



Management Discussion and Analysis of the  
Financial Condition and Results of Operations for  
the nine months period ended September 30, 2023

Gestamp Automoción, S.A.

November 7<sup>th</sup>, 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, 2015<sup>1</sup>. 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.

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<sup>1</sup> 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](http://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

According to the International Monetary Fund (IMF World Economic Outlook as of October 2023) global GDP growth will be at +3.0% YoY for 2023 (unchanged from the July 2023 WEO projections) and at +2.9% YoY for 2024 (-0.1% lower than the projections in July). As highlighted by the IMF, the global economy has shown an impressive resilience following the cost-of-living crisis caused by the Russia-Ukraine war, but global GDP growth remains below the +3.8% historical annual average in 2000-2019. However, the degree of uncertainty remains high as a result of: i) geopolitical risks, mainly the Israel-Palestine and Ukraine-Russia conflicts; ii) the real estate crisis in China; iii) a potential increased volatility in commodity prices; and iv) the persistent high inflation despite the tight monetary policies implemented by most central banks to fight against it.

Within the auto sector, S&P Global Mobility (former IHS) has continued revising upwards its production volumes forecasts for the year, mainly in Asia and Western Europe, confirming the recovery trend in light vehicle production in 2023, supported by strong demand despite risks still lying on the overall macro situation. S&P Global Mobility now forecasts a strong +7.5% YoY growth (S&P Global Mobility geographies as of October 2023) to 88.6 million vehicles, which is driving the industry to reach pre COVID-19 levels already by 2024 (S&P Global Mobility expects a +0.6% YoY growth in production volumes in 2024, reaching 89.1 million vehicles versus 89.0 million vehicles in 2019).

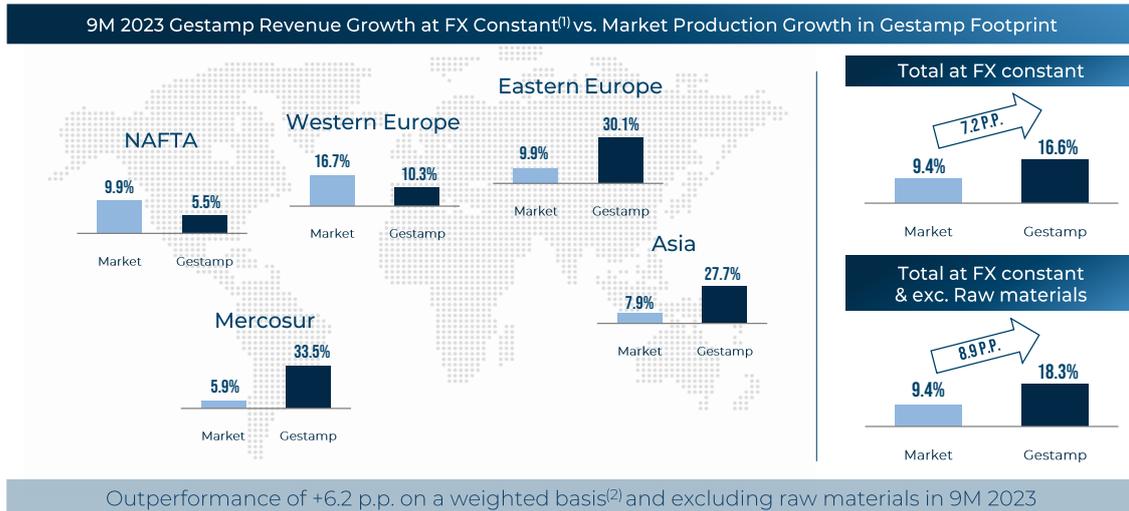
During the first nine months of 2023 the auto sector has performed positively with an increase in production volumes in Gestamp's footprint of +9.4% YoY (according to S&P Global Mobility as of October 2023). Production volumes in Western Europe have seen the highest growth during the period (+16.7% YoY, including Morocco in line with our reporting), followed by Eastern Europe and NAFTA, both with a +9.9% growth YoY, Asia (+7.9% YoY) and Mercosur (+5.9% YoY). As of Q3 2023, production volumes in Gestamp's footprint have grown by +3.5% YoY with Eastern Europe seeing the strongest volumes' growth (+8.0% YoY).

In this context, Gestamp has reached a +17.9% YoY revenues growth in the nine months of 2023 to €9,071.6 million, which includes a €482.8 million contribution from Gescrap. Revenues growth excluding Gescrap in the period has been +11.6%, which implies an outperformance to the market on a constant currency basis of 7.2 percentage points (in Gestamp's footprint – S&P Global Mobility data as of October 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 Gestamp has outperformed the market by 8.9 percentage points in the nine months of 2023, while on a weighted basis, the outperformance stood at 6.2 percentage points for the period.

With regards to profitability, EBITDA in absolute terms increased by +19.3% YoY in the nine months of 2023, reaching €1,010.8 million. In terms of EBITDA margin, Gestamp has achieved a 12.3% (excluding the impact of raw materials at top line), which provides good visibility on achieving the year target of 12.5%-13.0%.

Within the short term, Gestamp continues committed to deliver on the financial targets set in February 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.

However, Gestamp’s main focus is to deliver on its long term targets for 2027 presented on the Capital Markets Day in June, which are based on seven key pillars, which are: i) growth ambition; ii) being a trusted partner to its clients; iii) using its technology and innovation capabilities to be differential; iv) keep improving the operational excellence, in order to v) grow in a profitable way; vi) maintain a disciplined balance sheet profile; and vii) lead the circular economy in the automotive sector.



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 for 9M 2023 as of October 2023 (includes content supplied by S&P Global Mobility Copyright © [HIS, LV, Production, Bodystyle, Global, 2023M10], All rights reserved). Western Europe data includes Morocco in line with our reporting.  
 2. Market and Gestamp weighted growth measured with 9M 2022 geographical weights as a base (at FX constant and excluding raw materials)

### 3. FINANCIAL PERFORMANCE FOR THE PERIOD

	Third Quarter			YTD September 30		
	2022	2023	% Change	2022	2023	% Change
<b>Consolidated Income Statement Data</b>	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Operating income	2,894.8	2,856.0	-1.3%	7,981.5	9,221.9	15.5%
Revenue	2,826.6	2,798.5	-1.0%	7,697.2	9,071.6	17.9%
Other operating income	46.3	39.9	-13.8%	110.5	112.8	2.2%
Changes in inventories	21.9	17.6	-19.5%	173.8	37.4	-78.5%
Operating expenses	-2,601.7	-2,545.0	-2.2%	-7,134.2	-8,211.1	15.1%
Raw materials and other consumables	-1,880.9	-1,793.0	-4.7%	-5,059.3	-5,833.4	15.3%
Personnel expenses	-401.6	-420.1	4.6%	-1,201.7	-1,347.4	12.1%
Other operating expenses	-319.2	-331.9	4.0%	-873.3	-1,030.3	18.0%
EBITDA	293.1	310.9	6.1%	847.3	1,010.8	19.3%
Depreciation, amortization and impairment losses	-157.4	-168.6	7.1%	-471.3	-504.1	7.0%
Operating profit	135.7	142.3	4.9%	376.0	506.7	34.8%
Finance income	4.3	6.3	46.2%	11.3	17.7	56.8%
Finance expenses	-42.6	-57.4	34.7%	-103.1	-173.4	68.3%
Exchange gains (losses)	3.4	3.5	1.9%	9.2	-48.7	-632.0%
Other	0.4	0.4	-6.4%	-0.8	26.5	-3332.4%
Profit from continuing operations	101.3	95.2	-6.0%	292.6	328.8	12.4%
Income tax expense	-22.0	-21.2	-3.6%	-67.3	-76.2	13.2%
Profit for the period	79.3	74.0	-6.7%	225.3	252.7	12.1%
Profit (loss) attributable to non-controlling interests	-13.4	-11.0	-18.1%	-42.3	-27.4	-35.3%
Profit attributable to equity holders of the parent	65.9	63.0	-4.3%	183.0	225.3	23.1%

#### 3.1. Revenues

During the third quarter of 2023, revenues reached €2,798.5 million, of which Body-in-White and Chassis represented €2,312.9 million, Mechanisms €288.0 million, Gescrap €131.7 million and Tooling and others €65.9 million.

Revenues in the third quarter of 2023 decreased by €28.1 million or -1.0% to €2,798.5 million versus €2,826.6 million in the third quarter of 2022.

The level of activity, considered as the net value of revenue plus change in inventories less consumables, amounted to €1,023.1 million in the third quarter of 2023 compared to €967.6 million in the third quarter of 2022, an increase of €55.5 million or 5.8%.

#### 3.2. Operating expenses

Raw materials and other consumables. Expenses related to raw materials and other consumables decreased by €87.9 million, or -4.7%, to €1,793.0 million in the third quarter of 2023, compared to €1,880.9 million for the same period of 2022. This decrease is in line with the decrease in revenues taking into account the specific weight of raw materials in total revenues.

Personnel expenses. Personnel expenses increased by €18.6 million, or 4.6% for the third quarter of 2023 to €420.1 million from €401.6 million for the same period in 2022. The increase in the average workforce in the third quarter of 2023 compared to the third quarter of 2022 is lower than the variation of our in activity due to an improvement in the efficiency of our production processes.

Other operating expenses. Other operating expenses increased by €12.7 million, or 4.0%, to €331.9 million in the third quarter of 2023 from €319.2 million for the same period of 2022. The increase was in line with our activity level.

### **3.3. EBITDA**

EBITDA for the third quarter of 2023 reached €310.9 million, representing an increase of €17.8 million from €293.1 million for the same period in 2022. The increase was mainly due to the containment of raw materials and other consumables.

Depreciation, amortization and impairment losses. Depreciation expense increased by €11.2 million, or 7.1%, to €168.6 million in the third quarter of 2023 versus €157.4 million in the same period in 2022 due to the provision corresponding to the assets that came into operation during the last quarter of fiscal year 2022.

### **3.4. Operating result**

The operating result reached €142.3 million in the third quarter of 2023 versus €135.7 million for the same period in 2022, representing an increase of €6.7 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 third quarter of 2023 increased by €12.8 million, to €51.1 million versus €38.3 million for the same period in 2022. The increase is mainly due to the increase in the Euribor and SOFR reference interest rates.

### **3.6. Exchange differences**

Exchange gains amounted to €3.5 million in the third quarter of 2023 versus gains of €3.4 million for the same period in 2022. Exchange gains in Q3 2023 were mainly recorded in Mexico and China.

### **3.7. Income tax expense**

The tax expense was €21.2 million in the third quarter of 2023, which implies a decrease of €0.8 million compared to €22.0 million expenses for the same period in 2022. Effective tax rate for the period was 22.2%.

### **3.8. Result attributable to non-controlling interests**

Result attributable to non-controlling interests for the third quarter of 2023 implied a negative impact of €11.0 million. The gains attributable to non-controlling interests in the third 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

	Third Quarter			YTD September 30		
	2022	2023	% Change	2022	2023	% Change
<b>Revenues</b>	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	1,088.5	963.9	-11.4%	3,146.6	3,456.1	9.8%
Eastern Europe	379.8	387.8	2.1%	1,083.3	1,256.1	16.0%
NAFTA	617.2	596.8	-3.3%	1,677.9	1,802.6	7.4%
Mercosur	265.8	249.2	-6.2%	643.3	722.3	12.3%
Asia	475.4	469.0	-1.3%	1,146.1	1,351.9	18.0%
Gescrap	0.0	131.7	n.a.	0.0	482.8	n.a.
<b>Total</b>	<b>2,826.6</b>	<b>2,798.5</b>	<b>-1.0%</b>	<b>7,697.2</b>	<b>9,071.6</b>	<b>17.9%</b>

	Third Quarter			YTD September 30		
	2022	2023	% Change	2022	2023	% Change
<b>EBITDA</b>	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	100.0	114.6	14.6%	311.6	397.6	27.6%
Eastern Europe	53.6	50.6	-5.5%	168.9	177.1	4.9%
NAFTA	45.2	42.0	-7.1%	134.7	135.5	0.6%
Mercosur	32.4	27.5	-15.4%	83.4	88.4	5.9%
Asia	61.8	65.9	6.6%	148.7	176.1	18.4%
Gescrap	0.0	10.3	n.a.	0.0	36.2	n.a.
<b>Total</b>	<b>293.1</b>	<b>310.9</b>	<b>6.1%</b>	<b>847.3</b>	<b>1,010.8</b>	<b>19.3%</b>

#### Western Europe

During the first nine months of the year, revenues in Western Europe reached €3,456.1 million, an increase of €309.4 million, or +9.8% (+10.3% at constant FX) versus 9M 2022. EBITDA reached €397.6 million in the region, an increase of €85.9 million, or +27.6% versus 9M 2022, with an EBITDA margin improvement from 9.9% in 9M 2022 to 11.5%.

In the quarter alone, revenues reached €963.9 million, a decrease of €124.6 million, or -11.4% (-11.3% at constant FX) versus Q3 2022.

EBITDA in the quarter rose to €114.6 million, an increase of €14.6 million or +14.6% versus the Q3 2022 €100.0 million figure. This leads to an EBITDA margin of 11.9% in the third quarter of the year, improving from the 9.2% achieved in Q3 2022.

#### Eastern Europe

During the first nine months of 2023, revenues saw an increase of €172.8 million, or +16.0% (+30.1% at constant FX) versus the first nine months of 2022, reaching €1,256.1 million. EBITDA in Eastern Europe reached €177.1 million during the first nine months of 2023, resulting in a +4.9% rise or an increase of €8.2 million when compared to the same period of 2022, which implies a 14.1% EBITDA margin for the period.

Revenues in Q3 2023 increased by €8.1 million, or +2.1% (+21.6% at constant FX) versus the third quarter of 2022, reaching €387.8 million. The region experienced FX headwinds, mainly in Turkey which impacts negatively our results.

In the quarter, EBITDA was down €3.0 million or -5.5%, reaching €50.6 million versus the €53.6 million figure from the third quarter of 2022. EBITDA margin in the quarter was 13.1%.

### **NAFTA**

In 9M 2023, NAFTA reported revenues increase of €124.7 million, or +7.4% (+5.5% at constant FX) versus the same period of the previous year, reaching €1,802.6 million. EBITDA in NAFTA reached €135.5 million in 9M 2023, with an increase of +0.6% or €0.9 million when compared to 9M 2022 and an EBITDA margin of 7.5%.

Revenues in Q3 2023 decreased by €20.5 million, or -3.3% (-0.7% at constant FX) when compared to Q3 2022, reaching €596.8 million.

During Q3 2023, EBITDA in the region reached €42.0 million, a decrease of €3.2 million or -7.1% when compared to Q3 2022. In the third quarter of 2023, EBITDA margin in NAFTA reached a 7.0%.

### **Mercosur**

Revenues in Mercosur amounted to €722.3 million in 9M 2023, an increase of €79.0 million or +12.3% (+33.5% at constant FX) from €643.3 million in 9M 2022. EBITDA rose to €88.4 million during the first nine months of 2023, an increase of €5.0 million from €83.4 million in the first nine months of 2022. EBITDA margin stood at 12.2% in the period.

During the third quarter, revenues in the region decreased by €16.5 million, or -6.2% (+18.4% at constant FX) versus Q3 2022, reaching €249.2 million. FX headwinds in Argentina have negatively impacted our results.

EBITDA in Q3 2023 reached €27.5 million, a decrease of €5.0 million versus the €32.4 million from the third quarter of 2022. EBITDA margin in the region reached an 11.0% in the quarter.

### **Asia**

During the first nine months of 2023, revenues reached €1,351.9 million, an increase of €205.8 million, or +18.0% (+27.7% at constant FX) versus 9M 2022. In 9M 2023 EBITDA in Asia reached €176.1 million, a +18.4% increase or €27.4 million when compared to the €148.7 million reported in 9M 2022. EBITDA margin in the region was 13.0% in the period.

During Q3 2023, revenues reached €469.0 million, implying a decrease of €6.4 million, or -1.3% (+11.5% at constant FX) versus Q3 2022. FX headwinds, mainly in China, have negatively impacted our results.

EBITDA in the quarter at €65.9 million implied an increase of €4.1 million or +6.6% versus the €61.8 million seen in Q3 2022, leading to an EBITDA margin of 14.1%.

### **Gescrap**

For the first nine months of the year, Gescrap reached €482.8 million revenues and €36.2 million EBITDA, with an EBITDA margin of 7.5%.

Gescrap revenues in Q3 2023 amounted to €131.7 million and EBITDA was €10.3 million. This implies an EBITDA margin of 7.8%.

## 5. INFORMATION ON CASH FLOW STATEMENT

	Third Quarter		YTD September 30	
	2022	2023	2022	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
<b>Profit for the year before taxes and minority interest</b>	<b>101.3</b>	<b>95.2</b>	<b>292.6</b>	<b>328.8</b>
<b>Adjustments to profit</b>	<b>191.8</b>	<b>215.8</b>	<b>554.7</b>	<b>682.0</b>
Depreciation and amortization of fixed assets	157.4	168.6	471.3	504.1
Financial income	-4.3	-6.3	-11.3	-17.7
Financial expenses	42.6	57.4	103.1	173.4
Total exchange rate differences	-3.4	-3.5	-9.2	48.7
Share of profits from associates - equity method	-0.4	-0.6	-2.3	-1.0
Change in fair value of financial instruments	0.0	-7.0	0.0	-12.6
Gains or losses on disposal of financial instruments	0.0	0.0	0.0	-6.6
Inflation result	0.0	7.2	3.1	-6.3
<b>TOTAL EBITDA</b>	<b>293.1</b>	<b>310.9</b>	<b>847.3</b>	<b>1,010.8</b>
<b>Other Adjustments to profit</b>	<b>-25.5</b>	<b>-22.5</b>	<b>-56.7</b>	<b>-51.2</b>
Change in provisions	-1.7	-7.7	5.4	-24.9
Grants released to income	-1.2	-1.5	-3.4	-3.8
Profit from disposal of fixed assets	-0.9	-2.2	-1.1	-2.4
Unrealized exchange rate differences	-21.8	-4.0	-54.5	-33.4
Other income and expenses	0.0	-7.2	-3.1	13.2
<b>Changes in working capital</b>	<b>10.6</b>	<b>-1.8</b>	<b>-26.6</b>	<b>-49.6</b>
(Increase)/Decrease in Inventories	-67.5	-25.5	-288.1	-105.4
(Increase)/Decrease in Trade and other receivables	-106.2	0.8	-493.8	-181.9
(Increase)/Decrease in Other current assets	1.1	4.2	-23.0	-16.9
Increase/(Decrease) in Trade and other payables	181.1	15.1	768.5	256.1
Increase/(Decrease) in Other current liabilities	2.2	3.5	9.9	-1.5
<b>Other cash-flows from operating activities</b>	<b>-43.4</b>	<b>-58.4</b>	<b>-128.2</b>	<b>-196.6</b>
Interest paid	-34.8	-49.7	-95.8	-163.5
Interest received	4.3	6.3	11.3	17.7
Proceeds (payments) of income tax	-12.8	-14.9	-43.7	-50.8
<b>Cash flows from operating activities</b>	<b>234.9</b>	<b>228.2</b>	<b>635.8</b>	<b>713.5</b>

	Third Quarter		YTD September 30	
	2022	2023	2022	2023
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
<b>Payments on investments</b>	<b>-222.7</b>	<b>-281.3</b>	<b>-637.2</b>	<b>-742.0</b>
Group companies and associates	0.0	0.0	0.0	-8.6
Intangible assets	-25.3	-12.3	-71.1	-96.9
Property, plant and equipment	-194.0	-210.3	-544.4	-577.9
Other financial assets	-3.4	-58.6	-21.6	-58.6
<b>Proceeds from divestments</b>	<b>5.0</b>	<b>-5.0</b>	<b>24.4</b>	<b>16.2</b>
Group companies and associates	0.0	0.0	0.0	0.0
Intangible assets	1.2	-3.6	1.6	4.5
Property, plant and equipment	3.2	2.5	22.3	10.3
Other financial assets	0.6	-3.9	0.6	1.5
<b>Grants, donations and legacies received</b>	<b>1.8</b>	<b>7.0</b>	<b>4.6</b>	<b>41.1</b>
<b>Cash flows from investing activities</b>	<b>-216.0</b>	<b>-279.3</b>	<b>-608.2</b>	<b>-684.7</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
<b>Proceeds and payments on equity instruments</b>	<b>12.1</b>	<b>36.4</b>	<b>-62.9</b>	<b>-12.5</b>
Purchase of shares from non-controlling interests	0.0	-10.2	-33.0	-37.3
Contribution of funds from non-controlling interests	0.8	11.6	0.8	2.0
Change in non-controlling interests	-1.1	-9.6	0.0	-9.6
Own shares	-0.9	-3.4	-0.8	-3.7
Other equity movements	13.4	48.0	-29.8	36.2
<b>Proceeds and payments on financial liabilities</b>	<b>-40.0</b>	<b>-107.1</b>	<b>-12.5</b>	<b>-671.3</b>
<b>Proceeds from</b>	<b>115.8</b>	<b>63.1</b>	<b>348.2</b>	<b>1,339.5</b>
Bonds and other securitites to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	165.7	68.1	330.0	1,343.7
Net increase of credit lines and commercial discount	-66.5	0.0	0.0	0.0
Borrowings from Group companies and associates	7.2	-5.0	8.4	-4.2
Other borrowings	9.4	0.0	9.9	0.0
<b>Repayment of</b>	<b>-155.8</b>	<b>-170.2</b>	<b>-360.8</b>	<b>-2,010.9</b>
Bonds and other securitites to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	-119.8	-44.2	-268.7	-1,657.6
Net decrease of credit lines and commercial discount	-37.3	-121.1	-92.1	-341.3
Borrowings from Group companies and associates	0.0	0.0	0.0	0.0
Other borrowings	1.3	-4.9	0.0	-12.0
<b>Payments on dividends and other equity instruments</b>	<b>-30.3</b>	<b>-51.3</b>	<b>-53.3</b>	<b>-97.7</b>
Dividends	-30.3	-51.3	-53.3	-97.7
<b>Cash flows from financing activities</b>	<b>-58.2</b>	<b>-122.0</b>	<b>-128.7</b>	<b>-781.5</b>
<b>Effect of changes in exchange rates</b>	<b>25.3</b>	<b>7.5</b>	<b>63.6</b>	<b>-15.3</b>
<b>Cash in assets held for sale</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS</b>	<b>-14.0</b>	<b>-165.6</b>	<b>-37.5</b>	<b>-768.0</b>

### 5.1. Cash flow from operating activities

Cash flow from operating activities in the third quarter of 2023 reached €228.2 million, a decrease of €6.7 million from €234.9 million for the same period of 2022. This decrease was mainly due to the increase in financial expenses and corporate income tax payments in the third quarter of 2023 by €15.0 million and the increase in working capital of €12.5 million compared to the same period of 2022, partially offset by an increase in EBITDA by €17.8 million compared to the performance in the third quarter of 2022.

### 5.2. Working capital

Working capital represented a cash outflow of €1.8 million during the third quarter of 2023 versus a cash inflow of €10.6 million in the third 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 third quarter of 2023 increased by €63.3 million to €279.3 million from €216.0 million for the same quarter of 2022. The investments in the third quarter of 2023 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 third quarter of 2023 amounted to €122.0 million. During the third quarter of 2023, €51.3 million in dividends were paid out compared to €30.3 million during the same quarter of 2022.

## 6. INVESTMENTS IN FIXED ASSETS

	Third Quarter		YTD September 30	
	2022	2023	2022	2023
<b>Capital expenditures</b>	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Intangible assets	23.8	18.2	69.7	81.9
Tangible assets	153.6	187.7	453.3	538.1
- Growth Capex	100.3	116.4	287.4	302.2
- Recurrent Capex	53.3	71.3	165.9	235.9
<b>Total (excl IFRS 16)</b>	<b>177.4</b>	<b>205.9</b>	<b>522.9</b>	<b>620.0</b>
- Effect IFRS 16	26.8	17.8	57.6	28.7
<b>Total</b>	<b>204.2</b>	<b>223.7</b>	<b>580.6</b>	<b>648.7</b>

Investments in fixed assets during the third quarter of 2023 amounted to €223.7 million compared to the €204.2 million for the third quarter of 2022. This represents a 8.0% of our revenues. Investments in fixed assets consist mainly of property, plant and equipment.

Growth capital expenditure has increased during the third quarter of 2023 by €16.0 million when compared to the same period in 2022. Growth capex include greenfield projects, additional plant expansions, and new customer products / technologies.

Recurrent capex increased by €18.0 million during the third quarter of 2023 compared to the same period in 2022. This capex includes investments in plant maintenance and business replacement being in line with last year trend.

Intangible capital expenditures during the third quarter of 2023 amounted to €18.2 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 September 30, 2023			
	Total	Less than 1 year	1 - 5 years	More than 5 years
<b>Contractual obligations</b>	<i>(Millions of Euros)</i>			
Interest bearing loans and borrowings	2,643.9	376.5	2,260.8	6.6
Financial leases and operating leasing	443.5	80.8	175.0	187.7
Borrowings from associated companies	127.1	110.7	7.2	9.2
Other financial debts	107.2	57.9	24.8	24.5
<b>Total Financial Debts</b>	<b>3,321.7</b>	<b>625.9</b>	<b>2,467.8</b>	<b>228.0</b>
Non interest bearing loans	5.9	0.0	5.1	0.8
Current non-trade liabilities	226.4	140.5	85.9	0.0
<b>Total Contractual Obligations</b>	<b>3,554.0</b>	<b>766.4</b>	<b>2,558.8</b>	<b>228.8</b>

## 7. INFORMATION ON CONSOLIDATED BALANCE SHEET

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

	September 30, 2022	December 31, 2022	September 30, 2023
<b>Consolidated Balance Sheet Data:</b>	<i>(Millions of Euros)</i>		
<b>Non-current assets</b>	<b>5,955.0</b>	<b>5,805.9</b>	<b>6,088.1</b>
Intangible assets	480.2	528.9	561.8
Property, plant and equipment	4,736.2	4,645.6	4,801.6
Financial assets	213.0	183.8	207.4
Deferred tax assets	525.5	447.6	517.2
<b>Current assets</b>	<b>4,064.7</b>	<b>4,235.4</b>	<b>3,850.3</b>
Assets held for sale	0.0	0.0	0.0
Inventories	564.1	541.2	617.1
Assets from contract with customers	588.1	519.6	653.3
Trade and other receivables	1,255.6	1,260.1	1,358.7
Other current assets	126.1	114.8	134.8
Financial assets	88.0	104.6	159.3
Cash and cash equivalent	1,442.8	1,695.1	927.1
<b>Total assets</b>	<b>10,019.7</b>	<b>10,041.3</b>	<b>9,938.4</b>

	September 30, 2022	December 31, 2022	September 30, 2023
<b>Consolidated Balance Sheet Data:</b>	<i>(Millions of Euros)</i>		
<b>Equity</b>	<b>2,739.9</b>	<b>2,757.9</b>	<b>2,865.3</b>
Equity attributable to shareholders of the parent	2,201.1	2,125.1	2,266.7
Equity attributable to non-controlling interest	538.8	632.8	598.6
<b>Non-current liabilities</b>	<b>3,429.6</b>	<b>3,250.6</b>	<b>3,385.5</b>
Deferred income	35.9	35.7	72.9
Provisions	163.4	171.3	180.7
Non-trade liabilities	2,851.3	2,706.3	2,787.5
Deferred tax liabilities	360.3	319.9	329.4
Other non-current liabilities	18.7	17.4	15.0
<b>Current liabilities</b>	<b>3,850.1</b>	<b>4,032.8</b>	<b>3,687.6</b>
Non-trade liabilities	1,076.2	1,461.5	766.4
Trade and other payables	2,702.6	2,501.1	2,888.7
Provisions	55.8	62.3	25.6
Other current liabilities	15.5	7.9	6.8
<b>Total equity and liabilities</b>	<b>10,019.7</b>	<b>10,041.3</b>	<b>9,938.4</b>

## 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 September 30, 2023, the Group's liquidity position amounted to €1,913.9 million and included: Cash and other liquid assets amounting to €927.1 million, current financial investments for €159.3 million (including loans granted, portfolio of current securities and other current financial investments), available and undrawn long-term credit lines amounting to €129.2 million, Revolving Credit Facility amounting to €500.0 million and available and undrawn short-term credit lines amounting to €198.4 million.

In addition, the debt maturities for the next 12 months as of September 30, 2023 amounted to €625.9 million (€487.2 million from loans and other loans and financial debts with associates, €57.9 million from debts owed to third parties at cost and the rest corresponding to financial leases) and, in the third quarter of 2023, the net cash flow used in investment activities (not including purchases and income between companies) amounted to €279.3 million, while the net cash flow from operating activities amounted to €228.2 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 September 30, 2023, the average maturity of the Group's net financial debt was 4.23 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 owed 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 September 30	
	2022	2023
<b>Other Financial Data</b>	<i>(Millions of Euros)</i>	
EBITDA	847.3	1,010.8
Cash, cash equivalent and current financial assets	1,530.8	1,086.3
Total Financial Debt	3,796.6	3,321.7
<b>Total Net Financial Debt</b>	<b>2,265.8</b>	<b>2,235.4</b>

	YTD September 30	
	2022	2023
<b>Operating profit</b>	376.0	506.7
<i>Adjusted for:</i>		
Depreciation, amortization and impairment losses	471.3	504.1
<b>EBITDA</b>	<b>847.3</b>	<b>1,010.8</b>

Cash, cash equivalents and current financial assets as of September 30, 2023 amounted to €1,086.3 million (including cash and equivalents of €927.1 million and current financial investments of €159.3 million).

Non-trade liabilities not considered financial debt as of September 30, 2023 are: €85.8 million in derivative financial instruments, €140.5 million of non-interest bearing short-term liabilities (of which €117.7 million correspond to suppliers of fixed assets and €1.1 million to interim dividend) and €5.9 million of non-interest bearing long-term liabilities.

Net financial debt as of September 30, 2023 amounted to €2,235.4 million. Net financial debt decreased by €30.4 million during the last twelve months from €2,265.8 million in September 30, 2022.