



Gamesa

H1 2002







AUGUST 2002

Agenda

-  **Executive Summary**
-  **Financial Performance**
-  **H1 2002 - Delivering Commitments**
-  **Conclusion**

Executive Summary

-  **Growth in Revenues.** Gamesa's Consolidated Revenues have grown some 6 % in H1 2002 (despite of Aeronautics falling 31%)
-  **High Profitability.** EBITDA mg (29% vs 25%) and ROS (20% vs 17%) have improved
-  **Growth in Net Income.** Gamesa's Consolidated Net Profit has increased by some 25 % in H1.
-  **Confirmation of 2002 guidance (+ 25% EPS).** The evolution of activity in H1 makes us confident to achieve the guidance for 2002.

Financial Performance

Consolidated Financial Statements. P&L Highlights

Consolidated Financial Statements			
EUR MM	H1 2002	H1 2001	? %
Revenues	389.2	366.3	6%
EBITDA	113.5	91.2	24%
EBIT	80.5	63.8	26%
Net Income	30.3	24.3	25%
EPS	0.37	0.30	25%

- ✍ Despite of the forecasted delivery delays in aeronautics, Gamesa's activity has grown and margins have evolved positively.
- ✍ As of the 30th of June 2002, no windfarms had been sold yet. (*)
- ✍ As indicated in the forecast 2002, the sales of WTG's in H2 will be higher than in H1.

(*) In July the sale of S.E. Treito to Iberdrola was signed. The revenues and profits on this sale will impact Q3 figures.

Financial Performance

Impact of the Sale of Treito Windfarm (30.39 MW)

Treito Windfarm Financial Statements	
Equity	€ 4.54 MM
Subordinated Debt	€ 2.88 MM
Bank Debt	€29.19 MM
Price Sold (Equity Value)	€13.70 MM

 Cash Generated: Price Sold + Subordinated Debt = €16.59 MM

 Capital Gain: (9.16 MM Margin + 1.11 MM Deconsolidation Adjustment) €10.27 MM

 Debt Reduction: Cash Generated + Bank Debt Deconsolidated €45.77 MM

Financial Performance

Divisional Breakdown


EUR MM	Revenues			EBITDA			EBIT			Net Income		
	H1-02	H1-01	? %	H1-02	H1-01	? %	H1-02	H1-01	? %	H1-02	H1-01	? %
G. Aeronautica	121.4	174.7	-31%	25.8	32.8	-21%	20.5	25.4	-19%	15.4	12.3	25%
G. Energía	56.1	22.3	151%	45.3	20.6	120%	30.1	10.7	181%	8.8	2.8	219%
G. Eólica	202.9	189.6	7%	43.2	33.3	30%	31.7	24.1	32%	20.9	14.7	42%
G. Servicios	79.0	50.8	56%	4.3	3.4	27%	3.8	2.9	28%	2.3	1.1	113%
G. Central	1.3	5.0	-74%	-2.4	2.0	-222%	-2.8	1.7	-267%	-0.5	2.0	-125%
Goodwill + SESA	0.0	0.0	-	-1.2	0.0	-	-1.2	0.0	-	-15.0	0.0	-
Adjustments	-77.1	-85.0	9%	-1,8	-0,9	-90%	-1.8	-3.1	42%	-1.9	-10.6	82%
GAMESA	389.2	366.3	6%	113.5	91.2	24%	80.5	63.8	26%	30.3	24.3	25%

Financial Performance

Gamesa Energía. Windfarm Development

Gamesa Energía Financial Statements			
EUR MM	H1 2002	H1 2001	? %
Revenues	56.1	22.3	151%
EBITDA	45.3	20.6	120%
EBIT	30.1	10.7	181%
Net Income	8.8	2.8	219%






 **300 MW under construction**

 **Sale of S.E. Treito to Iberdrola not included in H1 figures. Q3 figures will show the effect of the sale.**

Financial Performance

Gamesa Eólica. WTG Manufacturing

Gamesa Eólica Financial Statements			
EUR MM	H1 2002	H1 2001	? %
Revenues	202.9	189.6	7%
EBITDA	43.2	33.3	30%
EBIT	31.7	24.1	32%
Net Income	20.9	14.7	42%

-  **Positive evolution of business**
 -  **Sold MW: 369.19**
-  **No blades sold to third parties (vs V47 blades sold to Vestas in H1 2001 representing €22 MM Revenues)**
-  **Margins improved (EBITDA mg H1 2002 = 21% vs 18% in H1 2001)**
-  **In line with budget (60% of orders are settled in H2)**

Financial Performance

Gamesa Servicios. Advanced Services

Gamesa Servicios Financial Statements			
EUR MM	H1 2002	H1 2001	? %
Revenues	79.0	50.8	56%
EBITDA	4.3	3.4	27%
EBIT	3.8	2.9	28%
Net Income	2.3	1.1	113%

 The activity of Gamesa Servicios has improved significantly due to the positive evolution of Windfam installation and maintenance.

Financial Performance Gamesa Aeronáutica.

Gamesa Aeronáutica Financial Statements			
EUR MM	H1 2002	H1 2001	? %
Revenues	121.4	174.7	-31%
EBITDA	25.8	32.8	-21%
EBIT	20.5	25.4	-19%
Net Income	15.4	12.3	25%

 Level of activity in line with expectations (lower than 2001)

 New projects starting delivery

 Margins improved

Units per Project	H1 2002	H1 2001
ERJ 135/145	65	111
ERJ 170/190	3	-
CRJ 700/900	11	-
S-92	1	-

H1 2002 – Delivering Commitments

Gamesa. Strategic Objectives

Strategic Objective	Delivery
Leadership in Wind Energy	<ul style="list-style-type: none"> ✍ Market Share 2001: 70% in Spain, 10% Worldwide (with access to 1/6 of worldwide market) ✍ #1 Developer in Spain & Mediterranean Area (> 10,000 potential MW, 503 MW running in Spain)
Creation of Aeronautic Group to be placed in the Market	<ul style="list-style-type: none"> ✍ Merger with Turbo 2000 and spin off of division between Q4 2002 and Q1 2003

H1 2002 – Delivering Commitments

Gamesa Energía. Renewable Energy

Strategic Objective	Delivery
Leadership in Development	<ul style="list-style-type: none"> ✍ 11,805 MW Potential, 6,607 MW Validated Speed, 3,365 MW Grid Conexion Rights ✍ Agreement for development in USA (Navitas) ✍ Agreement for development in Australia (TME, Unión Fenosa)
Continue Installation	<ul style="list-style-type: none"> ✍ 300 MW under construction to be finalised by year end
Windfarm Sale	<ul style="list-style-type: none"> ✍ The process of windfarm sale will contribute to revenues and profits by the end of the year. ✍ Sale of Windfarm to Iberdrola (SE Treito, 30 MW) signed in July <ul style="list-style-type: none"> ✍ Price sold: EUR 13.7 MM ✍ Capital gain: EUR 10.27 MM (9.16 MM Margin + 1.11 MM Deconsolidation Adjustment) ✍ Additional contract for 80 MW of WTG sales included

H1 2002 – Delivering Commitments

Gamesa Eólica. WTG Manufacturing


Strategic Objective	Delivery
<p>Ensure Product Mix</p>	<ul style="list-style-type: none"> ✍ G52 850 kW under mass production ✍ G58 850 kW under mass production ✍ G80 1,500 kW tested version in February 2003 ✍ G80 2,000 kW tested version in December 2002
<p>Commercial Expansion</p>	<ul style="list-style-type: none"> ✍ Positive evolution of contracts under negotiation in: <ul style="list-style-type: none"> ✍ Germany ✍ Italy ✍ USA
<p>Margin Maintenance</p>	<ul style="list-style-type: none"> ✍ EBITDA mg for H1 (21%) shows correct tendency

H1 2002 – Delivering Commitments

Gamesa Aeronáutica.

Strategic Objective	Delivery
<p>Ensure viability and profitability of existing projects</p>	<ul style="list-style-type: none"> ✈ With Sales falling 31%: ✈ EBITDA mg H1 2002 = 21% (19% in H1 2001) ✈ ROS H1 2002 = 13% (7% in H1 2001)
<p>Maintain R&D programmes</p>	<ul style="list-style-type: none"> ✈ A 380 under development ✈ ERJ 170 and CRJ 700 under mass production
<p>Creation of Aeronautic Group</p>	<ul style="list-style-type: none"> ✈ Merger with Turbo 2000 agreed in March ✈ Execution in process. Closing Q4 2002 – Q1 2003
<p>Spin off Aeronautics</p>	<ul style="list-style-type: none"> ✈ Market placement to be materialised shortly after merger executed

Conclusion

 **2002 Guidance maintained due to:**

-  **Growth in Activity and Revenues**
-  **Improvement of Margins**

 **During H1 2002:**

-  **Delivery of Commitments**

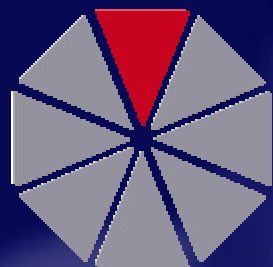


Shareholder Value Creation.

Forward Looking Statement

Certain information in this presentation, including the information concerning economic and industry outlooks, prospective product developments, uses of cash and revenue and earnings forecasts, is forward-looking statements. This information is made available pursuant to the safe harbor provisions for “forward looking statements” as defined under the securities laws. Our operations, products, and markets are subject to a number of risk factors, which may cause actual results to vary materially from those anticipated in the forward looking statements. The words “believe”, “may”, “will”, “estimate”, “continue”, “anticipate”, “intend”, “expect”, “forecast” and similar words are intended to identify forward looking statements.

We undertake no obligation to update publicly or revise any forward-looking statements because of new information, future events or otherwise. Actual results and performance could differ substantially from those anticipated in our forward-looking statements.



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