 177 MW and contracts in Brazil for 214 MW).

³ Coverage of sales volume calculated as firm orders received for 2014 with respect to the mid-point of volume guidance for 2014 (2,200 MWe-2,400 MWe).

⁴ At the H1 2013 average exchange rate.



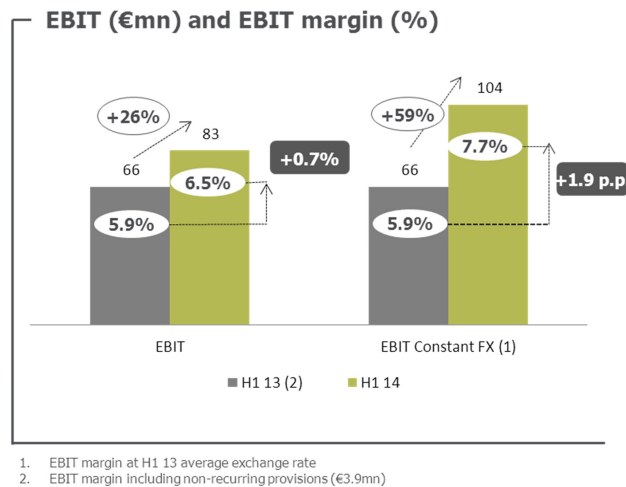
This increase in volume and revenues is in line with growth in global demand following the decline in 2013. The recovery in demand, driven in large part by the US market, was also supported by double-digit growth in emerging wind markets such as India, Brazil and Mexico, where Gamesa has a strong position. The sound sales positioning, supported not only by a diversified geographic presence but also by an extensive customer base and a portfolio of products and services aimed at maximising the return on wind assets, enabled the company to sign **801 MW⁵ in the second quarter of 2014, i.e. 31% more than in Q2 2013, which boosted total order intake in H1 2014 to 1,297 MW**. As a result, Gamesa had an order book of 1,913 MW at the end of June 2014, 24% higher than at the end of June 2013, of which 1,112 MW are for production in 2014, i.e. 50% more than the comparable figure one year ago. This enabled the group **to attain 100% of the average volume guidance for 2014⁶, more than 10 percentage points higher than the 2013 volume guidance coverage attained at the end of June 2013**. Additionally, Gamesa signed orders amounting to 393 MW in July.



⁵ Firm orders and confirmation of framework agreements for delivery in the current and subsequent years. Includes orders signed in Q2 2014 and announced in July (contract in Mexico for 100 MW, contracts in India for 177 MW and contracts in Brazil for 214 MW).

⁶ Coverage based on total order intake through 30 June 2014 for production in 2014 with respect to mid-point of volume guidance for 2014 (2,200 MWe-2,400 MWe).

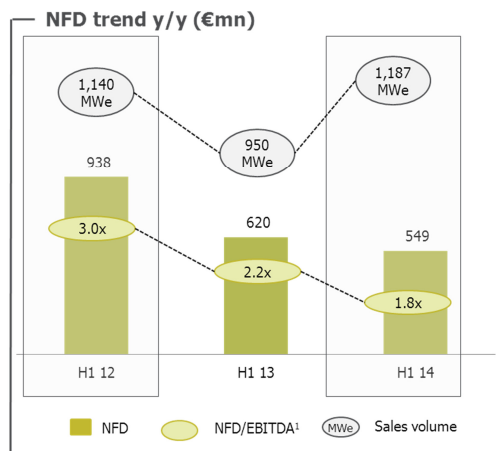
In this context of growing demand, Gamesa's greater production volume, underpinned by a leaner fixed cost structure than at the beginning of the Business Plan 2013-2015, led to a notable increase in profitability in the first half of 2014. Growing volume together with ongoing optimisation of variable costs enabled the company to almost entirely offset the decline in the margin caused by the different product mix. **As a result, at constant exchange rates, Gamesa obtained an EBIT margin in the first semester of 2014 of 7.7%⁷, i.e. 1.9 percentage points higher than in H1 2013 (5.9%) and close to the margin range envisioned for 2015.** As predicted at the start of the year, the impact of depreciation of the Indian rupee and the Brazilian real further reduced profitability, with the result that EBIT amounted to €83 million in the first half, i.e. an EBIT margin of 6.5%, i.e. 0.7 percentage points higher than in H1 2013.



As a result of firm growth in volume and O&M revenues, coupled with rising business profitability, Gamesa improved EPS by 88% with respect to H1 2013, to €0.17.

Gamesa also reinforced its financial position in the first half, by gradually reducing debt and signing a new syndicated loan for €350 million. The company ended H1 2014 with €549 million in net interest-bearing debt, i.e. €71 million (11%) less than at the end of H1 2013. This reduction in debt was achieved despite the increase in working capital associated with a rising production volume, due to the application of balance sheet actions set out in the business plan: aligning manufacturing to deliveries and payments, controlling working capital (including the new wind farm development model), focusing capital expenditure, and divesting non-critical assets. **As a result, production returned to levels last seen in H1 2012, but with 41% less debt.**

⁷At the H1 2013 average exchange rate.



1. EBITDALTM, excluding non-recurring items

The amortisation of the A and B tranches of the syndicated loan for €583 million and the signature of a new €350 million syndicated loan in June allows Gamesa to adapt its credit lines, which total €1,800 million, to the Business Plan and improved cash flow environment, optimising the cost of debt and extending its average maturity.

Credit lines

M€	Principal	Maturity
2011 syndicated loan	533	2014-15 (€33 mn); 2016 (€500 mn)
2014 syndicated loan	350	2018
EIB	200	2018 (€150 mn); 2019 (€10 mn); 2020 (€40 mn)
EIB	260	2019
Other long-term loans	98	>12 months
Bilateral	354	Tacit annual roll-over
Credit lines	1,795	

In addition to the firmer growth trend, rising profitability and reduction in debt, Gamesa continued to work in H1 2014 towards completing the strategic alliance with Areva in order to develop an offshore company (owned 50% each), leading to the signature of binding agreements in July 2014.

Main factors

Consolidated results – H1 2014

H1 2014 results are in line with the full-year guidance:

- **Production:** 1,187 MWe sold, in line with the target of 2,000 MWe-2,400 MWe
- **Results:** consolidated EBIT margin of 6.5%, higher than the EBIT margin target of > 6%
- **Sound finances:** the consolidated group's net debt/EBITDA ratio of 1.8 in line to meet the guidance ratio (< 1.5x) for year-end

<i>(€ million)</i>	H1 2013	H1 2014	% Chg.
Revenues	1,116	1,262	+13%
Contribution margin	246	252	+2%
Recurring CM/Revenues (%)	22.1%	20.0%	-2.1 p.p.
EBITDA	144	158	+10%
EBITDA/Revenues (%)	12.9%	12.5%	-0.4 p.p.
EBIT	66	83	+26%
EBIT/Revenues (%)	5.9%	6.5%	+0.7 p.p.
Income attributable to the controlling company	22	42	+88%
NFD	620	549	-71

Figures presented include non-recurring items in H1 2013 amounting to -€3.9 million in EBIT and net profit

Activity

Gamesa sold 1,187 MW in H1 2014, 25% more in year-on-year terms. This growth was mainly driven by the US (235 MW, i.e. 20% of total MWe) and India (360 MW, almost double the H1 2013 figure, accounting for 30% of the total). As a result, activity in H1 2013 was in line with guidance for the full year (2,200 MWe-2,400 MWe).

The Wind Turbine Division's activity during H1 2014 can be broken down as follows:

(MW)	H1 2013	H1 2014	% chg.	Status
MW delivered to customers	833	1,183	+42%	Handover of ownership to customer, in wind farm, or factory; Invoiced.
+ Variation in MWe available Ex Works	143	-98	NA	Variation in stock of WTG available for delivery to customer; Invoiced Ex Works.
+ Variation in MWe Work in Progress	-25	101	NA	Variation in the stock of WTG not available for delivery to customer; Not invoiced.
MWe sold	950	1,187	+25%	

MWe in H1 2014 were concentrated in:

- **Latin America continues to be the region with the greatest contribution to sales (36%)**
- **India accounted for 30% of total sales in 1H 2014**, i.e. 15 percentage points more than in H1 2013.
- **The US experienced very significant growth with respect to 2013**, rising from 4% of sales in H1 2013 to 20% in H1 2014

Geographical breakdown of wind turbine sales (MWe) (%)	H1 2013	H1 2014
USA	4%	20%
China	1%	1%
India	16%	30%
Latin America	48%	36%
Europe and RoW	32%	13%
TOTAL	100%	100%

Additionally, the Gamesa 2.0 MW segment accounted for 96% of total MWe sold in H1 2014.

Profitability

Revenues amounted to €1,262 million in the period, up 13% with respect to H1 2013 (€1,116 million).

- Services revenues increased by 18%, to €212 million.
- Excluding services, sales expanded by 12% vs. H1 2013, i.e. by less than the increase in MWe (+25%) due to the decline in average revenue per MWe, which was negatively impacted mainly by currency fluctuations.

Gamesa ended H1 2014 with consolidated EBIT of €83 million and an EBIT margin of 6.5% (compared with €66 million and 5.9%, respectively, in H1 2013).

EBIT performance in H1 2014 with respect to H1 2013 was attributable to the positive impact from:

- Higher sales volumes,
- Optimisation of variable expenses under the continuous improvement programme 9/15
- Improved fixed costs due to rightsizing under the Business Plan 2013-2015

Partially compensated by

- Project mix
- Currency depreciation, already foreseen at the beginning of the year.

The O&M unit had an EBIT margin of 12.3% vs. 12.9% in H1 2013, aligned with the Business Plan target of double digit profitability.

Net income in H1 2014 (€42 million) was impacted by a net financial expense (-€23 million), taxes (-€15 million), and losses on discontinued operations (-€2 million).

Balance sheet

Gamesa had working capital amounting to €418 million at the end of H1 2014, i.e. 17% of revenues⁸. This is a reduction compared with H1 2013 (22% of sales) despite greater activity in the period, and an increase compared with 2013 year-end (8% of sales) due to the seasonality of the business.

Moreover, Gamesa continued to focus on strict control of capital expenditure, ensuring the return on investment and a sound balance sheet. **Capital expenditure amounted to €56 million⁹.** In 2014, Gamesa focused capital expenditure in 2014 on:

- R&D associated with new products and platforms (G114–2.0 MW, Gamesa 5.0 MW),
- Adaptation of production capacity to the G114-2.0 MW and the Gamesa 5.0 MW

Gamesa ended the year with €549 million in net interest-bearing debt, i.e. less than one year earlier (€620 million).

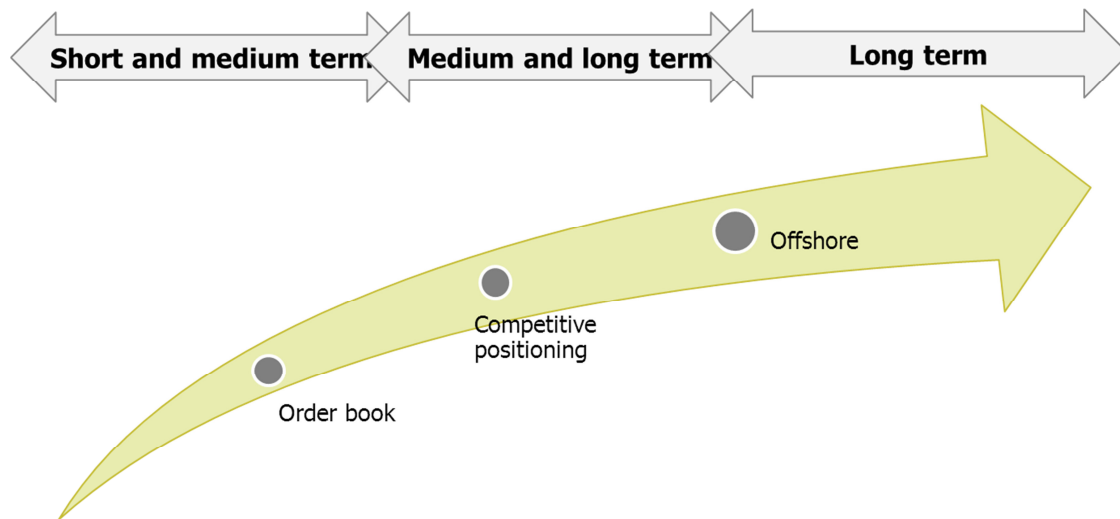
⁸ Ratio with respect to LTM revenues.

⁹ Does not include €2 million in capex in experimental wind assets.

Outlook

Profitable growth in the short, medium and long term supported by 3 pillars

Following H1 2014 results that are in line with the 2014 objectives and the 2015 vision in terms of growth, profitability and a sound balance sheet, Gamesa strengthened its profitable growth outlook in the short, medium and long term based on three pillars: the order book, a sound sales strategy, and entry into the offshore segment, all underpinned by continuous improvement in product costs and the organisation structure, and greater regulatory visibility.



The order book reflects fulfilment of the 2014 growth objective and strengthens the outlook for volume in 2015

Since the Business Plan was rolled out in 2012, the order book reflects progressively stronger sales activity. That performance led to an increase in order intake, to 1,297 MW¹⁰ in H1 2014, i.e. 54% higher than in H1 2013.

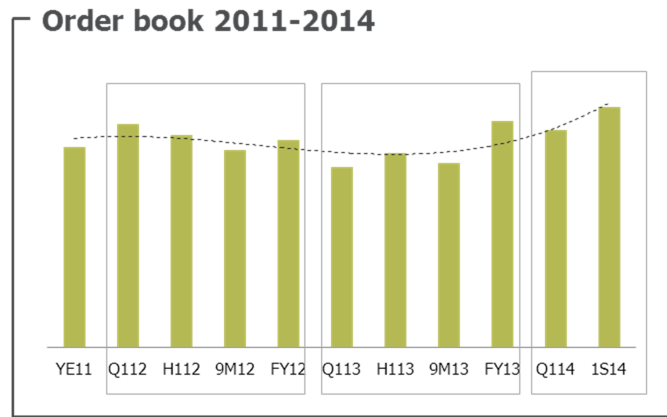
As a result, Gamesa's order book reached 1,913 MW at 30 June 2014, i.e. 24% higher year-on-year, of which 1,112 MW are for production in the current year, 50% more than the comparable figure a year ago.

This strong growth has enabled Gamesa to attain 100%¹¹ of sales volume guidance for 2014 earlier than in previous years, and to position itself to meet the high end of guidance for 2014¹².

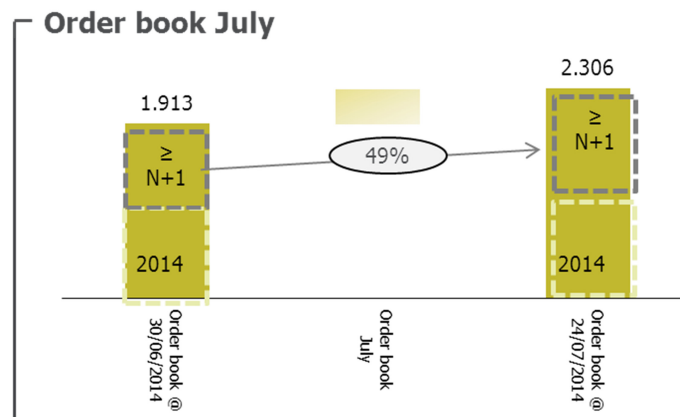
¹⁰ Firm orders and confirmation of framework agreements for delivery in the current and subsequent years. Includes orders signed through June 2014 and announced in July (contract in Mexico for 100 MW, contracts in India for 177 MW and in Brazil for 214 MW).

¹¹ Coverage calculated as orders for production in 2014 with respect to the mid-point of volume guidance for 2014 (2,200 MWe-2,400 MWe).

¹² Wind Turbine sales guidance for 2014: 2,200 MWe-2,400 MWe.



Stronger sales were confirmed in the first few weeks of the third quarter of 2014, when the company received additional orders totalling 393 MW, i.e. 50% of the total volume signed in 2Q 2014. Those orders, which are scheduled for delivery in 2015 and 2016, increase the order book for future years by 49% with respect to volume at 30 June 2014, notably improving visibility on volume projections for 2015.



Notable among the orders signed in July 2014 is the contract to supply EDPR with 95 G114-2.0 MW wind turbine generators for the Waverly wind farm (Kansas), under with the framework agreement signed with the company in Q4 2013 for the US market. This is the largest contract signed for the latest model in Gamesa's 2.0-2.5 MW platform, which includes the company's MaxPower technology, allowing for an increase in rated turbine capacity to 2.1 MW, thereby increasing energy output.

Competitive positioning (in terms of countries, customers, product and development business) supports growth in the medium and long term.

The order book expanded in 2014 due in part to the increase in global demand, strongly supported by the recovery in the US and by widespread growth in emerging markets.

In this context, Gamesa's competitive positioning, with strong geographic diversification and clear levers for growth, is essential for guaranteeing that growth in the short term continues into the medium and long term.

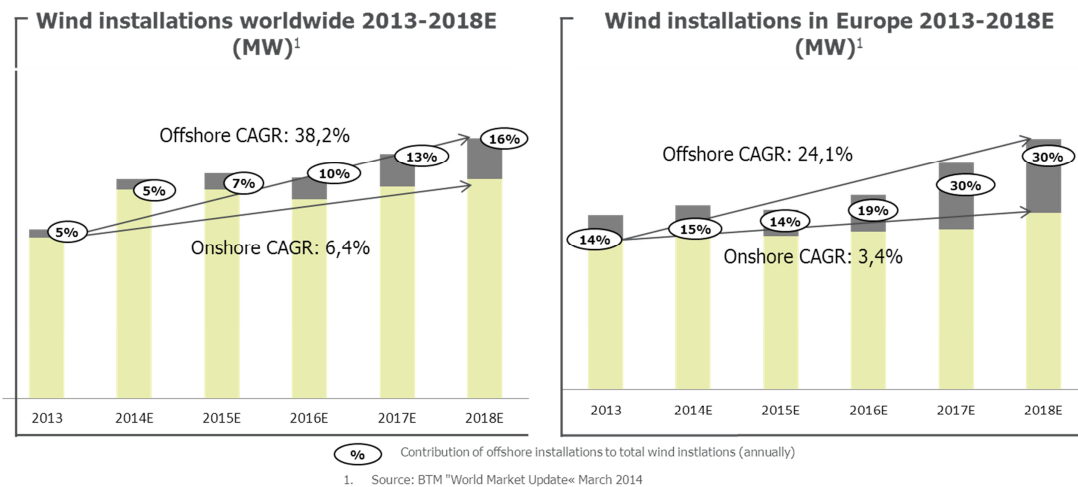
Although there are three main elements underlying Gamesa's sound competitive position: a portfolio of products (Gamesa 2.0-2.5 MW and Gamesa 5.0 MW) and O&M services which have enabled the company to attain fleet availability of over 98%; and expertise in markets and clients' needs, the use of strategies tailored to each geography has played a fundamental role in the development of competitive advantages in markets that will drive growth in the future.

It's worth highlighting that Gamesa's capex in India and Brazil—€90 million since 2010—has enabled the company to build a supply chain and local manufacturing capacity in both markets to meet local content requirements in Brazil and to be competitive in India. Wind farm development has also been a distinguishing characteristic in India, where the company has a pipeline of assets under development amounting to 3,666 MW, and in Mexico, where Gamesa has connection rights to develop 300 MW.

In China, Gamesa is focused on value-added niche projects, which has enabled it to sign 200 MW in orders in 2014, compared with 45 MW in total in 2012-2013.

The offshore segment offers an opportunity for complementary growth in the long term

The development of the offshore segment has been impacted in the last two years by economic uncertainty, resulting in a reduction in the initial installation objectives, regulatory volatility in the main markets (UK and Germany), and grid connection problems in Germany, which delayed capex and projects. After adjusting initial objectives, and once the regulatory uncertainty in both markets has dissipated, development of the offshore segment continues, and installations are expected to triple as a percentage of total global installations in the next 5 years, from 5% in 2013 to 16% in 2018e.



During these first 5 years, Europe will lead the growth in the offshore segment, where marine facilities are expected to account for one-third of total installations, doubling their current share, to reach 5,000 MW in 2018. After 2018, Asia—and especially China—is expected to register notable growth in the pace of installations, to reach an annual volume in line with that of Europe.

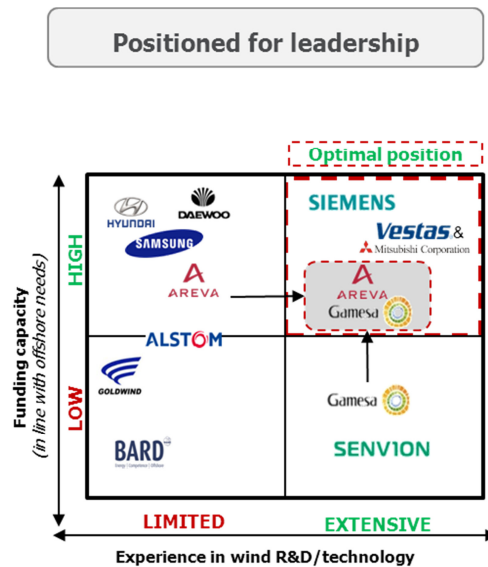
During the first half of the year, Gamesa and Areva worked together to create a 50:50 joint venture to operate in the offshore segment. The binding agreements to create the project were signed in July. Approval from various competent authorities is still pending, and is expected to be obtained in the second half of 2014.

This new company, already positioned among the leaders in the segment on the back of synergetic contributions from both companies, will allow both partners to accelerate penetration in the segment while limiting risks.

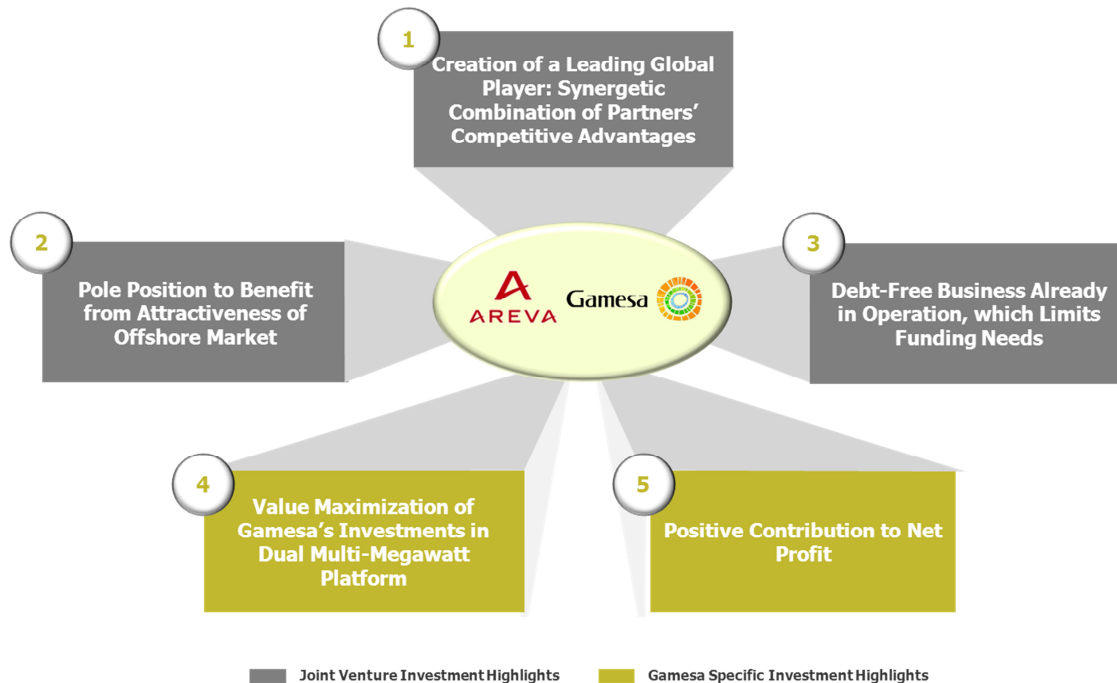
While the two partners have the necessary wind expertise and technological capacities, including an 8 MW platform under development, each company contributes complementary assets:

- Areva has blade and nacelle manufacturing capacity, a 5 MW platform with a bankable product (M5000), with 30 MW operational and 600 MW being installed, and the second-largest project pipeline (2.8 GW) in the segment.
- Gamesa offers a certified, marketable 5 MW platform, experience in optimising costs and O&M services, and a global component supply chain.

Pending estimates of working capital for Areva's offshore business, the total value of assets contributed to the venture are estimated at €475 million, of which €195 million are from Gamesa and €280 million are from Areva, with no additional monetary contributions.



This business alliance is a good strategic fit with Gamesa's future plans. Not only is the company positioned to be a leader in offshore wind due to the complementary contributions by the partners, but it also has limited funding needs since it has an operational business, a 5 MW platform with limited capex needs, and the capacity to access funding from third parties and partners. The JV will also enable Gamesa to leverage investments in the dual 5.0 MW platform, generate additional business opportunities via the preferential procurement agreement, and it is expected to produce a positive impact on net income in a short period of time.



Increase in visibility in the regulatory environment

In addition to rising global demand in H1 2013, regulatory visibility also increased, after two years of uncertainty and volatility, especially in Europe; this is expected to have a positive impact on wind farm development.

Noteworthy regulatory events in Europe in the first half of 2014 include:

The approval of the **Energy Reform Bill in Germany** in July 2014 that is now pending the President of The Republic signature and its publication in the official gazette, the main elements of which are as follows:

- Increase of renewable **contribution targets from 40% to 45% by 2025 and from 55% to 60% in 2035**
- Adjustment of the offshore capacity target to 6.5 GW in 2020 and 15 GW in 2030
- Declining FiT for onshore and offshore wind projects:
 - For onshore projects, the FiT will decline over a project's lifetime, from €89 MWh to €49.5 MWh¹³. As from 2017, remuneration for new onshore facilities will be established via competitive auction, in line with the guidelines approved by the European Union on state aid mechanisms
 - The FiT system for offshore projects is set at €194/MWh (under the 8-year model) and €154/MWh (under the 12-year model), for facilities commissioned until 2019, with reductions of €5-10/MWh per year for facilities commissioned in 2018 and 2019.

Presentation of the **New Energy Model Bill in France**, the most notable features of which are:

- **A renewable target of 40% in 2030**
- 50% reduction in nuclear contribution to total energy mix by 2025
- 30% reduction in fossil fuel consumption and 40% in CO2 emissions (vs. 1990) by 2030
- 50% reduction in energy consumption by 2050.

¹³ Review after 5 years, depending on the location/hours of wind and annual volume of facilities

Outside Europe, it's also worth noting the **constitutional reform of the energy market in Mexico**, which **opens the door to a system for supporting renewables**, with various mechanisms being discussed:

- Imposing clean energy obligations on energy market players (Green Certificates)
- Competitive tenders to enable renewable energy to reach the target share of national energy consumption.

It also envisages **the creation of a national carbon market**:

- CO2 emissions limits on government entities and certain industries and the possibility of offsetting emissions with carbon credits from renewable energy projects (an additional revenue source for wind farms).

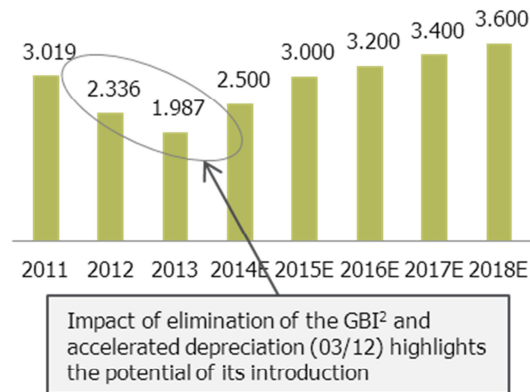
The Draft Renewable Energy Programme **targets 9 GW of installed wind capacity by 2018** (from 2 GW in 2013).

Within the regulatory changes and government support for renewable energies, the **inclusion of the following support mechanisms in India's budget** is especially noteworthy:

- **Re-introduction of accelerated depreciation** in calculating wind projects' taxable income
 - Tax exemption of 80%
- **Extension of income tax holidays** for wind power generation until March 2017
 - 100% tax benefit during 10 years
- **Investment allowance under corporate income tax**
 - **Tax credit (15%) for capital expenditure** (>INR 150mn) for manufacturers extended until March 2017
- **Excise and customs duty concessions on component imports.**

It's important to note the potential impact of these measures on demand in India in the coming years, which some sources estimate to be 1,000 additional MW per year, considering the sharp decline that occurred after the elimination of accelerated depreciation and the generation-based incentive in March 2012.

India: Annual installations (MW)¹



1. BTM "World Market Outlook" March 2013
2. GBI (Generation Based Incentive) re-introduced in April 2013

In the US, there is greater support for measures to combat climate change. The Environmental Protection Agency (EPA) published the Clean Energy Program, which calls for reducing CO2 emissions from fossil fuels by 30% by 2030 with respect to 2005 levels and achieving a contribution from renewables to total output of 13% by 2030.

In line with 2014 guidance

In this context of growing demand and lower regulatory uncertainty, and having consideration for the seasonal nature of the business and the increase in production expected for the year, **Gamesa ended H1 2014 with results that were in line with annual guidance and with value creation projections for 2015.**

	2014 Guidance	H1 2014	H1 2013	FY 2013
Volume (MWe)	2,200-2,400	1,187	950	1,953
EBIT margin at constant exchange rates ¹	>7%	7.7% ¹		
EBIT margin	>6%	6.5%	5.9%	5.5%
WC/revenues ²	<10%	17%	22%	8.3%
Capex (€mn)	<110	56	51	110
NFD/EBITDA ²	<1.5x	1.8x	2.2x	1.5x
Net free cash flow (€mn)	>0	-129	-124	75
ROCE ³	8.5%-10%	7.5%	5.3%	7.6%

1. EBIT margin at average exchange rates of 1H 2013
2. LTM, excluding impact on EBITDA of non-recurring items
3. ROCE calculated with EBIT net of taxes (marginal tax rate applicable in the period)

Conclusions

In a context of growing production, due to the recovery in global demand and Gamesa's sound competitive position, **the company ended H1 2014 with firmer growth and profitability trends and better future prospects.**

Sales in H1 2014 totalled €1,262 million, i.e. 13% higher than in H1 2013, and the EBIT margin was 6.5%, 0.7 percentage points higher year-on-year. At constant exchange rates, Gamesa's revenues expanded by 21% year-on-year, while the EBIT margin was 7.7%, approaching the range of the 2015 vision¹⁴.

The sound sales position with a diversified geographic presence and customer base, and a portfolio of products and services aimed at maximising returns for our clients **led to sharp growth in order intake, which amounted to 1,297 MW**, 54% higher than in 1H 2013, with 801 MW signed in Q2 2014. This order intake enabled **Gamesa to cover 100% of sales guidance for 2014¹⁵ in June and position itself to attain the high end of the guidance.** Orders for an additional 393 MW signed in the first weeks of July, for production in future years, help improve the visibility on production volume for 2015 and 2016.

Gamesa continues to strengthen its balance sheet, building on the improvements achieved in 2013. In a context of increasing activity and the traditional seasonal fluctuations in the business, Gamesa reduced working capital by 15% with respect to H1 2013, and improved the working capital/revenues ratio by 5 percentage points in 2014. This allows Gamesa to end the semester with a reduction of €71 million in net interest-bearing debt compared with H1 2013, to €549 million, i.e. 1.8 times group EBITDA. In the first half, Gamesa repaid a €583 million tranche of a syndicated loan dating from 2011, and signed another syndicated loan for €350 million, increasing the amount of available credit lines to €1,800 million, optimising the cost of debt and extending maturities.

Gamesa also advanced notably in the creation of the joint venture with Areva for offshore development, having signed binding agreements, thereby accelerating access to a segment with high potential for growth in the long term.

¹⁴EBIT margin in 2015 vision: 8% to 10%.

¹⁵ Coverage calculated as orders for production in 2014 with respect to the mid-point of volume guidance for 2014 (2,200 MWe-2,400 MWe).

Annex

Financial Statements January-June 2014

Gamesa - Consolidated

Profit and Loss Account - €mn	H1 2013	H1 2014
Turnover	1,116	1,262
+/- Variation in inventories of finished products and WIP	41	(9)
Consumption	(763)	(856)
Other operating revenues	9	2
Work performed on own assets	35	30
Personnel expenses	(155)	(145)
Other operating expenses	(139)	(125)
EBITDA	144	158
Depreciation and amortisation	(41)	(46)
Provisions	(37)	(29)
Net impairment losses	0	0
Gains (losses) on disposal of non-current assets	-	0
EBIT	66	83
Financial revenues	5	2
Financial expenses	(28)	(25)
Exchange differences (profit/loss)	(7)	0
Equity-accounted affiliates	(5)	(1)
EBT	31	59
Taxes	(6)	(15)
Income after taxes (continuing operations)	24	44
Income for the period from discontinued operations	(1)	(2)
Outside shareholders	(1)	0
Income attributable to the controlling company	22	42

Balance Sheet - €mn	H1 2013	H1 2014
Goodwill	387	387
Operational fixed assets, net	573	595
Non-current financial assets, net	107	100
Deferred taxes	351	379
Inventories	599	577
Customer receivables	1,361	1,167
Receivable from public authorities	355	250
Other accounts receivable	95	149
Current financial assets	54	24
Cash and cash equivalents	862	735
Assets held for sale and discontinued operations	130	30
Total assets	4,874	4,392
Capital and reserves	1,019	1,063
Non-current provisions and deferred revenues	308	225
Non-current financial debt	830	1,035
Other non-current financial liabilities	51	55
Deferred tax liabilities	66	71
Current bank loans	600	198
Trade and other accounts payable	1,644	1,531
Payable to public authorities	222	108
Other current liabilities	111	105
Liabilities associated with assets held for sale	23	1
Total liabilities	4,874	4,392

Cash flow - €mn	H1 2014
Profit (including discontinued activities)	42
+ Depreciation and amortisation	46
+ Provisions	29
+ Impairments	0
- Payment of operating provisions	(40)
- Long-term variation in taxes, net	(9)
Gross operating cash flow	69
- Payment of non-recurring provisions	(19)
- Variation in working capital	(225)
- Others	99
Operating cash flow	(76)
- Investments	(55)
Cash flow for the period	(131)
+/- Variation in treasury stock	(1)
+/- Others	3
Cash flow	(129)
Initial net interest-bearing debt	420
Final net interest-bearing debt	549

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