



Gestamp 



# Q1 2022 RESULTS PRESENTATION

MAY 10<sup>TH</sup>, 2022

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# INDEX PRESENTATION

KEY HIGHLIGHTS FOR Q1 2022

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FINANCIAL OVERVIEW

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OUTLOOK AND REMARKS

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## Solid Q1 Results Despite a Challenging Market

## Short Term Focus on Tackling Market Challenges...

## ...While Looking Beyond

**Revenues +7.0%<sup>(1)</sup> YoY**

Supported by raw materials<sup>(2)</sup>

**+12.6p.p. Outperformance<sup>(3)</sup>**

Strong market positioning  
Differentiated product portfolio

**Preserving EBITDA in absolute terms at €254m**

Offsetting inflation and energy costs pressures

**1 Preserving Profitability**

**2 FCF generation**

**3 Meeting our FY 2022 Guidance**



**Electrification**



**Sustainability**



**Smart Factory**

1. Revenue growth in reported terms

2. Impact from raw material price increase is of approximately €180m

3. Gestamp revenue growth at constant FX used for comparability with production volumes. Outperformance at FX constant and excluding raw materials is 4.0%

# FINANCIAL PERFORMANCE IN Q1 2022

(In €m)	Q1 2021 Reported	Q1 2022 Reported	Q1 2022 Adjusted for raw materials <sup>(1)</sup>
<b>Total Revenue</b>	2,108	2,256	2,076
<b>EBITDA</b>	258	254	254
<b>EBITDA margin (%)</b>	12.3%	11.2%	12.2%
<b>EBIT</b>	112	102	102
<b>EBIT margin (%)</b>	5.3%	4.5%	4.9%
<b>Net Income</b>	51	45	
<b>Capex</b>	116	157	
<b>Net debt</b>	2,482	2,382	



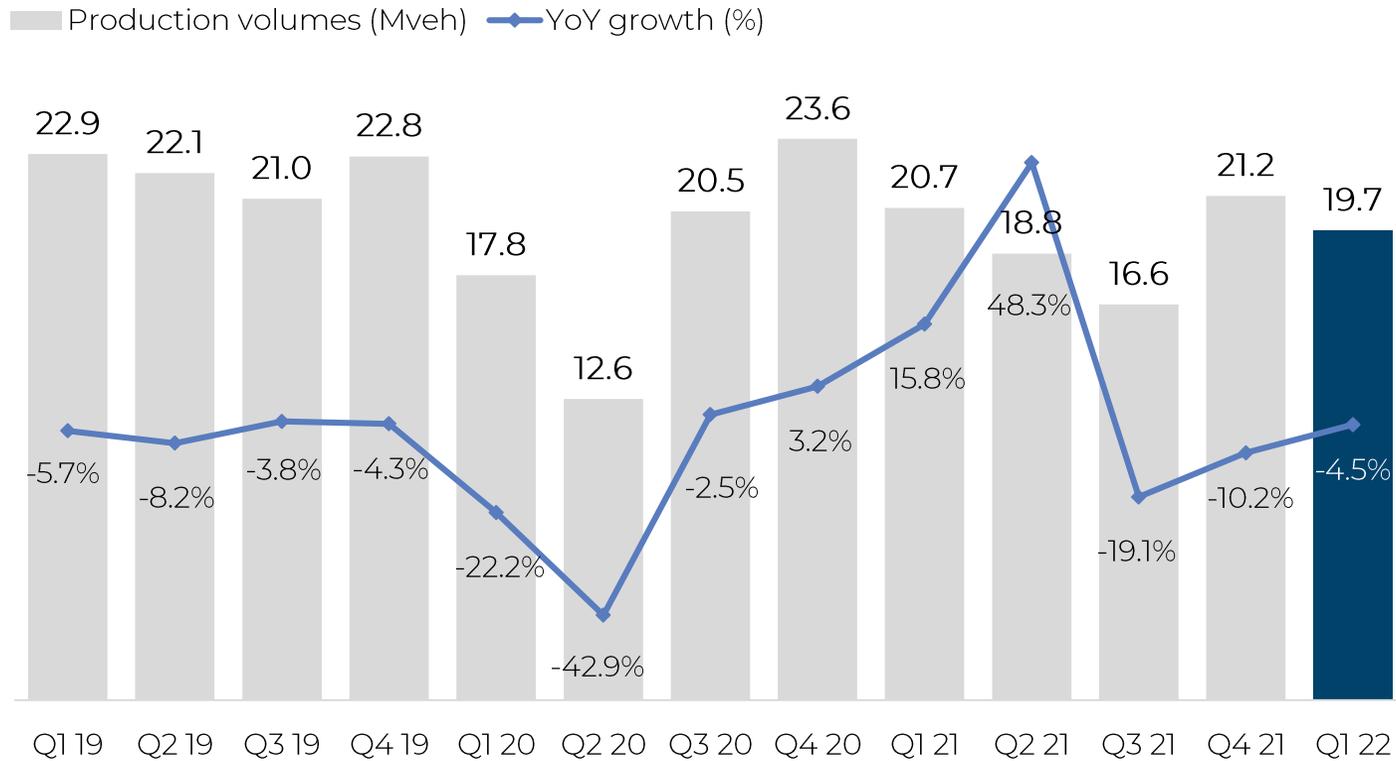
Q1 2022 Revenue increased by +7.0% and preserving profitability despite inflationary pressures

Note: All figures including IFRS 16

1. Adjusted revenues exclude raw materials impact

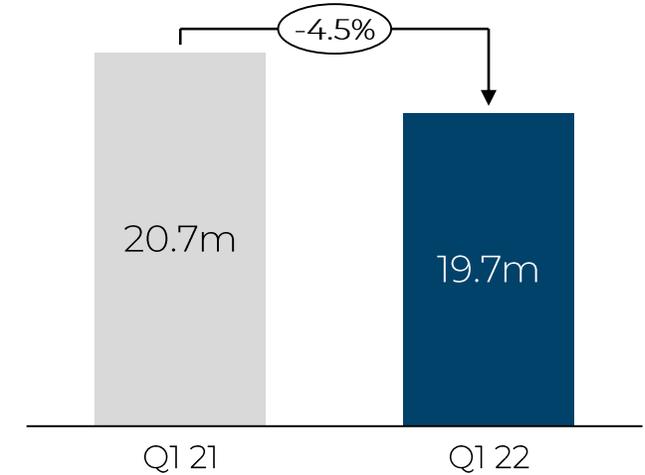
# CHALLENGING MARKET ENVIRONMENT IN Q1 2022

## Low production volumes<sup>(1)</sup> still behind 2019 levels...



## IHS LV production volumes<sup>(1)</sup> in Q1 2022

(In million vehicles)



Production volumes **-5.2% YoY** in Q1 2022 in **Gestamp's footprint**

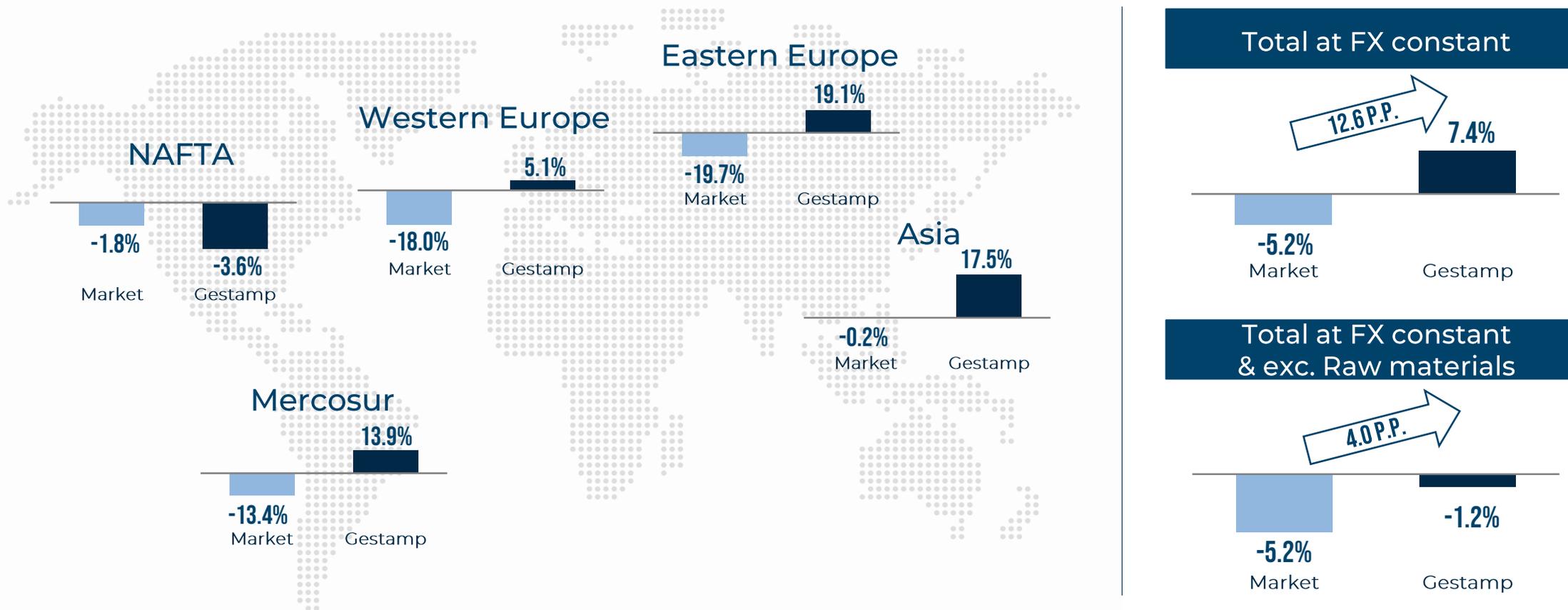
### Production disruptions year-to-date

- Semiconductors → Continued shortage in 2022
- Russia – Ukraine → Europe especially impacted
- COVID-19 pandemic → High risk in China

1. Production volumes according to IHS data as of April 2022

# OUTPERFORMANCE IN LINE WITH GUIDANCE

## Gestamp Revenue Growth at Constant FX<sup>(1)</sup> vs. Market Production Growth in Gestamp Markets



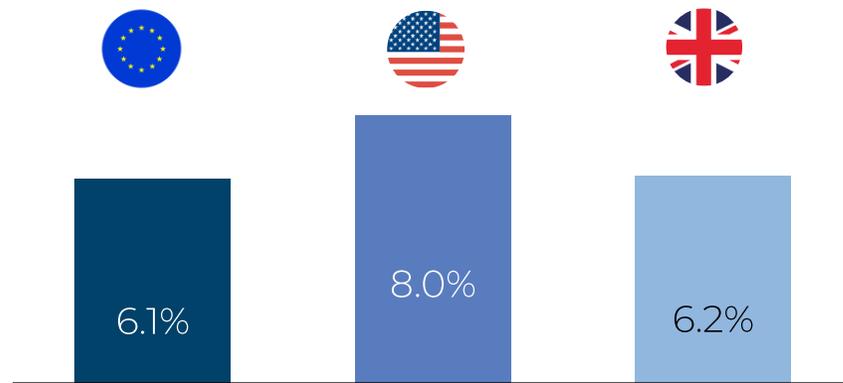
Outperformance of +11.1 p.p. on a weighted basis<sup>(2)</sup> in Q1 2022

1. Gestamp's growth at constant FX used for comparability with production volumes. Market production volume growth is based on countries in Gestamp's production footprint (IHS data for Q1 2022 as of April 2022). Western Europe data includes Morocco in line with our reporting  
 2. Market and Gestamp weighted growth measured with Q1 2021 geographical weights as a base (at constant FX and excluding raw materials)

# ALL MEASURES IN PLACE TO PROTECT PROFITABILITY

## Unprecedented High Inflation Pressuring Performance...

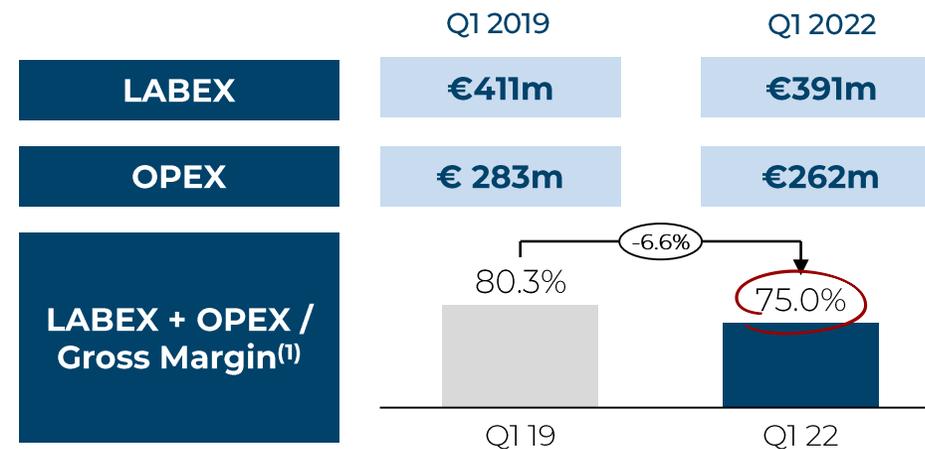
Consumer Price Index – Average Q1 2022 inflation



Source: Bloomberg (includes energy prices)

- ✓ Fast recovery of economic activity in H2 2020 after COVID-19 caused demand-supply imbalances, starting to push consumer prices up
- ✓ Russia-Ukraine conflict is adding further pressure on consumer goods' basket and energy costs
- ✓ Labour inflation pressure particularly in both Eastern and Western Europe as well as in NAFTA

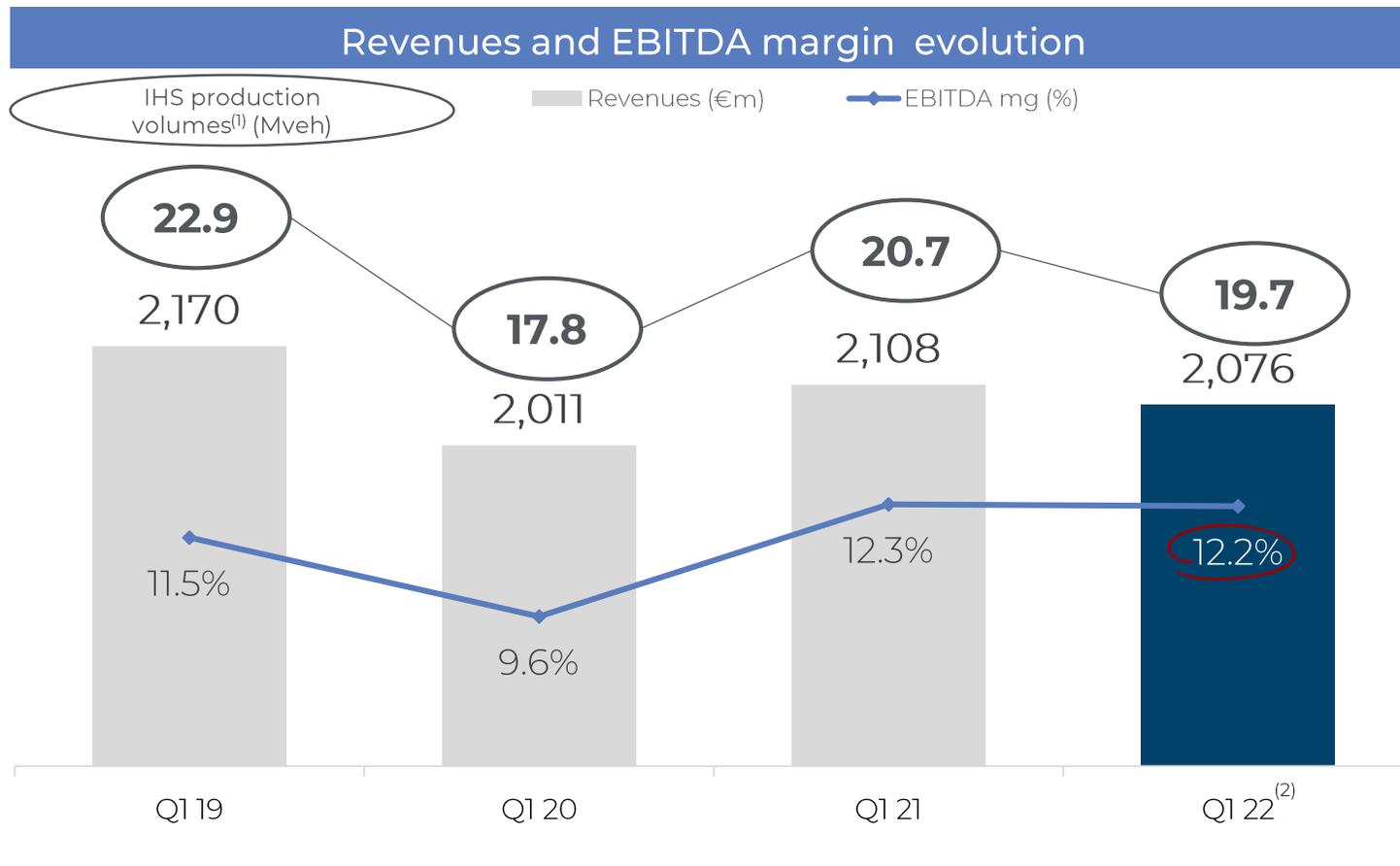
## ... All Measures in Place to Protect Profitability



- ✓ Key focus on preserving profitability
- ✓ Flexibility measures implemented in specific European countries including:
  - Temporary employment suspensions
  - Use of bank of hours and vacations amongst others

1. Gross Margin calculated as revenues minus raw material costs (including inventories' changes)

# SOLID PERFORMANCE DESPITE TOUGH MARKET CONDITIONS



**-3.2m vehicles** in Q1 2022 vs. Q1 2019 (-c.14%)

**EBITDA** in Q1 2022 **+€5m** vs. Q1 2019

**EBITDA margin** in Q1 2022 **+0.7%** vs. Q1 2019

Offsetting inflation and pressure on key input costs

1. Production volumes according to IHS data as of April 2022  
 2. Revenues adjusted by excluding raw materials impact



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# MIXED TRENDS ACROSS GEOGRAPHIES

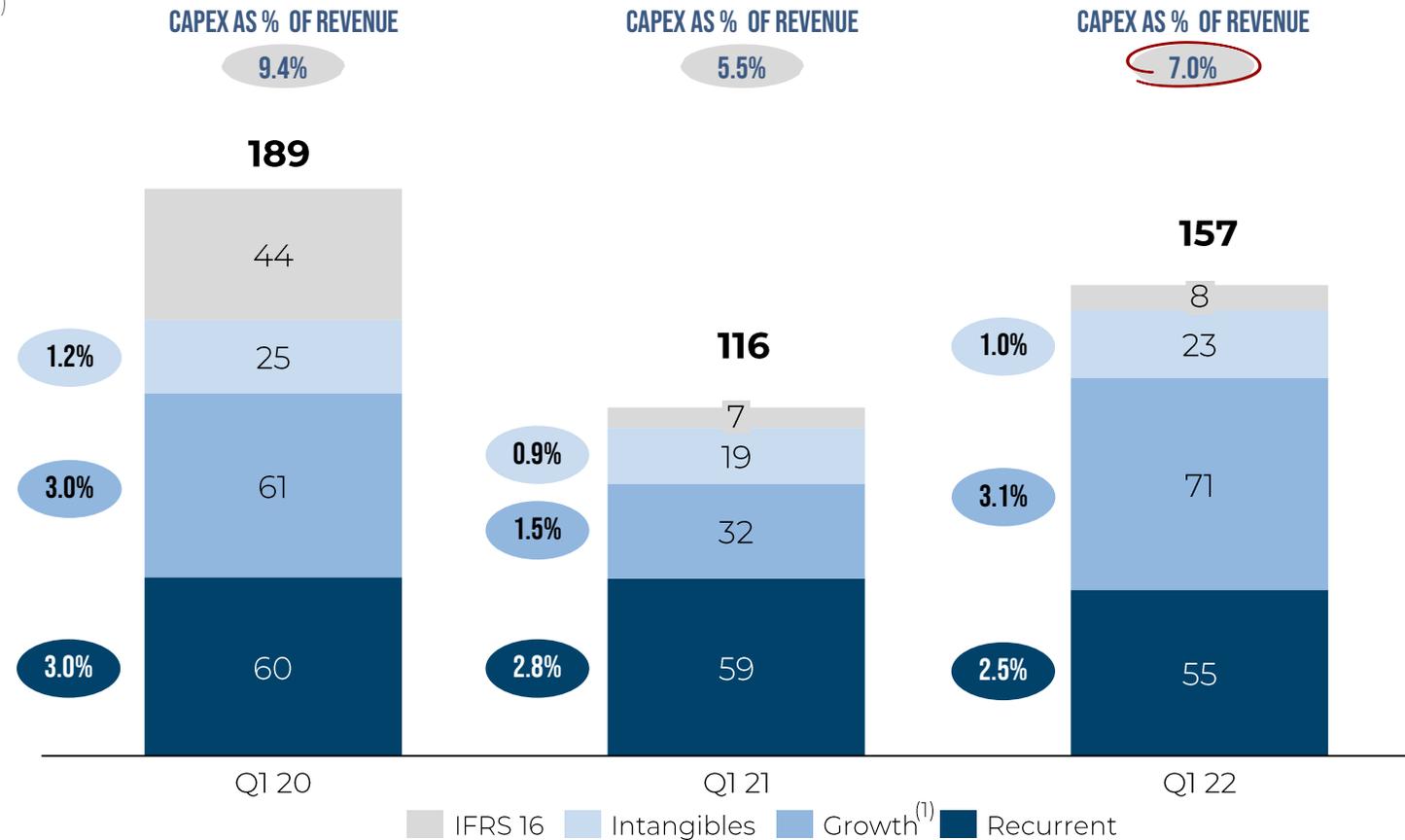
	Revenues (€m)			EBITDA (€m)			EBITDA Margin (%)	
	Q1 21	Q1 22	VAR. (%)	Q1 21	Q1 22	VAR. (%)	Q1 21	Q1 22
 Western Europe	925	977	+5.6%	100	95	-4.4%	10.8%	9.8%
OUTPERFORMANCE: +23.1 P.P.								
 Eastern Europe	342	328	-4.1%	54	54	+0.4%	15.7%	16.4%
OUTPERFORMANCE: +38.8 P.P.								
 NAFTA	473	489	+3.3%	55	41	-25.9%	11.5%	8.3%
UNDERPERFORMANCE: -1.7 P.P.								
 Mercosur	114	141	+23.6%	12	15	+22.4%	10.8%	10.7%
OUTPERFORMANCE: +27.2 P.P.								
 Asia	253	320	+26.6%	38	49	+28.0%	15.0%	15.2%
OUTPERFORMANCE: +17.7 P.P.								
	2,108	2,256	+7.0%	258	254	-1.9%	12.3%	11.2%
OUTPERFORMANCE: +12.6 P.P.								

Note: Outperformance calculated on a constant FX basis. Gestamp's outperformance at FX constant and excluding raw materials is 4.0% or 11.1% on a weighted basis

# CAPEX OVERVIEW AS OF Q1 2022

## Reported Capex Breakdown

(In €m)



1. Growth capex defined as capital expenditure on greenfield property, plant & equipment, major plant expansions and new customer products/technologies

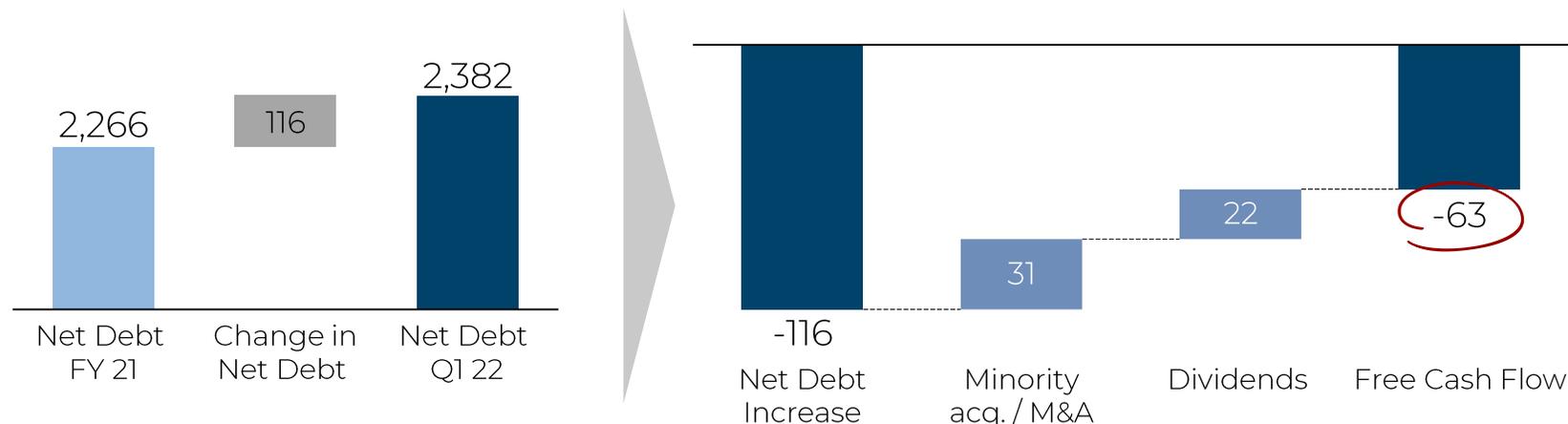
# SEASONAL NET DEBT INCREASE IN Q1 2022

## Key considerations

- FCF evolution during Q1 2022 in line with normal seasonality
- Increase in net debt is lower in relative terms vs. 5-year average
- Net debt at €2,382m and net debt to EBITDA ratio at 2.4x
- Solid liquidity position at €1.4bn

- We have a well-balanced and solid financial position
- We confirm our €200m FCF generation target for the full year

## Negative FCF<sup>(1)</sup> generation (€m) in Q1 2022



## Continue Focus on Keeping a Discipline Leverage

(In €m)	Q1 2021	Q4 2021	Q1 2022
<b>Net Debt</b>	<b>2,482</b>	<b>2,266</b>	<b>2,382</b>
<b>ND/EBITDA</b>	<b>3.0x</b>	<b>2.3x</b>	<b>2.4x</b>

Note: All figures including IFRS16

1. FCF defined as change in net debt excluding minority acquisitions, dividends, share repurchases as well as potential M&A items



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## Handling short term challenges...



### Geopolitical / macro uncertainty

- Russia-Ukraine conflict extension
- COVID-19 restrictions in China



### Supply chain disruptions



### Increasing inflation on key inputs



### Focus on:

- Further improving business flexibility
- Generating FCF

Working towards **meeting our FY 2022 guidance**

## ... while working on the future



### Electric Vehicle

- Electrification trend accelerating
- Rising number of opportunities for Gestamp around electric vehicle



### R&D Developments



### Industry 4.0



### ATENEA



### ESG

Gestamp is **well positioned** to capture **future growth**

# ALREADY WORKING ON THE FUTURE: SOME INITIATIVES

## Electric Vehicle



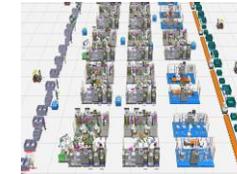
**Future Fast Forward:**  
Key role in the Spanish PERTE<sup>(1)</sup> led by Seat and VW as the opportunity to turn Spain into an EV hub. Gestamp would be the main auto supplier

## R&D



**Extreme Size Parts:**  
Innovations towards weight reduction and assembly efficiency

## Industry 4.0



**Flexi-manufacturing:**  
Improving versatility of our assembly assets



## ATENEA



**Building on the Future:**  
+70 initiatives already launched

## ESG



**At the Core of our Strategy:**  
Different initiatives to provide humanitarian support

1. PERTE is the Spanish acronym of Strategic Project for the Recovery and Transformation of the Economy

# MAINTAINING GUIDANCE FOR FY 2022

## Meeting our FY 2022 Guidance based on<sup>(1)</sup>:

- Current market volume forecasts for the year
- Ongoing inflation expectations on the key inputs
- Constructive conversations with our customers
- Continued implementation of efficiency measures

	Guidance 2022 (Excluding Raw Material)	Reported (Including Raw Material)
<b>Revenues</b>	<b>Mid-single digit</b> Outperformance	Additional growth of +10% – 15%
<b>EBITDA margin</b>	<b>12.5 - 13.0%</b>	-150-200bps impact
<b>Capex</b>	<b>c. 7%</b> of Revenues	<div style="border: 1px solid black; padding: 5px; text-align: center;">                     +13-15%                      +€130-150m                      growth vs. EBITDA                      2021                 </div>
<b>FCF<sup>(2)</sup></b>	<b>&gt; €200m</b>	

We are committed on delivering on our guidance: preserving profitability and FCF generation as key focus

1. Gestamp closely monitors the macro and geopolitical situation to assess any potential change in the main hypothesis of the guidance  
 2. FCF defined as change in net debt excluding minority acquisitions, dividends, share repurchases as well as potential M&A items



**Strong Q1 results**  
proving the flexibility of our business model

Tackling short term challenges through **flexibility measures** and focusing on **profitability** and **FCF**

Being the **key partner** for our customers in their path towards electrification

# WORKING FOR A SAFER AND LIGHTER CAR



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