

**GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES**

**Interim Condensed Consolidated Financial Statements  
for the six-month period  
ended 30 June 2020**



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GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT JUNE 30, 2020 AND DECEMBER 31, 2019**  
(In thousands of euros)

	Note	June 30, 2020	December 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	10	469,073	479,818
Goodwill		92,425	95,731
Other intangible assets		376,648	384,087
Property, plant and equipment	11	4,383,727	4,579,793
Land and buildings		1,388,458	1,412,865
Plant and other PP&E		2,508,371	2,687,792
PP&E under construction and prepayments		486,898	479,136
Financial assets	12	71,839	71,312
Investments in associates accounted for using the equity method		14,366	14,131
Loans and receivables		35,980	32,848
Derivatives in effective hedges		8,418	12,238
Other non-current financial assets		13,075	12,095
Deferred tax assets		517,388	441,860
<b>Total non-current assets</b>		<b>5,442,027</b>	<b>5,572,783</b>
<b>Current assets</b>			
Inventories	13	443,968	451,024
Commodities and other consumables		378,514	382,727
By-products and scrap		477	884
Prepayments to suppliers		64,977	67,413
Assets from contracts with customers	14	480,512	538,400
Work in progress		198,197	214,290
Finished products and by-products		124,679	143,821
Trade receivables, tooling		157,636	180,289
Trade and other receivables	15	912,249	1,067,471
Trade receivables		624,803	776,810
Other receivables		18,894	17,622
Current income tax assets		15,195	41,649
Receivables from public authorities		253,357	231,390
Other current assets	15	123,158	110,877
Financial assets	12	56,126	88,541
Loans and receivables		21,703	22,212
Securities portfolio		3,615	22,250
Other current financial assets		30,808	44,079
Cash and cash equivalents	15	1,480,806	658,581
<b>Total current assets</b>		<b>3,496,819</b>	<b>2,914,894</b>
<b>Total assets</b>		<b>8,938,846</b>	<b>8,487,677</b>

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2020 AND DECEMBER 31, 2019

(In thousands of euros)

	Note	June 30, 2020	December 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Capital and reserves attributable to equity holders of the parent</b>			
Issued capital	16	287,757	287,757
Treasury shares	16	(3,603)	(2,872)
Share premium	16	61,591	61,591
Retained earnings	17	1,709,913	1,951,058
Translation differences	18	(513,531)	(363,222)
Interim dividend	17	-	(31,601)
<b>Equity attributable to equity holders of the parent</b>		<b>1,542,127</b>	<b>1,902,711</b>
<b>Equity attributable to non-controlling interest</b>	19	<b>426,364</b>	<b>489,406</b>
<b>Total equity</b>		<b>1,968,491</b>	<b>2,392,117</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred income	20	25,210	23,660
Non-current provisions	21	150,115	147,580
Non trade liabilities	22	3,981,669	3,329,172
Interest-bearing loans and borrowings and debt issues		3,387,482	2,725,530
Derivative financial instruments		64,705	66,138
Other non-current financial liabilities		516,976	527,136
Other non-current liabilities		12,506	10,368
Deferred tax liabilities		357,512	369,514
Other non-current liabilities		16,082	17,226
<b>Total non-current liabilities</b>		<b>4,530,588</b>	<b>3,887,152</b>
<b>Current liabilities</b>			
Non trade liabilities	22	818,273	423,695
Interest-bearing loans and borrowings and debt issues		587,279	138,706
Other current financial liabilities		82,334	77,334
Other non-trade liabilities		148,660	207,655
Trade and other payables	23	1,504,112	1,757,782
Trade accounts payable		1,191,732	1,463,521
Current tax liabilities		7,053	33,419
Other accounts payable		305,327	260,842
Current provisions	21	107,002	16,555
Other current liabilities	15	10,380	10,376
<b>Total current liabilities</b>		<b>2,439,767</b>	<b>2,208,408</b>
<b>Total liabilities</b>		<b>6,970,355</b>	<b>6,095,560</b>
<b>Total equity and liabilities</b>		<b>8,938,846</b>	<b>8,487,677</b>

**GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES**
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020 AND JUNE 30, 2019  
(In thousands of euros)**

	Note	June 30, 2020	June 30, 2019
<b>CONTINUING OPERATIONS</b>			
OPERATING INCOME	24	3,097,295	4,646,298
Revenue		3,045,269	4,513,202
Other operating income		88,174	100,514
Changes in inventories		(36,148)	32,582
OPERATING EXPENSE	25	(3,287,462)	(4,401,833)
Raw materials and other consumables		(1,816,498)	(2,709,508)
Personnel expenses		(664,909)	(826,534)
Depreciation, amortization, and impairment losses		(302,906)	(276,262)
Other operating expenses		(399,981)	(589,529)
Transformation plan expenses	1		
Operating expenses		(89,892)	-
Fixed assets impairment		(13,276)	-
<b>OPERATING PROFIT</b>		<b>(190,167)</b>	<b>244,465</b>
Financial income	26	4,178	3,030
Financial expenses	26	(81,284)	(78,070)
Exchange gains (losses)		(34,152)	13,132
Share of profits from associates - equity method	12	395	2,405
Change in fair value of financial instruments	22	(3,280)	(13,231)
Inflation result	4.5	(1,682)	115
<b>PROFIT BEFORE TAXES FROM CONTINUING OPERATIONS</b>		<b>(305,992)</b>	<b>171,846</b>
Income tax expense	27	70,640	(42,313)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>(235,352)</b>	<b>129,533</b>
<b>PROFIT FOR THE YEAR</b>		<b>(235,352)</b>	<b>129,533</b>
Profit (loss) attributable to non-controlling interest	19	36,852	(29,366)
<b>PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>		<b>(198,500)</b>	<b>100,167</b>
<b>Earnings per share (euros)</b>			
-Basic	28	(0.34)	0.17
From continuing operations		(0.34)	0.17
From discontinued operations		-	-
-Diluted	28	(0.34)	0.17
From continuing operations		(0.34)	0.17
From discontinued operations		-	-

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020 AND JUNE 30, 2019**  
(In thousands of euros)

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
PROFIT FOR THE YEAR	(235,352)	129,533
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income not to be reclassified to income in next years:</i>		
Actuarial gains and losses	17	(76)
<i>Other comprehensive income to be reclassified to income in next years:</i>		
From cash flow hedges	22.b.1)	(1,398)
Translation differences	<u>(174,517)</u>	<u>33,330</u>
Attributable to Parent Company	18	23,326
Attributable to non-controlling interest	19	10,004
<b>TOTAL COMPREHENSIVE INCOME NET OF TAXES</b>	<b><u>(418,772)</u></b>	<b><u>161,389</u></b>
Attributable to:		
- Parent Company	(357,690)	122,019
- Non-controlling interest	<u>(61,082)</u>	<u>39,370</u>
	<b><u>(418,772)</u></b>	<b><u>161,389</u></b>

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2020  
(In thousands of euros)

	Issued capital (Note 16)	Treasury Shares (Note 16)	Share premium (Note 16)	Retained earnings (Note 17)	Translation differences (Note 18)	Interim Dividend (Note 17)	Total capital and reserves	Non-controlling interest (Note 19)	Total equity
<b>AT JANUARY 1, 2020</b>	<b>287,757</b>	<b>(2,872)</b>	<b>61,591</b>	<b>1,951,058</b>	<b>(363,222)</b>	<b>(31,601)</b>	<b>1,902,711</b>	<b>489,406</b>	<b>2,392,117</b>
Profit for the period				(198,500)			(198,500)	(36,852)	(235,352)
Fair value adjustments (hedge) (Note 22.b.1)				(8,858)			(8,858)		(8,858)
Variation in translation differences (Note 18)					(150,309)		(150,309)	(24,208)	(174,517)
Actuarial gains and losses				(23)			(23)	(22)	(45)
<b>Total comprehensive income</b>				<b>(207,381)</b>	<b>(150,309)</b>		<b>(357,690)</b>	<b>(61,082)</b>	<b>(418,772)</b>
Appropriation of 2019 profits				(31,612)		31,612			
Dividends distributed by subsidiaries (Note 17.2 and Note 19)								(7,037)	(7,037)
Own Shares acquisition (Note 17.2)		(731)		(1,636)			(2,367)		(2,367)
Increased ownership interest in companies with previous control (Note 2.b)				(517)			(517)	(1,540)	(2,057)
Other movements				1		(11)	(10)	6,617	6,607
<b>AT JUNE 30, 2020</b>	<b>287,757</b>	<b>(3,603)</b>	<b>61,591</b>	<b>1,709,913</b>	<b>(513,531)</b>		<b>1,542,127</b>	<b>426,364</b>	<b>1,968,491</b>

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTH PERIOD ENDED JUNE 30, 2019  
(In thousands of euros)

	Issued capital (Note 16)	Treasury Shares (Note 16)	Share premium (Note 16)	Retained earnings (Note 17)	Translation differences (Note 18)	Interim Dividend (Note 17)	Total capital and reserves	Non-controlling interest (Note 19)	Total equity
<b>AT JANUARY 1, 2019</b>	<b>287,757</b>	<b>(6,041)</b>	<b>61,591</b>	<b>1,829,418</b>	<b>(387,381)</b>	<b>(37,346)</b>	<b>1,747,998</b>	<b>430,997</b>	<b>2,178,995</b>
Profit for the period				100,167			100,167	29,366	129,533
Fair value adjustments (hedge)				(1,398)			(1,398)		(1,398)
Variation in translation differences					23,326		23,326	10,004	33,330
Actuarial gains and losses				(76)			(76)		(76)
<b>Total comprehensive income</b>				<b>98,693</b>	<b>23,326</b>		<b>122,019</b>	<b>39,370</b>	<b>161,389</b>
Dividends distributed by the Parent Company (Note 17.2)				(77,632)		37,346	(40,286)		(40,286)
Dividends distributed by subsidiaries (Note 17.2)								(9,073)	(9,073)
Own Shares acquisition (Note 17.2)		1,785		(225)			1,560		1,560
Business Combinations (Gestamp Etem Automotive Bulgaria, S.A.)								4,854	4,854
Other movements and adjustments from prior years				(916)			(916)	(882)	(1,798)
<b>AT JUNE 30, 2019</b>	<b>287,757</b>	<b>(4,256)</b>	<b>61,591</b>	<b>1,849,338</b>	<b>(364,055)</b>		<b>1,830,375</b>	<b>465,266</b>	<b>2,295,641</b>



GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020 AND JUNE 30, 2019**  
(In thousands of euros)

	Note	June 30, 2020	June 30, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit for the year before taxes</b>		<b>(305.992)</b>	<b>171.846</b>
<b>Adjustments to profit</b>		<b>432.007</b>	<b>348.881</b>
Depreciation and amortization of intangible assets and PP&E	10-11	316.182	276.262
Financial income	26	(4.178)	(3.030)
Financial expenses	26	81.284	78.070
Exchange rate differences		34.152	(13.132)
Share of profit/(loss) from associates - equity method	12	(395)	(2.405)
Change in fair value of financial instruments		3.280	13.231
Result of exposure to inflation		1.682	(115)
<b>TOTAL EBITDA</b>		<b>126.015</b>	<b>520.727</b>
<b>Other adjustments to profit</b>		<b>39.040</b>	<b>19.112</b>
Change in provisions	21	94.018	5.630
Grants released to income	20	(2.217)	(1.963)
Gain (loss) from disposal of intangible assets and PP&E		890	(260)
Unrealized exchange rate differences		(51.969)	16.892
Other incomes and expenses		(1.682)	(1.187)
<b>Changes in working capital</b>		<b>(46.135)</b>	<b>(233.238)</b>
(Increase)/Decrease in Inventories	13-14	42.291	(105.125)
(Increase)/Decrease in Trade and other receivables	14-15	179.325	(176.006)
(Increase)/Decrease in Other current assets	15	(12.281)	(17.758)
Increase/(Decrease) in Trade and other payables	23	(255.474)	71.110
Increase/(Decrease) in Other current liabilities		4	(5.459)
<b>Other cash flows from operating activities</b>		<b>(117.887)</b>	<b>(103.200)</b>
Interest paid		(77.359)	(74.107)
Interest received		4.178	3.030
Income tax received/(paid)		(44.706)	(32.123)
<b>Cash flows from operating activities</b>		<b>1.033</b>	<b>203.401</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments on investments</b>		<b>(341.758)</b>	<b>(454.575)</b>
Group companies and associates		-	(12.000)
Addition to consolidation scope		-	4.083
Other intangible assets	10-22	(36.586)	(60.698)
Property, plant and equipment	11-22	(300.981)	(385.960)
Net change in financial assets		(4.191)	-
<b>Proceeds from divestments</b>		<b>59.219</b>	<b>24.306</b>
Other intangible assets	10	870	2.985
Property, plant and equipment	11	24.477	10.285
Net change of financial assets		33.872	11.036
<b>Grants, donations and legacies received</b>	20	<b>3.690</b>	<b>5.558</b>
<b>Cash flows from investing activities</b>		<b>(278.849)</b>	<b>(424.711)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
<b>Proceeds and payments on equity instruments</b>		<b>18.428</b>	<b>11.173</b>
Net Change in non-controlling interests	19	5.381	(3.382)
Own shares	16	(731)	1.785
Other movements in equity		13.778	12.770
<b>Proceeds and payments on financial liabilities</b>		<b>1.102.434</b>	<b>126.216</b>
Issue		1.188.727	220.569
Interest-bearing loans and borrowings		801.086	145.143
Net change in credit facilities, discounted bills and factoring		385.503	72.530
Other borrowings		2.138	2.896
Repayment of		(86.293)	(94.353)
Interest-bearing loans and borrowings		(87.131)	(72.542)
Borrowings from related parties		1.982	(20.884)
Other borrowings		(1.144)	(927)
<b>Payments on dividends and other equity instruments</b>		<b>(38.638)</b>	<b>(37.346)</b>
Dividends	17-19-22	(38.638)	(37.346)
<b>Cash flows from financing activities</b>		<b>1.082.224</b>	<b>100.043</b>
<b>Effect of changes in exchange rates</b>		<b>17.817</b>	<b>(3.760)</b>
<b>NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS</b>		<b>822.225</b>	<b>(125.027)</b>

## GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020

#### **Note 1. Activity of Gestamp Automoción, S.A. and Subsidiaries (hereinafter, the Group)**

GESTAMP AUTOMOCIÓN, S.A., hereinafter the "Parent Company", was incorporated on 22 December 1997. Its registered office is in Abadiano (Vizcaya, Spain), at the Lebario Industrial Estate.

Its corporate purpose is to provide advisory and financing services and a link with the automotive industry for all its subsidiaries.

Since 7 April 2017 the shares of the Parent Company are listed in the four Spanish Stock Exchanges (Madrid, Barcelona, Valencia and Bilbao).

The Parent, in turn, forms part of a group headed by its majority shareholder, Acek, Desarrollo y Gestión Industrial, S.L., and the companies forming such group perform significant commercial and financial transactions under the terms and conditions established among the parties on an arm's length basis. Intra-Group and related parties transfer prices are duly documented in a transfer price dossier as stipulated by the prevailing legislation.

All the Group's subsidiaries centre their activities around the development and manufacture of metal components for the automotive industry via stamping, assembly, welding, tailor welded blanks, the construction of tools (moulds for the manufacture of parts) and machinery and the Group also has services companies and companies engaging in the research and development of new technologies.

Most of the Group's activities are located in the Western Europe segment; the North America segment constitutes the second most significant geographic market and the Eastern Europe segment the third one (Note 9).

Group sales are concentrated across a limited number of customers due to the nature of the automotive industry. However, the Group supplies products globally to the top 12 vehicle manufacturers by volume worldwide, and new customers are being added, in line with the Group's growth and diversification strategy.

#### COVID-19

During the first quarter of 2020, the COVID-19 virus spread worldwide and was declared a pandemic by the World Health Organization on 11 March 2020. In response, many governments imposed a quarantine situation, severe travel restrictions, as well as other public security measures, which has led to major disruptions in the economies of many countries. These measures have led to a high degree of slowdown in economic activity, so that the projections of production volumes of light vehicles for 2020 and 2021 show a 22% drop with respect to the pre-pandemic estimates.

For the Group this situation resulted in 112 plants closing for an average of eight weeks, significantly affecting the results for the second quarter of the 2020 financial year. This circumstance has entailed a 56% decline in turnover in the second quarter of 2020 compared to the same period of 2019, as well as the forecasts of production volumes for the coming months and years being modified.

The Group is executing a contingency plan to adapt to this situation, implementing measures to improve the Group's liquidity position, as well as labour flexibility, improving cost efficiency, working capital management and reducing investments. Likewise, the complementary dividend expected for the third quarter of 2020 will not be paid.

Based on the new projections for the volumes of activity for the coming years, the Gestamp Group has proposed a transformation plan to adapt the organisational and industrial structures to the new situation and has recorded provisions for these in the Interim Condensed Consolidated Financial Statements amounting to 90 million euros for operating costs (3 million euros incurred and paid expenses and a provision for other responsibilities recorded amounted to 87 million euros (Note 21)) and 13 million euros for asset impairment. These amounts are presented differently in our Interim Condensed Consolidated Statement of profit or loss.

## **Note 2. Scope of Consolidation**

### **2.a Breakdown of scope of consolidation**

Appendix I lists the companies forming the scope of consolidation, together with the consolidation method used, registered office, line of business, ownership interest (direct and indirect) and the auditors of such companies.

Appendix II lists the companies that hold the indirect investments corresponding to 30 June 2020 and 31 December 2019.

No significant subsidiaries have been excluded from the scope of consolidation.

The closing of the financial year for the companies included in the scope of consolidation is 31 December, with the exception of the subsidiaries Gestamp Services India Private, Ltd., Gestamp Automotive India Private, Ltd., Gestamp Automotive Chennai Private Ltd. and Gestamp Pune Automotive Private Ltd., whose financial years close on 31 March. However, an accounting close at 31 December was performed to include the financial statements of these companies in the Interim Condensed Consolidated Financial Statements at 30 June 2020 and 31 December 2019.

The following German subsidiaries are included in these Interim Condensed Consolidated Financial Statements using the full consolidation method and are exempt from the responsibility of auditing their financial statements and publishing their own consolidated accounts for 2020 in Germany, using the additional regulation of §264 (3) German Commercial Code:

- Edscha Holding GmbH (Remscheid, Germany)
- Edscha Engineering GmbH (Remscheid, Germany)
- Edscha Kunststofftechnik GmbH (Remscheid, Germany)
- Edscha Automotive Hengersberg GmbH (Hengersberg, Germany)
- Edscha Automotive Hauzenberg GmbH (Hauzenberg, Germany)

There are no significant restrictions on the capability of accessing to or using the assets or settle the liabilities of the subsidiaries included in the scope of consolidation.

### **2.b Changes in scope of consolidation**

#### **2020**

The main changes during 2020 are the following:

- On 11 February 2020, the subsidiary Gestamp Sweden AB carried out a capital increase with a share premium, through which Gestamp Servicios S.A. became a shareholder, leaving its shareholder structure as follows:

	% shareholding	
	prior increase	post increase
Gestamp Bizkaia, S.A.	51.009%	1.000%
Gestamp Tallent, Ltd	18.966%	0.372%
Gestamp Automocion, S.A.	30.025%	93.153%
Gestamp Servicios, S.A.	0.000%	5.475%

- On 11 March 2020, the Parent Company acquired 100% of the equity interests of the subsidiary Gestamp Finance Slovakia S.R.O. by purchasing 75% from the subsidiary Edscha Holding GmbH.
- On 11 March 2020, the subsidiary Beyçelik Gestamp Kalip, A.S. acquired 30% of MPO Prodivers Rezistent, S.R.L., thereby acquiring 100% of this company.

Since the transaction involves a change in the ownership interest retaining the control, the difference between the adjustment of the non-controlling interest (1,540 thousand euros) (Note 19) and the fair value of the consideration (2,057 thousand euros) is directly recognised as a decrease in equity (517 thousand euros) (Note 17).

- On 29 May 2020 the name of the company MPO Prodivers Rezistent, S.R.L. was changed to Gestamp Beycelik Romanía, S.R.L.

## **2019**

The main changes in the scope of consolidation during 2019 were the following:

- On 22 October 2019 the name of the company NCSG Sorocaba Industria Metalúrgica Ltda. was changed to Gestamp Sorocaba Industria de Autopeças Ltda.
- On 8 July 2019, the company Edscha Automotive Components Shanghai Co., Ltd. was formed, being wholly owned by Shanghai Edscha Machinery Co., Ltd. It was included in the scope of consolidation using the full consolidation method.
- On 24 April 2019, the subsidiary Gestamp North Europe Services, S.L. acquired 51% of the share capital of Etem Automotive Bulgaria, S.A. This company was included in the scope of consolidation using the full consolidation method (Note 3). Subsequently, this company became known as Gestamp Etem Automotive Bulgaria, S.A. The net effect of this business combination was operating profit that amounted to 2,523 thousand euros (Note 3).
- Also, on 24 April 2019, the subsidiary Gestamp North Europe Services, S.L. acquired 49% of the share capital of Etem Aluminium Extrusions, S.A. for an amount of 9,500 thousand euros. This company was included in the scope of consolidation using the equity method (Note 12). Subsequently, this company became known as Etem Gestamp Aluminium Extrusions, S.A. The net effect was income under Share of Profits From Associates Accounted for Using the Equity Method from this acquisition, which amounted to 1,956 thousand euros. (Note 12.a).
- In January 2019, Edscha North America Technologies, LLC. was formed. This company was wholly owned by the subsidiary Edscha Automotive Michigan, Inc. It was included in the scope of consolidation using the full consolidation method.

**Note 3. Business combinations****2020**

There were no business combinations in the first half of 2020.

**2019****Gestamp Etem Automotive Bulgaria, S.A.**

On 24 April 2019, the subsidiary Gestamp North Europe Services, S.L. signed a purchase agreement for Etem Automotive Bulgaria S.A., whereby it acquired 51% of the share capital of that company for 2,529 thousand euros, which was paid in full at the time of acquisition. Subsequently, this company became known as Gestamp Etem Automotive Bulgaria, S.A.

The company's object is the marketing and industrialisation of post-extrusion products and activities.

The fair value of the assets and liabilities of Gestamp Etem Automotive Bulgaria S.A. obtained from the balance sheet upon consolidation was as follows:

	<b>Thousands of euros</b>
Intangible assets (Note 10)	247
Property, plant and equipment	
Plant and other PP&E (Note 11)	6,723
Inventories	
Commodities and other consumables	598
Finished and semi-finished products	804
Prepayments	26
Trade receivables	4,157
Deferred tax assets	38
Cash and cash equivalents	4,083
Other assets	10
	<u>16,686</u>
Other non-current liabilities	27
Other current liabilities	3,615
Trade accounts payable	3,138
	<u>6,780</u>
Net assets	9,906
Percentage of direct shareholding acquired	51.00%
Attributable net assets	5,052
Total consideration	2,529
Net effect of the business combination	(2,523)

The net effect of the business combination amounted to 2,523 thousand euros and was registered under the heading "Other operating income" in the Consolidated Income Statement at 31 December 2019.

This business combination also involved the incorporation of new non-controlling interests amounting to 4,854 thousand euros (Note 19).

Revenue and profit attributable to the business combination from the date of incorporation to 31 December 2019 was not significant.

The headcount of this business unit incorporated into the Group comprised approximately 124 people.

There were no significant costs associated with this transaction.

## **Note 4. Basis of presentation**

### **4.1 True and fair view**

The Group's Interim Condensed Consolidated Financial Statements at 30 June 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and approved by European Commission Regulations, in force at 30 June 2020. However, these Interim Condensed Consolidated Financial Statements do not include all the information that would be required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards, and, accordingly, the Interim Condensed Consolidated Financial Statements should be read together with the Group's Consolidated Financial Statements for the year ended 31 December 2019.

The Interim Condensed Consolidated Financial Statements have been prepared on the basis of the auxiliary accounting records at 30 June 2020 and 31 December 2019 of each of the Group companies. Each company prepares its Financial Statements in accordance with the accounting principles and standards in force in the country in which it operates; the required adjustments and reclassifications were made in the consolidation process in order to harmonise the policies and methods used to adapt them to IFRS.

The figures stated in the documents comprising these Interim Condensed Consolidated Financial Statements are expressed in thousands of euros unless otherwise indicated and can therefore be rounded.

### **4.2 Comparison of information**

In 2020, there were no changes in the scope of consolidation.

The following companies were incorporated in the scope of consolidation in 2019:

- Edscha Automotive Components (Shanghai), Co., Ltd.
- Edscha North America Technologies, LLC.
- Gestamp Etem Automotive Bulgaria, S.A.
- Etem Gestamp Aluminium Extrusions, S.A.

The first three companies were included in the scope of consolidation by the full consolidation method and the latter company using the equity method.

### **4.3 Basis of consolidation**

The Interim Condensed Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries at 30 June 2020.

The Group controls a subsidiary if and only if the Group has in turn:

- Power over the subsidiary (rights that give the ability to direct the relevant activities of the subsidiary)
- Exposure, or rights to variable returns from its involvement in the subsidiary and
- The ability to use its power over the subsidiary to affect the said variable returns.

When the Group does not hold the majority of voting rights or similar rights of the subsidiary, the Group considers all relevant facts and circumstances to assess the existence of control. This includes:

- Contractual agreements with other investors holding voting rights of the subsidiary
- Rights arisen from other contractual agreements
- Potential voting rights of the Group
- Power over relevant activities of the subsidiary

When facts and circumstances indicate changes in one or more elements determining control over a subsidiary, the Group reassesses the existence of control over such subsidiary (Note 7).

Subsidiaries are fully consolidated from the acquisition date, when the Group obtains control, and continue to be consolidated until the date when such control ceases. If the Group loses or relinquishes control of a subsidiary, the Interim Condensed Consolidated Financial Statements include that subsidiary's results for the portion of the year during which the Group held control.

The financial statements of the subsidiaries have the same closing date as the Parent Company, except for the companies mentioned in Note 2.a. The said companies have an additional closing for the financial year for their inclusion to the Interim Condensed Consolidated Financial Statements, which are drawn up using the same accounting policies in a uniform and coherent procedure.

The profit or loss of a subsidiary company is attributed to non-controlling interests, even if it involves recording a debit balance with them.

Changes in shareholding percentage that do not mean loss of control are reflected as an equity transaction. When the Group loses control of a subsidiary:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of non-controlling interests.
- Derecognises translation differences taken to equity.
- Recognises the fair value of the consideration received for the transaction.
- Recognises the fair value of any retained investment.
- Recognises any gain or loss in the Interim Condensed Consolidated Income Statement.
- Reclassifies to profit or loss or to retained earnings, as appropriate, the Parent Company's interest in the items previously recognised in Other Comprehensive Income.

#### Subsidiaries

The full consolidation method is used for companies included in the scope of consolidation, controlled by the Parent Company, in accordance with the definition included at the beginning of this section.

#### Joint ventures

Interests in joint ventures are consolidated using the equity method until the date on which the Group ceases to have joint control over the venture.

A joint venture is an arrangement whereby the parties have joint control of the rights to the net assets of the joint venture. Joint control is the contractual agreement to share control and it exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

#### Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities. Those parties are called joint operators.

The joint operations where the Group acts as joint operator are consolidated under interest in assets, liabilities, income and expenses.

### Associates

Investments in which the Group has significant influence but not control have been consolidated under the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the subsidiary but it does not imply control or joint control on those policies. Considerations to make in order to decide whether there is significant influence are similar to those made to decide whether there is control over a subsidiary.

For the purposes of the preparation of the accompanying Interim Condensed Consolidated Financial Statements, significant influence is deemed to exist in investments in which the Group, directly or indirectly, holds over 20% of the voting power, and in certain instances where the Group's holding is less than 20%, but significant influence can be clearly demonstrated.

### Translation of financial statements of foreign companies

The assets and liabilities and income statements of foreign companies included in the Interim Condensed Consolidated Financial Statements, whose functional currency is different from the presentation currency, are translated to euros using the closing foreign exchange rates method as follows:

- The assets, rights, and liabilities of foreign operations are translated at the exchange rate prevailing at the Interim Condensed Consolidated Financial Statements.
- Income and expenses are translated using the average exchange rate, as long as that average is a reasonable approximation of the cumulative effect of the actual exchange rates prevailing at the transactions dates and except for hyperinflationary economies (Note 4.5).

The difference between the amount of the equity of the foreign companies, including the balance of the income statement in accordance with the preceding paragraph, translated at the historical exchange rate and the equity position resulting from the translation of the assets, rights and obligations in accordance with the first paragraph, is recorded, with the corresponding negative or positive sign, in the Equity in the Interim Condensed Consolidated Balance Sheet under the heading Translation differences (Note 18).

Exchange gains and losses due to the impact of changes in the functional currency relative to the euro on foreign currency borrowings considered permanent are taken directly to equity under Translation differences, net of tax effect. Said reclassification as at 30 June 2020 represents a decrease of translation differences amounting to 88.0 million euros (increase of 15.1 million euros as at 31 December 2019).

Permanent financing transactions are considered to be intragroup loans to subsidiaries whose repayment is not foreseen and are therefore treated as equity.

At 30 June 2020, the Parent Company held own shares representing 0.25% of its share capital (0.12% at 31 December 2019) (Note 16.b). The subsidiaries do not own investments issued by the Parent Company at 30 June 2020 or at 31 December 2019.

The effect of the change in exchange rates when presenting the Interim Condensed Consolidated Statement Of Cash Flow using the indirect method has been calculated taking into account an average of the year for Cash and cash equivalents and the change in exchange rates has been applied at the end of each of the years.

### Transactions between companies included in the scope of consolidation

The following transactions and balances were eliminated upon consolidation:



- Reciprocal receivables/payables and expenses/income relating to intra-Group transactions.
- Income from the purchase and sale of property, plant and equipment and intangible assets as well as unrealised gains on inventories, if the amount is significant.
- Intra-Group dividends and the debit balance corresponding to interim dividends recognised at the company that paid them.

#### Non-controlling interests

The value of non-controlling interests in the equity and results of the consolidated subsidiaries is presented under Non-controlling interest in the Equity in the Interim Condensed Consolidated Balance Sheet and in Profit (loss) attributable to non-controlling interest in the Interim Condensed Consolidated Income Statement and Interim Condensed Consolidated Statement of Comprehensive Income, respectively.

#### 4.4 Going concern

The Parent Company's directors has drawn up these Interim Condensed Consolidated Financial Statements on a going concern basis given its judgment that there are no uncertainties regarding its ability to continue as a going concern.

The Group has sufficient financing in place to fund its operations. The outstanding balance at 30 June 2020 of the Group's gross financial debt amounted to 4,574 million euros (3,468.7 million euros at 31 December 2019) (Note 4.6), of which 85% matures at over 12 months (94% at 31 December 2019).

At 30 June 2020, the Group had cash and cash equivalents totalling 2,121.2 million euros (1,796.0 million euros at 31 December 2019), where the breakdown is as follows.

	Million euros	
	30-06-2020	31-12-2019
Cash and Cash equivalents	1,480.8	658.5
Short-term investments	3.6	22.3
Other non-current financial assets	30.8	44.1
Undrawn credit facilities		
Maturing at over 12 months	284.0	378.5
Revolving Credit Facility	-	325.0
Maturing at under 12 months	322.0	367.6
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>2,121.2</b>	<b>1,796.0</b>

The calculation of the cash and cash equivalents do not include loans and receivables presented under Financial Assets amounted to 21,703 thousand euros at 30 June 2020. The total cash and cash equivalents would amount to 2,142.9 millions euros, including the loans and receivables.

#### 4.5 Argentina hyperinflation adjustment

Since all the inflation indicators for Argentina point to cumulative inflation in three years exceeding 100%, and there are no qualitative matters to mitigate the situation, Argentina must be considered to be a hyperinflationary economy from 1 July 2018, so IAS 29 "Financial Reporting in Hyperinflationary Economies", applies, requiring the Interim Condensed Consolidated Financial Statements to be expressed in terms of the current measurement unit on the date of the year reported. This restatement of accounting values was carried out as follows:

- Separation and identification of all balance sheet items between monetary and non-monetary. The monetary items are cash and the balances receivable or payable in Argentine pesos, including the assets from customer contracts. The non-monetary items are intangible assets,

property, plant and equipment, tooling and other similar assets. The income statement and equity items are also deemed to be non-monetary items for the purposes of calculating hyperinflation. No significant items measured at current cost were identified.

- Non-monetary assets and liabilities: These assets were recognised at cost from their acquisition date. These items are restated from their acquisition date, multiplying the carrying amount at historical cost by the index obtained as a result of dividing the index at year-end by the index at the acquisition date.
- Income and expenses: These items were restated in line with the performance of the price index from the date on which they were recognised until the period-end date.
- The income statement of the Argentine companies in the Interim Condensed Consolidated Financial Statements was translated to euros at the year-end exchange rate.
- Calculation and recognition of the deferred taxes arising from the change in accounting values with respect to tax values.

The index used for the restatement was a synthetic index. To restate the balances prior to 31 December 2016, the wholesale price index was used and, from 1 January 2017, the National Consumer Price Index was used.

The comparative figures in the Consolidated Financial Statements at 31 December 2018 with respect to the companies in Argentina are those of the previous year, that is, they are not adjusted by hyperinflation nor will they be adjusted for subsequent changes in the level of prices or exchange rates in subsequent years. This gave rise to differences between equity at the end of the 2017 and equity at the beginning of 2018 and, as an accounting policy option, these changes were presented in the Translation Differences heading.

The cumulative effect on the Interim Condensed Consolidated Financial Statements at 30 June 2020 of the inflation adjustment made in the manner described in the previous paragraphs was as follows:

		Thousands of euros					
		30-06-20			31-12-19		
		Gestamp Córdoba, S.A.	Gestamp Baires, S.A.	Total	Gestamp Córdoba, S.A.	Gestamp Baires, S.A.	Total
Plant and other PP&E	(Note 11)	10,961	24,204	35,165	11,569	25,459	37,028
Intangible Assets		15	23	38	19	45	64
Deferred tax liabilities		(2,744)	(6,057)	(8,801)	(2,897)	(6,376)	(9,273)
<b>EFFECT ON NON-MONETARY ASSETS AND LIABILITIES (Asset increase)</b>		<b>8,232</b>	<b>18,170</b>	<b>26,402</b>	<b>8,691</b>	<b>19,128</b>	<b>27,819</b>
Revenue		246	406	652	2,166	3,486	5,652
Cost of materials used		(126)	(237)	(363)	(1,648)	(2,043)	(3,691)
Personnel expenses		(157)	(274)	(431)	(359)	(851)	(1,210)
Other operating expenses		(77)	(72)	(149)	(277)	(667)	(944)
<b>EFFECT ON EBITDA</b>		<b>(114)</b>	<b>(177)</b>	<b>(291)</b>	<b>(118)</b>	<b>(75)</b>	<b>(193)</b>
Depreciation and amortisation and impairment		388	903	1,291	1,020	1,539	2,559
Finance income		-	-	-	(118)	71	(47)
Finance expenses		(9)	(25)	(34)	4	(140)	(136)
Exchange gains (losses)		(5)	(66)	(71)	60	(142)	(82)
Income tax		36	(553)	(517)	731	1,518	2,249
Result of exposure to inflation		652	1,030	1,682	1,087	1,298	2,385
<b>EFFECT ON RESULTS FOR THE YEAR</b>		<b>948</b>	<b>1,112</b>	<b>2,060</b>	<b>2,666</b>	<b>4,069</b>	<b>6,735</b>
<b>EFFECT ON RESERVES (Losses from previous years)</b>		<b>4,607</b>	<b>12,665</b>	<b>17,272</b>	<b>1,941</b>	<b>8,596</b>	<b>10,537</b>
<b>PRIOR EFFECT ON TRANSLATION DIFFERENCES (Liability increase)</b>		<b>(13,787)</b>	<b>(31,947)</b>	<b>(45,734)</b>	<b>(13,298)</b>	<b>(31,793)</b>	<b>(45,091)</b>
Effect non-controlling interests due allocation of translation differences		(4,100)	(9,134)	(13,234)	(3,773)	(8,914)	(12,687)
Effect non-controlling interests due allocation of income and expenses		378	506	884	625	1,219	1,844
Effect non-controlling interests due allocation of reserves		1,124	2,555	3,679	499	1,336	1,835
<b>EFFECT ON NON-CONTROLLING INTEREST (Equity and liabilities increase)</b>		<b>(2,598)</b>	<b>(6,073)</b>	<b>(8,671)</b>	<b>(2,649)</b>	<b>(6,359)</b>	<b>(9,008)</b>
<b>TOTAL EFFECT ON TRANSLATION DIFFERENCES (Liability increase)</b>	(Note 18)	<b>(9,687)</b>	<b>(22,813)</b>	<b>(32,500)</b>	<b>(9,525)</b>	<b>(22,879)</b>	<b>(32,404)</b>
<b>TOTAL EFFECT ON INCOME AND EXPENSES (loss)</b>		<b>570</b>	<b>606</b>	<b>1,176</b>	<b>2,041</b>	<b>2,850</b>	<b>4,891</b>
<b>EFFECT ON RESERVES (Equity and liabilities decrease/losses from previous years)</b>		<b>3,483</b>	<b>10,110</b>	<b>13,593</b>	<b>1,442</b>	<b>7,260</b>	<b>8,702</b>

Balance-sheet accounts with a positive sign relate to receivable balances and the negative sign to payable balances. Income statement accounts with a positive sign relate to expenses and the negative sign to income.

#### 4.6 Alternative performance measures

Together with the indicators given in the IFRS, the Group uses a set of alternative performance measures, since it considers that they help in the decision-making process and economic-financial situation and are widely used by investors, financial analysts and other stakeholders. These indicators are not defined by IFRS and thus may not be directly comparable with other similar indicators used by other companies.

##### EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)

EBITDA is an alternative management indicator because it provides useful information regarding the plants' ability to generate operating results (before financial expenses, taxes and amortisation), segments and the Group as a whole, and it is one of the indicators used by lenders to measure our financial capacity, on comparing it with debt.

The impact of the amendments to the IFRS in the year (Note 5) has not changed the definition of EBITDA as this represents operating profit before amortisation, impairment and depreciation. It is calculated as the difference between two aggregates defined under IFRS, without performing any adjustments thereto.

The calculation of EBITDA as at 30 June 2020 and 30 June 2019 is as follows:

	Thousand of euros	
	30-06-2020	30-06-2019
Operating profit	(190,167)	244,465
Amortization and impairment	316,182	276,262
<b>EBITDA</b>	<b>126,015</b>	<b>520,727</b>
Transformation plan operating expenses	89,892	
<b>EBITDA Pre-Transformation plan</b>	<b>215,907</b>	<b>520,727</b>

The proforma EBITDA at 30 June 2020 and 30 June 2019, without the impact of the application of IFRS 16, would be 78,131 thousand euros and 477,701 thousand euros, respectively.

The calculation of the EBITDA at 30 June 2020 and 30 June 2019, based on the information contained in the Interim Condensed Consolidated Statement of Cash Flow was as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
<b>Result before taxes</b>	<b>(305,992)</b>	<b>171,846</b>
<b>Adjustments to profit</b>	<b>432,007</b>	<b>348,881</b>
Depreciation and amortization of assets	316,182	276,262
Financial incomes	(4,178)	(3,030)
Financial expenses	81,284	78,070
Exchange rate differences	34,152	(13,132)
Share of profit/(loss) from associates - equity method	(395)	(2,405)
Change in fair value of financial instruments	3,280	13,231
Result of exposure to inflation	1,682	(115)
<b>TOTAL EBITDA</b>	<b>126,015</b>	<b>520,727</b>

### EBIT (Earnings Before Interest and Taxes)

EBIT is the Operating Profit. It is calculated before financial expenses and taxes.

### CAPEX

The Group uses the CAPEX as an alternative performance measure, since it provides significant information on the investment decisions performed by the Group, and it is also related with the financing of operations.

CAPEX is calculated by adding the additions to Other intangible assets and to Property, plant and equipment.

The calculation of the CAPEX at 30 June 2020 and 31 December 2019 is as follows (Notes 10.b) and 11):

	Thousand of euros	
	30-06-2020	31-12-2019
Additions to Other intangible assets	39,590	108,075
Additions to Property, plant and equipment	260,304	714,440
	<b>299,894</b>	<b>822,515</b>

### Net Financial Debt

Net Financial Debt provides useful information with regard to the level of debt held by the Group related with compliance with financial obligations ("covenants"), and the changes therein relate to cash generation before lending transactions more directly than the changes in gross debt. The impact of IFRS 9 in the year (Note 22) did not change the definition of such alternative performance measures, calculating it by reference to the data from the Interim Condensed Consolidated Financial Statements.

The calculation of the Net Financial Debt at 30 June 2020 and 31 December 2019 is as follows (Note 22):

	Thousands of euros	
	30-06-2020	31-12-2019
Interest-bearing loans and borrowings and debt issues	3,974,761	2,864,235
Finance lease	57,099	59,029
Borrowings from related parties	135,789	132,442
Other borrowings	20,822	20,368
Operating lease (IFRS 16)	385,600	392,631
<b>Gross Financial Debt (Note 22 and Note 4.4)</b>	<b>4,574,071</b>	<b>3,468,705</b>
Current financial assets	(56,126)	(88,541)
Cash and cash equivalents	(1,480,806)	(658,581)
<b>Subtotal</b>	<b>(1,536,932)</b>	<b>(747,122)</b>
<b>Net financial debt</b>	<b>3,037,140</b>	<b>2,721,583</b>

The proforma net financial debt as at 30 June 2020 and 31 December 2019, without the impact of the application of IFRS 16, would be 2,651,540 thousand euros and 2,328,952 thousand euros, respectively.

#### **Note 5. Changes in accounting policies**

##### **a) Standards and interpretations approved by the European Union and applied for the first time during the period**

###### **Amendments to IAS 1 and IAS 8 – Definition of material**

The amendments to the definition of material are made so that it is easier to make judgements on what is material. The definition of material helps the entities to decide whether the information must be included in the Consolidated Financial Statements or, where appropriate, in the Interim Condensed Consolidated Financial Statements. These amendments clarify this definition and include guides on how it must be applied. Also, the explanations accompanying this definition were improved and it was ensured that the definition of material is consistent in all the standards.

The modifications have been applied during the year without significant changes.

###### **Amendments to IFRS 3 - Business combinations**

The amendments change the business definition of IFRS 3 to help entities to determine whether a transaction must be recognised as a business combination or as the acquisition of a group of assets. This distinction is highly important, since the acquirer only recognises goodwill when a business is acquired.

The new business definition emphasises that the purpose of a business is to provide goods and services to customers, which generate investment income (such as dividends or interest) or which generate other income from ordinary activities, while the previous definition focused on providing return in the form of dividends, less costs or other economic benefits directly to investors or other owners, members or participants.

During the six-month period no significant business combinations have taken place.

###### **Amendments to IFRS 9, IAS 39 and IFRS 17: Interest rate benchmark reform**

Amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and measurement provide a number of practical solutions, which apply to all hedge relationships that are directly affected by the interest rate benchmark reform. A hedge relationship is affected if the reform would give rise to uncertainty about the timing and/or amount of cash flows arising from the benchmark interest rate for both the hedged item and the hedging instrument. These amendments have no impact on the Group's Interim Condensed Consolidated Financial Statements.

**b) Standards and interpretations issued by the IASB, but not applicable in this year**

**Amendment to IFRS 16 Rent Concessions Related to COVID-19**

This modification allows, as a practical solution, for the lessee to be able to choose not to recognise the rent concessions, derived from COVID-19, as a modification of the lease. If the lessee so chooses, the lessee may recognise the lease using the criteria in IFRS 16 Leases as if the concessions were not a modification.

This practical solution can only be applied to rent concessions that have been a direct consequence of COVID-19. This requires the following conditions to be met: (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. There were no significant rent concessions in the Group's rental agreements.

**Note 6. Summary of significant accounting policies**

**6.1 Foreign currency transactions**

**Functional and presentation currency**

Line items included in the financial statements of each entity are valued using the functional currency of the primary economic environment in which it operates.

The Interim Condensed Consolidated Financial Statements are presented in thousands of euros, as the Euro is the Group's presentation currency and the functional currency of the Parent Company.

**Transactions in foreign currency other than the functional currency of each company**

Transactions in foreign currencies different to the functional currency of each company are translated to the Group's functional currency at the exchange rate prevailing at the date of the transaction. Exchange gains and losses arising on the settlement of these transactions or on translating foreign currency denominated monetary assets and liabilities at closing rates are recognised in the Interim Condensed Consolidated Income Statement.

**6.2 Property, plant and equipment**

Property, plant and equipment is carried at either acquisition, transition cost to IFRS (1 January 2007), or production cost, including all the costs and expenses directly related with assets acquired until ready for use, less accumulated depreciation and any impairment losses. Land is not depreciated and is presented net of any impairment charges.

Acquisition cost includes:

- Purchase price.

- Settlement discounts that reduce the value of the asset.
- Directly attributable costs incurred to ready the asset for use.

Prior to the date of transition to international accounting standards (1 January 2007), certain Group companies remeasured certain tangible assets under various legal provisions (RDL 7/1996; Norma foral del Gobierno vasco 6/1996 and various international legal provisions), the amount of these remeasurements being considered as part of the cost of the assets in accordance with IAS 1.

At the date of transition to EU-IFRS (1 January 2007), all property, plant and equipment was measured at fair value at that date on the basis of a report by an independent expert, which led to a revaluation of the Group's assets (Note 11).

The carrying value of Property plant, and equipment acquired by means of a business combination is measured at its fair value at the moment of its incorporation into the Group (Note 6.3).

Specific spare parts: certain major parts of some items of Property, plant and equipment may require replacement at irregular intervals. The cost of these parts is capitalised when the part is replaced and depreciated over their estimated useful lives. The net carrying amount of replaced parts is retired with a charge to income when the replacement occurs.

Ordinary repair or maintenance work is not capitalised.

An item of Property, plant and equipment is retired upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on retirement of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is included in the Interim Condensed Consolidated Income Statement in the year the asset is retired.

Finance costs directly attributable to the acquisition or implementation of property, plant and equipment that require a substantial period of time to be available for use are capitalised in accordance with the accounting treatment in IAS 23. The amount of these capitalised finance costs is not material.

Annual depreciation is calculated using the straight-line method based on the estimated useful lives of the various assets.

The estimated useful lives of the various asset categories are:

	Estimated useful life (years)	
	2020	2019
Buildings	17 to 35	17 to 35
Plant and machinery	3 to 20	3 to 20
Other plant, tools and furniture	2 to 10	2 to 10
Other PP&E items	4 to 10	4 to 10

The estimated assets' useful lives are reviewed at each financial year end, and adjusted prospectively if revised expectations differ significantly from previous estimates.

No significant residual values at the end of useful lives are expected.

When the net carrying amount of an individual item from Property, plant and equipment is higher than their recoverable value, impairment is considered and the value of the item is decreased to the recoverable value.

### 6.3 [Business combinations and goodwill](#)

### Business combinations

Business combinations are accounted for using the acquisition method. The acquisition cost is the sum of the total consideration transferred, measured at fair value at the acquisition date, and the amount of non-controlling interest of the acquired company, if any.

For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition costs incurred are registered under the heading "Other operating expenses".

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of the implicit derivatives of the main contracts of the acquired company.

### Consolidation goodwill

Goodwill acquired in a business combination is initially measured, at the time of acquisition, at cost, that is, the excess of the total consideration paid for the business combination over the Parent Company's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities of the acquired business.

For companies whose functional currency is different from the presentation currency, the value of the goodwill recognised is updated using the rate of exchange prevailing at the Interim Condensed Consolidated Balance Sheet date, recognising in Translation differences the differences between beginning and ending balances, according to IAS 21, considered to be belonging to the acquired business assets.

If the Parent Company's interest in the net fair value of the identifiable acquired assets, assumed liabilities, and contingent liabilities exceeds the cost of the business combination, the Parent Company reconsiders the identification and measurement of the assets, liabilities, and contingent liabilities of the acquired company, as well as the measurement of the cost of the business combination (even non-monetary) and recognises any excess that continues to exist after this reconsideration in the Interim Condensed Consolidated Income Statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units or groups of Cash-Generating Units (Note 6.7) expected to benefit from the business combination's synergies, irrespective of any other Group assets or liabilities assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the Cash-Generating Unit or groups of Cash-Generating Units to which the goodwill relates. If the recoverable amount of the Cash-Generating Unit or Group of Cash-Generating Units is less than the carrying amount, the Group recognises an impairment loss (Note 6.7).

## 6.4 Investments in associates

The Group has equity interests in associates, which are companies over which the Group has significant influence.



The Group records its interest in associates using the equity method.

According to this method, the investment in an associate is initially recorded at cost. From the acquisition date on, the carrying amount of the investment is adjusted to reflect the changes of the investor's share of the net assets of the associate. The goodwill related to the associate is included in the carrying amount of the investment and it is not amortised and no related impairment test is performed.

The share of the Group in profits of the associate's operations is reflected in the Interim Condensed Consolidated Income Statement. When there has been a change recognised directly in equity by the associate, the Group recognises its share of this change, when applicable, in the Interim Condensed Consolidated Statement of Changes in Equity. Non-realised gains or losses resulting from transactions between the Group and the associate corresponding to the share of the Group in the associate are eliminated.

The share of the Group in profits of the associate is reflected directly in the Interim Condensed Consolidated Income Statement and it represents profit after taxes and non-controlling interests existing in subsidiaries of the associate.

The financial statements of the associate are prepared for the same period as the Group; the required adjustments and reclassifications have been made in consolidation in order to harmonise the policies and methods used by the Group.

After using the equity method, the Group decides if impairment losses on the investment in the associate have to be recognised. At the closing date the Group considers if there are evidences of impairment of the investment in the associate. If this is the case, the Group calculates the amount of the impairment loss as the difference between the recoverable amount of the associate and its carrying amount and recognises this amount under the heading Share of profit from associates-equity method in the Interim Condensed Consolidated Income Statement.

When the significant influence of the Group in the associate ceases, the Group recognises the investment at its fair value. Any difference between the carrying amount of the associate at the moment of loss of significant influence and the fair value of the investment plus the income for sale, is recognised in the Interim Condensed Consolidated Income Statement.

#### 6.5 Other intangible assets

Other intangible assets acquired by the Group are measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is recognised only if it is probable that it will generate future benefits for the Group and that its cost can be reliably measured.

##### Research and development costs

Research costs are expensed as incurred.

Development expenditure is capitalised when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete and its ability to use or sell the resulting asset;
- Its ability to use or sell the intangible asset;
- The economic and commercial profitability of the project is reasonably ensured;

- The availability of adequate technical and financial resources to complete and to use or sell the resulting asset;
- Its ability to measure reliably the expenditure during development.

Capitalised development expenses are amortised on a straight-line basis, over the period in which it is expected to obtain income or profits from the aforementioned project, which does not exceed 6 years.

At 30 June 2020 and 31 December 2019, no intangible assets corresponding to development expenses had been capitalised more than one year prior (with respect to those dates) and that had not begun to be amortised on those dates.

#### Concessions, patents, licences, trademarks, et al.

These intangible assets are initially measured at acquisition cost. They are assessed as having a finite useful life and are accordingly carried at cost net of accumulated amortisation. Amortisation is calculated using the straight-line method, based on the estimated useful life, in all instances less than 5 years; except the GESTAMP brand which is considered an asset of indefinite useful life.

#### Software

Software is measured at acquisition cost.

Software acquired from third parties, recognised as assets, is amortised over its estimated useful life, which does not exceed 5 years.

IT maintenance costs are expensed as incurred.

### 6.6 Financial assets

Following the IFRS 9's criteria, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt financial asset instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the "SPPI criterion").

The classification and measurement of the IFRS 9 is as follows:

- instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion.
- instruments at FVOCI, with gains or losses recycled to profit or loss on derecognition.

The Group's financial instruments included in non-current financial assets, trade and other receivables, other current assets and current financial investments are recognised at amortised cost, taking into account the business model and the evaluation of the SPPI.

#### Investments accounted for using the equity method

Investments in associates or joint ventures, companies in which the Group has significant influence, are accounted for using the equity method (Note 6.4).

#### Derecognition of financial instruments

The Group retires a transferred financial asset from the Interim Condensed Consolidated Balance Sheet when it has transferred its rights to receive cash flows from the asset or, retaining these rights, when

the Group has assumed a contractual obligation to pay the cash flows to a third party, and the Group has transferred substantially all the risks and rewards of ownership of the asset.

If the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity does not retire the transferred asset from its balance sheet and recognises a financial liability for the consideration received. This financial liability is subsequently measured at amortised cost. The transferred financial asset continues to be measured using the same criteria as prior to the transfer. The Group recognises any income on the financial asset transferred, together with any expense incurred on the financial liability, in the Interim Condensed Consolidated Income Statement, without any offsetting entry.

## 6.7 Impairment losses on assets

### Impairment losses on non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount as either the group of assets' or cash-generating unit's fair value less costs to sell, or its value in use, whichever is higher.

The indicators of impairment are analysed at two levels. One, at the level of the Group's CGUs and the other for the corporate development expense intangible assets (R&D projects). It is considered that a CGU has signs of impairment if it is observed that its level of profitability is significantly below the average return of the segment and of the Group for an on-going period. Other qualitative factors that may affect the CGU are also considered. In the case of the R&D Projects, a significant variation in actual income with regard to expected income in the business plans estimated at the start of the project represent a sign of impairment.

A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash inflows from other assets. The smallest identifiable group of assets designated are the operating plants or the individual companies. However, there are specific cases in which the CGU does not correspond directly to the plants for various reasons, because the trading company groups together several plants that are close to each other or managed as a unit (France, UK, Brazil), or because at a country level there is significant operational integration (Mexico, USA).

When the carrying amount of a group of assets or CGU exceeds its recoverable amount, an impairment loss is recognised and its carrying amount is decreased to its recoverable amount.

Impairment losses with respect to CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units and, then, to proportionally reduce the carrying amount of the assets of the CGU unless, based on a review of the individual assets, it is considered that their fair value less costs to sell is higher than their carrying amount.

When assessing value in use, estimated future cash-flows are discounted at present value by using a pre-tax discount rate that reflects current market valuations of money and risks of the asset. For calculating the fair value of the asset less costs to sell, recent transactions are considered and if they cannot be identified, a proper valuation method is used. These calculations are based on several considerations, market prices and other available indicators of the fair value.

The calculation of impairment is based on detailed budgets and provisions individually prepared for each CGU to which the asset is allocated. Those budgets and provisions refer to a five-year and after that it applies a long-term growth rate using for estimating future cash-flows.

Impairment losses on continuing operations, including inventory impairment, are recognised in the Interim Condensed Consolidated Income Statement under the expense headings relating to the function of the impaired asset.

For all assets except goodwill, an assessment is made every year to see if there is evidence that the impairment registered in previous years has been reduced or has disappeared. In such case, the Group estimates the recoverable value of the asset or the CGU.

A previously recognised impairment loss is reversed, with the reversal recognised in the Interim Condensed Consolidated Income Statement, if there has been a change in the assumptions used to determine the asset's recoverable amount. The restated recoverable amount of the asset cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

The following assets present specific characteristics when assessing their impairment:

#### Consolidation goodwill

Goodwill is tested for impairment at year-end when circumstances indicate that the carrying amount may be impaired.

The impairment test for the goodwill assesses the recoverable value of each CGU allocated to it. If the recoverable value of the CGU is lower than its carrying amount, an impairment loss is registered.

Goodwill impairment losses cannot be reversed in future periods.

#### Intangible assets

At year-end an impairment test is performed on intangible assets with indefinite useful lives, both at the individual level and at the CGU level, as appropriate, and when circumstances indicate that the carrying amount may be impaired.

#### Impairment losses on financial assets

The reduction in the fair value of financial assets that has been recognised directly in equity when there is objective evidence of impairment must be recognised in the Interim Condensed Consolidated Income Statement for the year. The cumulative loss recognised in the Interim Condensed Consolidated Income Statement is measured as the difference between the acquisition cost and current fair value.

Once an equity investment has been impaired, any increase in value is registered in "Other comprehensive income" with no effect on the profit or loss for the year.

In the case of debt instruments classified, if the fair value of an impaired debt instrument subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Interim Condensed Consolidated Income Statement, the impairment loss can be reversed through the Interim Condensed Consolidated Income Statement.

The recoverable amount of held-to-maturity investments and loans and receivables carried at amortised cost is calculated as the present value of the expected future cash flows discounted at the original effective interest rate. The carrying amount of the asset will be reduced through the provision account. The amount of the loss is recognised in the Interim Condensed Consolidated Income Statement for the year. Current investments are not discounted to present value.

Impairment losses on loans and receivables carried at amortised cost are reversed if the subsequent increase in the recoverable amount can be objectively related to an event occurring after the impairment loss was recognised.

## 6.8 [Assets and liabilities held for sale and discontinued operations](#)

Assets and liabilities included in a disposal group whose recovery is expected through sale and not through continued use are included in this category. These assets are valued at lower cost between carrying amount and fair value less costs for sale.

Discontinued operations are reflected in the Interim Condensed Consolidated Income Statement separately from the revenue and expenses from continued operations. They are reflected on a single line as profit after taxes from discontinued operations.

At 30 June 2020 and 31 December 2019, there were no assets or liabilities recorded under this caption or results of discontinued operations.

## 6.9 [Trade and other receivables](#)

Trade receivables are shown in the accompanying Interim Condensed Consolidated Balance Sheet at their face value.

Discounted bills pending maturity at year end are included in the accompanying Interim Condensed Consolidated balance sheet under "Trade receivables," with a balancing entry in "Interest-bearing loans and borrowings". The balances transferred to banks as Non-Recourse Factoring are not included in "Trade receivables" since all risks related to them, including bad and past-due debt risks, have been transferred to the bank (Note 15.a).

The Group recognises impairment allowances in order to cover the expected loss model.

## 6.10 [Inventories](#)

Inventories are valued at the lower of acquisition or production cost and net realisable value.

Cost includes all expenses derived from the acquisition and transformation of inventories, including any other expenses incurred to bring them to their present condition and location.

Inventories have been valued using the average weighted cost method.

When inventories are deemed impaired, their initially recognised value is written down to net realisable value (selling price less estimated costs of completion and sale).

## 6.11 [Revenue recognition and assets from contracts with customers](#)

### Recognition of revenue from customer contracts

The Company earns its revenue primarily from the sale of welded and stamped parts, as well as the construction of toolings. These goods and services are delivered to customers over time and not necessarily together.

The policy of recognising the Group's income is determined by the five-stage model proposed by IFRS 15 Revenue from Contracts with Customers.

#### *Identification of the contract with the customer*

The Group's contracts are normally supply agreements for an unspecified number of orders and thus the term of each contract depends on the orders received.

The contracts are identified with the orders received from the customer, since this is when rights and obligations are created between both parties to produce the parts or build the tools.

#### *Identification of the performance obligations*

Given that control of manufactured toolings is transferred to the customer, the toolings are considered contract's goods and services. Manufacturing of the toolings as well as the parts necessary to ensure their correct operation is a single performance obligation.

Once the toolings are manufactured, each part requested by a customer corresponds to a separate performance obligation and thus, for practical purposes, they are not considered a series, given the short duration of the orders and the little time needed to produce the parts.

Taking into account the just in time production model with customers, at year-end, there were no significant performance obligations pending execution in relation to parts.

#### *Determination of the price of the transaction and its allocation to the performance obligations*

The price agreed in the orders represents the independent sales price of the goods and services being transferred in the contracts. The Group negotiates concessions or incentives that are discounted from expected future revenue despite the fact that the number of parts ordered with each contract is not known. Some orders have variable consideration for the reviews of prices under negotiation, which are estimated based on the expected probability method and, where appropriate, they would be limited to the amount that is highly unlikely to be reversed in the future.

On certain occasions, advance payments of future discounts are applicable to the agreement, which are normally paid at the beginning of the project to the customer. This payment complies with the definition of the asset, to the extent that the associated contracts (resource criteria controlled by the company) are going to generate profit (probability criteria). Once the manufacture of the tools has been completed and the parts manufacturing phase has commenced, it is highly unlikely that the customer will cancel the project and choose another supplier, because it would mean a significant delay in its production and therefore it is probable that profit will be generated. Furthermore, it is highly probable that the payment will be recovered through sales of future parts and it is probable that economic benefits will be generated.

This payment is normally associated with the parts supply agreement to the customer, which will determine the time criteria to transfer the asset to results for the advance payment.

The accounting treatment afforded is to recognise this asset for the payment made early and to transfer it to results as reduced income when the goods and services expected in the agreement are delivered, that is, for the number of parts supplied to the customer. Given that the agreement term with the customer normally exceeds one year and the payment is made at the beginning of the project, the amount paid reflects the current net value of the asset to be recognised, hence, in subsequent periods, the corresponding finance income must accrue.

#### *Recognition of income*

As the parts are made, goods are created that have no alternative use and the related orders generate rights and obligations wherein control of the parts is transferred to the customer.

Since the control of toolings and parts is transferred over time, progress is measured using the stage-of-completion method. The method that best represents the progress of the Group's activities is costs incurred as a percentage of total estimated costs. If the results of a contract cannot be reliably estimated, revenue is recognised only to the extent that the expenses recognised are recoverable.

Based on historical experience and the Group's current estimates, except in extraordinary circumstances, no losses will be generated upon final settlement of the manufacturing contracts for tools under construction. Exceptionally, should it be deemed likely that costs will not be recovered, an onerous contract provision would be recognised.

#### *Other aspects of the income recognition policy*

There are no incremental direct costs for obtaining contracts. Performance obligations representing a guarantee do not exist either.

A residual part of income corresponds to access licences (royalties). They are recognised in line with the accrual principle.

#### Assets from contracts with customers

Customer advances corresponding to tooling construction contracts reflect billing milestones and not necessarily the stage of completion of the tooling construction. Assets from contracts with customers includes the balancing entry for income recognised according to the stage of completion method for which the customer was not invoiced, deducting the customer advances received. These Assets from contracts with customers are presented at contract level with a customer.

#### Interest, royalties and dividends

Interest revenue is recognised as interest accrues taking into account the effective return of the asset (using the effective interest method, i.e., the rate that makes discounted future cash receipts through the expected life of the financial instrument equal to the initial carrying amount of the asset).

Dividends received from associates, integrated by the equity method, are recognised in results on an accrual basis.

#### 6.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are subject to an insignificant risk of changes in value. An investment is considered a cash equivalent when it has a maturity of three months or less from the date of acquisition or establishment.

#### 6.13 Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Grants related to assets (capital grants) are recognised in the Interim Condensed Consolidated Balance Sheet under Deferred Income and are recognised for the amount granted. The Interim Condensed Consolidated Income Statement will be allocated as the subsidised asset is depreciated/amortised.

When the grant relates to expenditure or operating items, it is recognised directly in the Interim Condensed Consolidated Income Statement as income.

#### 6.14 Financial liabilities (suppliers, borrowings and others)

Financial liabilities are initially recognised at fair value net of transaction costs, except for financial liabilities at fair value with changes in the Interim Condensed Consolidated Income Statement. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, measured as the difference between their cost and redemption value, using the effective interest rate method.

Liabilities maturing in less than 12 months from the Interim Condensed Consolidated Balance Sheet date are classified as current, while those with longer maturity periods are classified as non-current.

A financial liability is retired when the obligation under the liability is discharged or cancelled or expires.

#### 6.15 Provisions and contingent liabilities

Provisions are recognised when the Group has a current obligation (legal or constructive) arising as a result of a past event and it is probable that the Group will have to dispose of resources as required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each Interim Condensed Consolidated Balance Sheet date and adjusted to reflect the current best estimate of the liability.

Provisions for personnel restructuring are recorded for the expenses necessarily incurred in restructuring and for those not associated with the entity's normal activities.

Provisions for personnel restructuring are only recognised when there is a formal plan that identifies:

- the affected business;
- the main locations affected;
- the employees to receive redundancy payments;
- the outlays to be incurred;
- when it will be implemented;
- and it is also necessary that a real expectation has been generated that the restructuring will be carried out and that those affected have been informed.

The provisions are determined by discounting expected future cash outlays using the pre-tax market rate and, where appropriate, the risks specific to the liability. This method is only applied if the effects are significant. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial expense.

Contingent liabilities are potential obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Group, as well as present obligations arising from past events, the amount of which cannot be reliably estimated or whose settlement may not require an outflow of resources. These contingent liabilities are only subject to disclosure and are not accounted for.

#### 6.16 Employee benefits

The Group has assumed pension commitments for some companies located in Germany and France.



The Group classifies its pension commitments depending on their nature in defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which the company pays fixed contributions into a separate entity (insurance company or pension plan), and will have no legal or constructive obligation to pay further contributions if the separate company does not carry out its assumed commitments. Defined benefit plans are post-employment benefit plans other than defined contribution plans.

#### Defined contribution plans

The Group carries out predetermined contributions into a separate entity (insurance company or pension plan), and will have no legal or implicit obligation to pay further contributions if the separate company does not have enough assets to attend employee benefits related to their services rendered in current and previous years.

The contributions made to defined contribution plans are recognised in the Interim Condensed Consolidated Income Statement according to the accrual principle.

The amount registered in the Interim Condensed Consolidated Income Statement at June 30, 2020 was 1.2 million euros (June 30, 2019: 2.3 million euros) (Note 25.b)). This figure corresponds to contributions made in the United Kingdom.

#### Defined benefit plans

For defined benefit plans, the cost of providing these benefits is determined separately for each plan using the projected unit credit method. The actuarial gains and losses are recognised in Other Comprehensive Income when incurred. In subsequent years, these actuarial gains and losses are registered as equity, and are not reclassified to profit and loss.

The amounts to be recognised in profit and loss are:

- Current service cost.
- Any past service cost and gains or losses upon payment.
- Net interest on the net defined benefit liability (asset), which is determined by applying the discount rate to the net defined benefit liability (asset).

The past service costs will be recognised as expenses at the earlier of the following dates (i) in the period when the plan is amended or curtailment occurs (ii) when the Group recognises related restructuring costs or benefits of termination.

The defined benefit liability (asset) is the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The rate used to discount post-employment benefit obligations shall be determined by reference to market yields at the end of the reporting period on high quality corporate bonds.

The deficit or surplus is:

1. The present value of the defined benefit obligation.
2. Less the fair value of plan assets with which obligations are directly cancelled.

Plan assets comprise assets held by a long-term employee benefit fund, and qualifying insurance policies. These assets are not available to the reporting entity's own creditors and cannot be returned to the reporting entity. Fair value is based on market price and in case of stock market values, it corresponds to published prices.

There are defined benefit schemes in Germany and France.

#### Indemnities

Indemnities to pay to employees dismissed through no fault of their own are calculated based on years of service. Any expenses incurred for indemnities are charged to the Interim Condensed Consolidated Income Statement as soon as they are known.

#### 6.17 Leases

In accordance with IFRS 16, the Group records lease transactions as follows:

##### Rights of use

The Group recognises the rights of use on commencement of the lease. That is, the date on which the underlying asset is available for use. The rights of use are measured at cost, less accumulated amortisation and impairment losses, and they are adjusted due to any changes in the measurement of the associated lease liabilities. The initial cost of the rights of use includes the amount of the lease liabilities recognised, the initial direct costs and the lease payments made prior to the start of the lease. The incentives received are discounted at the initial cost. Unless the Group is reasonably certain of obtaining the ownership of the leased asset at the end of the lease period, the rights of use are amortised on a straight-line basis at the lower of the estimated useful life and the lease term. Rights of use are subject to the impairment analysis.

##### Lease liabilities

At the start of the lease, the Group recognises lease liabilities for the current value of the lease payments made during the lease period. Lease payments include fixed payments (including fixed payments in essence), less lease incentives, variable payments that depend on an index or a rate and the amounts expected to be paid to guarantee the residual value. Lease payments also include the exercise price of a purchase option if the Group has reasonable certainty that it will exercise such option and pay penalties to terminate the lease, if the lease term reflects the exercise by the Group of the option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognised as expenses in the period in which the event or condition occurs triggering the payment.

When the present value of lease payments is calculated, the Group uses the incremental interest rate at the start of the lease if the implicit interest rate in the lease cannot be determined easily. After the commencement date, the amount of the lease liabilities is increased to reflect cumulative interest and it is reduced as a result of the lease payments made. Furthermore, the lease liability will be measured again in the event of a modification, a change in the lease term, a change in lease payments fixed in essence or a change in the assessment to purchase the underlying asset. The liability is also increased in the event of a change in future lease payments arising from a change in the index or rate used to determine these payments.

##### Short-term leases and leases of low value assets

The Group applies the exemption from recognising the short-term lease to its machinery and equipment leases that have a lease term of 12 month or less from the commencement date and that do not have a purchase option. It also applies the exemption from recognising low value assets to assets considered to have a low value. Lease payments in short-term leases and leases of low value assets are recognised as expenses on a straight-line basis during the lease period.

##### Criteria applied when determining the lease term for contracts with a renewal option.

The Group determines the lease period as the non-cancellable term of a lease, to which optional periods are added to extend the lease, if it is reasonably certain that such option will be exercised. It

also includes the periods covered by the option to terminate the lease, if it is reasonably certain that such option will not be exercised.

The Group has the option, under some of its agreements, to lease assets for additional terms to the non-cancellable period. The Group is assessing whether it is reasonably certain that the option to renew will be exercised. That is, it considers all the pertinent factors that create an economic incentive to renew. After the commencement date, the Group re-assesses the lease term if there is a significant event or change in circumstances under its control affecting its ability to exercise or not exercise the renewal option. The Group included the renewal period as part of the lease term for offices, factories and warehouses due to the importance of these assets for its operations.

#### 6.18 Income tax

The income tax recognised in the Interim Condensed Consolidated Income Statement includes current and deferred taxes.

Income tax expense is recognised in the Interim Condensed Consolidated Income Statement except for current income tax relating to line items in equity, which is recognised in equity and not in the income statement.

##### Current tax expense

Current tax expense is the amount of income taxes payable in respect of the taxable profit for the year and is calculated based on net profit for the year before deducting tax expense (accounting profit), increased or decreased, as appropriate, by permanent and temporary differences between accounting and taxable profit as provided for in prevailing tax legislation.

##### Tax credits

The carry forward of unused tax credits and tax losses is recognised as a reduction in tax expense in the year in which they are applied or offset, unless there is reasonable doubt as to their realisation, in which case they are not capitalised and are considered as a decrease in income tax expense in the year in which they are applied or offset.

##### Temporary differences

Deferred tax liabilities: a deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and which, at the time of the transaction, affects neither the accounting nor the fiscal result.

Deferred tax assets: a deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither the accounting nor the fiscal result.

#### 6.19 Derivative financial instruments

The Parent Company has arranged cash flow (interest rate) hedges through entities that operate on organised markets. These instruments are used to hedge exposure to fluctuations in floating interest rates on a portion of the bank loans granted to the Parent Company and on a portion of expected future borrowings. During the first half of 2020 an active management process has been carried out relating to them.

These financial derivatives hedging cash flows are initially recognised in the Interim Condensed Consolidated Balance Sheet at acquisition cost and, subsequently, they are marked to market.

Any gains or losses arising from changes in the market value of derivatives in respect of the ineffective portion of an effective hedge are taken directly to the Interim Condensed Consolidated Income Statement, while gains or losses on the effective portion are recognised in “Effective hedges” within “Retained earnings” with respect to cash flow hedges. The cumulative gain or loss recognised under these headings is taken to the Interim Condensed Consolidated Income Statement when the hedged item affects profit or loss or in the year of disposal of the item. The extension options are not recognised for accounting purposes as hedges; accordingly, the change in value is recognised directly in the Interim Condensed Consolidated Financial Statements.

Derivatives are recognised as assets when the fair value is positive and as liabilities when the fair value is negative.

Hedges of net investments in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, shall be accounted for similarly to cash flow hedges.

The ineffective portion of the exchange differences of certain financial instruments are recognised in the Interim Condensed Consolidated Income Statement and the effective portion in Translation differences (Consolidated Equity).

After cancellation of the debt instrument issued to hedge the net investment, the amounts deemed to be translation differences will stay in this heading until derecognition of the investment in the foreign operation, transferring the cumulative loss or gain in this heading to the Interim Condensed Consolidated Income Statement.

Over the year, the Group has arranged short-term currency options to protect itself against depreciating currencies. Changes in fair value are recognised in the Interim Condensed Consolidated Income Statement without being significant.

#### 6.20 [Related parties](#)

The Group considers as related parties: direct and indirect shareholders, companies over which it has significant influence or joint control, such as companies accounted for using the equity method and its directors.

Companies not belonging to the Group but belonging to the major shareholder of the Parent Company, with control or significant influence, are also considered related parties.

#### 6.21 [Environment](#)

Expenses relating to decontamination and restoration work in polluted areas, as well as the elimination of waste and other expenses incurred to comply with the environmental protection legislation, are registered in the year they are incurred, unless they correspond to the acquisition cost of assets to be used over an extended period. In this case, they are recognised in the corresponding heading under “Property, plant and equipment” and are depreciated using the same criteria described in Note 6.2.

The probable economic cost of any contingent liabilities for these items, if any, would be subject to a provision on the liability side of the Interim Condensed Consolidated Balance Sheet.

### **Note 7. [Significant accounting estimates and criteria](#)**

The preparation of the accompanying Interim Condensed Consolidated Financial Statements under IFRS requires management to make estimates and assumptions that affect the Interim Condensed Consolidated Balance Sheet and the Interim Condensed Consolidated Income Statement for the year. The estimates that have a significant impact are as follows:

#### Impairment of non-financial assets

There is impairment when the carrying amount of an asset or a Cash-Generating Unit (CGU) is higher than its recoverable value, which is the higher of its recoverable value less costs of sale and its value in use.

For CGUs with a goodwill or an asset with indefinite useful life assigned, an impairment test is carried out every year by calculating the recoverable value through the value in use. The calculation is based on the discounting of cash flows. Cash flows are obtained from the most conservative budget and business plan for the next five years and they do not include uncommitted restructuring activities or the significant future investments which will increase the output of the asset related to the Cash-Generating Unit under analysis. The recoverable amount is very sensitive to the discount rate used for discounting cash flows, to the expected future inflows and to the growth rate used for extrapolating them.

The key assumptions used for calculating the recoverable amount of the Cash-Generating Units as well as the sensitivity analysis are further detailed in Note 6.7 and Note 10.

The discounted cash flow method and the calculation of the perpetual value use a standardised period in which all those assumptions that are considered reasonable and recurring in the future are included.

For the remaining CGUs with no goodwill assigned but including significant non-current assets, an impairment test is carried out only when there is evidence of impairment according to indicators detailed in Note 6.7.

#### Revenue recognition and the stage of completion

The Group estimates the stage of completion of certain services to customers such as die design and tooling. The stage of completion is determined by the incurred costs with respect to the total expected costs, including certain assumptions regarding the total costs according to historic experience.

#### Pension benefits

The cost of the defined benefit plans and other post-employment benefits and the present value of the pension obligations are determined according to actuarial valuations. The actuarial valuations imply assumptions that may differ from the real future events. They include the discount rate, future salary increases, mortality rates and future pension increases. Since the valuation is complex and for the long-term, the calculation of the obligation for defined benefit plans is very sensitive to changes in those assumptions. All assumptions are revised at every closing date.

The most changing parameter is the discount rate. To calculate the proper discount rate the Management uses, as an essential reference, the interest rate of 10-year bonds and extrapolates them over the underlying curve corresponding to the expected maturity of the obligation for defined benefit plans, based on the bonds yield curves or swaps interest rate. In addition, the quality of the underlying bonds is reviewed. Those bonds with excessive credit spreads are excluded from the analysis as they are not considered to be of a high credit rating.

Mortality rate is based in public mortality tables from the specific country. These tables use to change only in intervals according to demographic changes. Future salary increases and future pension increases are based on future expected inflation rates for each country.

Further details on assumptions considered and a sensitivity analysis are included in Note 21.

#### Taxes

Deferred tax assets are recognised for negative tax bases and other unused tax incentives to the extent that it is probable that taxable profit will be available against which they can be utilised. The deferred tax asset to be registered depends on important judgments by Management according to a reasonable period and the future tax profits.

The Group does not register deferred tax assets in the following cases: negative tax bases to be offset from subsidiaries keeping a loss history, which cannot be used to offset future tax profits from other group companies and when there are no taxable temporary differences in the company.

#### Review of useful lives

Useful life of tangible fixed assets is determined according to the expected use of the asset as well as the past experience of use and duration of similar assets.

With respect to the useful life of intangible assets that do not have a definite useful life, including capitalised expenses implementation, it has been calculated that, based on internal analyses, their useful life does not exceed 6 years and that their recovery is linear in accordance with the consumption pattern represented by the production of the operating plants.

#### Fair value of financial instruments

When the fair value of financial assets and financial liabilities recognised in the Interim Condensed Consolidated Balance Sheet is not obtained through quoted prices in active markets, it is determined using valuation techniques that include the discounted cash flow model. The required data are obtained from observable markets when possible and when not, some value judgments are made in order to establish reasonable values. Judgments refer to liquidity risk, credit risk and volatility. Changes in assumptions related to these factors may affect the reasonable value of financial instruments reported (Note 12 and Note 22.b.1)).

#### Assessment of gain of control in subsidiaries

According to IFRS 10, currently in force, Group Management assesses the existence of control of significant companies with 50% shareholdings, such as Beyçelik Gestamp Kalip, A.S., Gestamp Automotive India Private Ltd, Edscha Pha, Ltd. and Tuyauto Gestamp Morocco.

Regarding Beyçelik Gestamp Kalip, A.S., Edscha Pha, Ltd. and Tuyauto Gestamp Morocco, non-controlling interests are third parties external to the Gestamp Automoción Group and over whom the shareholders of the Parent Company have no control.

Although in these companies the members of the board of directors are elected on the basis of the percentage of ownership, it is considered that control over the companies is exercised taking into account the following facts and circumstances regarding the relevant activities:

1. Car manufacturers require from their suppliers the capability to reach and maintain quality standards across a wide geographic presence in order to negotiate global supply.
2. Accordingly, the most important activities for a supplier in this sector are as follows:
  - a. Continuous investment in technological research and development to satisfy customer requirements.
  - b. Global negotiation for approval and homologation of every component comprising a product, as well as management of prices.

- c. All activities aimed to achieve excellent quality of components.

The above activities are carried out directly by the Group since the shareholders owning the remaining shares do not have these capacities.

3. In this sense, these companies technologically depend on the Group. Research and Development activities are fully carried out by the Group and the technology is provided to the subsidiary according to the agreement signed with the shareholders. Accordingly, the aforementioned subsidiaries have right to use but no intellectual property. The design to apply the technology of hot stamping currently used by the subsidiary is exclusive property of the Group.
4. In order to prove this excellence, an OEM supplier needs to be accredited as a “Tier 1 supplier” (high quality supplier) by the car manufacturer. The subsidiaries could not obtain this certification if they did not belong to the Group.

In the particular case of Gestamp Automotive India Private Ltd, in addition to the above, the Group holds a majority on the Board, having appointed 4 members out of a total of 6 Board members. Regarding this company the non-controlling interests corresponding to the remaining 50% shareholding are Group related parties since it is to a company controlled by shareholders of the Parent Company.

#### **Note 8. Changes in significant accounting policies and estimates and restatement of errors**

##### Changes in accounting estimates

The effect of any change in accounting estimates is recorded under the same heading of the Interim Condensed Consolidated Income Statement in which the expense or revenue is recorded with the previous estimate.

##### Changes in significant accounting policies and restatement of errors

The effect of this type of changes in accounting policies and the correction of errors is recognised in those cases that are significant at Group level. The cumulative effect at the beginning of the year is adjusted under "Retained Earnings" and the effect for the year is recorded in the Interim Condensed Consolidated Income Statement for the year. In these cases, the figures for the previous year are modified to make them comparative, unless the rule governing the new accounting policy expressly allows the comparative figures for the previous year not to be restated.

#### **Note 9. Segment reporting**

According to IFRS 8 “Operating segments”, segment information below is based on internal reports regularly reviewed by the board of directors of the Group in order to allocate resources to each segment and assess their performance.

Operating segments identified by the board of directors of the Group are based on a geographical approach. The segments and countries included are as follows:

- ✓ Western Europe
  - Spain
  - Germany
  - United Kingdom
  - France

- Portugal
  - Sweden
  - Luxembourg
  - Morocco
- ✓ Eastern Europe
  - Russia
  - Poland
  - Hungary
  - Czech Republic
  - Slovakia
  - Turkey
  - Romania
  - Bulgaria
- ✓ Mercosur
  - Brazil
  - Argentina
- ✓ North America
  - USA
  - Mexico
- ✓ Asia
  - China
  - South Korea
  - India
  - Thailand
  - Japan
  - Taiwan

Each segment includes the activity of Group companies located in countries belonging to the segment.

The Group's Management Committee managed the operating segments corresponding to continuing activities mainly according to the changes in the main financial indicators from each segment such as revenue, EBITDA, EBIT and investments in fixed assets. Financial income and expenses, as well as income tax, and the allocation of profit to non-controlling interests are analysed together at Group level since they are basically centrally managed.

Inside certain segments there are some countries meeting the definition of a significant segment; however, they are presented in the aggregate since the products and services generating ordinary income as well as productive processes are similar and additionally they show similar long-term financial performance and they belong to the same economic environment.

The information relating to the provisions and charges arising from the situation caused by COVID-19 are not included in the segment information provided in these Interim Condensed Consolidated Financial Statements.

Segment information for 2020 and 2019 is as follows:



Thousands of euros						
30-06-2020						
ITEM	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
<b>NON-CURRENT ASSETS</b>						
Goodwill	71,363	12,131	6,030	2,890	11	92,425
Other intangible assets	302,888	14,085	3,006	19,613	37,056	376,648
Property, plant and equipment	1,481,144	682,469	273,503	1,360,827	599,060	4,397,003
Non-current financial assets	48,244	34	1,906	6,728	14,927	71,839
Deferred tax assets	230,094	45,044	30,863	189,234	22,153	517,388
<b>Total non-current assets</b>	<b>2,133,733</b>	<b>753,763</b>	<b>315,308</b>	<b>1,579,292</b>	<b>673,207</b>	<b>5,455,303</b>
<b>WORKING CAPITAL</b>						
Inventories	105,349	53,240	32,206	175,306	77,867	443,968
Assets from contracts with customers	522,575	(56,089)	11,115	(69,833)	72,744	480,512
Trade and other receivables	248,643	124,301	73,922	201,709	263,674	912,249
Other current assets	20,347	34,799	8,849	49,717	9,446	123,158
Subtotal	896,914	156,251	126,092	356,899	423,731	1,959,887
Trade and other payables	(834,594)	(198,749)	(47,488)	(190,112)	(257,236)	(1,528,179)
Current provisions	(11,718)	(1,183)	-	(634)	(3,575)	(17,110)
Other current liabilities	(10,420)	(2,879)	154	(350)	3,116	(10,379)
Other current borrowed liabilities	(36,948)	(32,150)	(10,266)	(38,600)	(30,696)	(148,660)
<b>Total working capital</b>	<b>3,234</b>	<b>(78,710)</b>	<b>68,492</b>	<b>127,203</b>	<b>135,340</b>	<b>255,559</b>

Thousands of euros						
January - June 2020						
ITEM	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
Revenue	1,331,881	478,405	142,599	664,548	427,836	3,045,269
EBITDA	64,455	63,547	(7,133)	44,378	50,660	215,907

Thousands of euros						
31-12-2019						
ITEM	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
<b>NON-CURRENT ASSETS</b>						
Goodwill	71,274	13,637	7,919	2,890	11	95,731
Other intangible assets	297,002	17,141	4,360	24,729	40,855	384,087
Property, plant and equipment	1,532,578	734,290	326,402	1,418,567	567,956	4,579,793
Non-current financial assets	46,852	34	2,175	6,487	15,764	71,312
Deferred tax assets	199,720	43,020	21,839	158,720	18,561	441,860
<b>Total non-current assets</b>	<b>2,147,426</b>	<b>808,122</b>	<b>362,695</b>	<b>1,611,393</b>	<b>643,147</b>	<b>5,572,783</b>
<b>WORKING CAPITAL</b>						
Inventories	100,907	60,314	43,885	174,626	71,292	451,024
Assets from contracts with customers	519,407	(56,654)	17,060	(23,044)	81,631	538,400
Trade and other receivables	302,774	171,461	109,934	201,640	281,662	1,067,471
Other current assets	16,065	29,232	9,185	44,391	12,004	110,877
Subtotal	939,153	204,353	180,064	397,613	446,589	2,167,772
Trade and other payables	(899,642)	(249,498)	(67,359)	(233,644)	(307,639)	(1,757,782)
Current provisions	(11,159)	(1,886)	-	(789)	(2,721)	(16,555)
Other current liabilities	(7,150)	(3,218)	-	-	(8)	(10,376)
Other current borrowed liabilities	(80,545)	(30,369)	(29,214)	(29,479)	(38,048)	(207,655)
<b>Total working capital</b>	<b>(59,343)</b>	<b>(80,618)</b>	<b>83,491</b>	<b>133,701</b>	<b>98,173</b>	<b>175,404</b>

Thousands of euros						
January - June 2019						
ITEM	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
Revenue	2,060,758	695,464	295,502	940,229	521,249	4,513,202
EBITDA	192,340	112,784	36,104	113,005	66,494	520,727

Recurring operating transactions between subsidiaries in different segments are not material.

The heading "EBITDA" from each segment includes the costs of Group corporate services according to:

- The criteria for distribution of management costs as per global agreements signed by Group companies.
- The agreements for rendering specific services signed by certain Group companies.

The additions of Other intangible assets (Note 10.b) by segments are as follows:

Segment	Thousands of euros	
	30-06-2020	31-12-2019
Western Europe	36,827	84,907
Eastern Europe	459	6,554
Mercosur	166	1,260
North America	669	5,574
Asia	1,469	9,780
<b>Total</b>	<b>39,590</b>	<b>108,075</b>

The additions of Property, plant and equipment (Note 11) by segments are as follows:

Segment	Thousands of euros	
	30-06-2020	31-12-2019
Western Europe	58,756	209,230
Eastern Europe	24,849	149,758
Mercosur	22,219	56,069
North America	81,616	220,802
Asia	72,864	78,581
<b>Total</b>	<b>260,304</b>	<b>714,440</b>

Additions of PP&E at 30 June 2020 include additions due to the application of IFRS 16 amounting to 42,901 thousand euros (26,392 thousand euros at 31 December 2019).

The three customers representing the highest contribution to sales (including the companies in their own groups) represent 47% of revenue (49% in 2019) of total revenue and each of them represents more than 8.5% of revenue in the first six months of 2020 (over 9.5% in that period in the whole of 2019).

## Note 10. Intangible assets

### a) Consolidation goodwill

The movement in this heading assigned to each Group Segment in 2020 and 2019 is as follows:

Segment / CGU	Thousands of euros		
	Balance at 31-12-2019	Translation differences	Balance at 30-06-2020
<b>Western Europe</b>			
Gestamp HardTech AB	36,434	89	36,523
Gestamp Metalbages S.A.	15,622		15,622
Gestamp Aveiro, S.A.	7,395		7,395
Gestamp Levante, S.A.	6,944		6,944
Griwe Subgroup	6,466		6,466
Adral, matricería y puesta a punto S.L.	857		857
Reparaciones Industriales Zaldibar, S.L.	444		444
<b>Eastern Europe</b>			
Beyçelik Gestamp Kalip, A.S.	10,731	(1,264)	9,467
Gestamp Severstal Vsevolozhsk, Llc	108	(11)	97
Çelik Form Gestamp Otomotive, A.S.	1,864	(220)	1,644
Gestamp Beycelik Romania, S.R.L. (before MPO Providers Rez, S.R.L.)	935	(11)	924
<b>Mercosur</b>			
Gestamp Brasil Industria de Autopeças, S.A.	7,920	(1,889)	6,031
<b>Asia</b>			
Gestamp Services India Private, Ltd.	11		11
<b>Total</b>	<b>95,731</b>	<b>(3,306)</b>	<b>92,425</b>

Segment / CGU	Thousands of euros		
	Balance at 31-12-2018	Translation differences	Balance at 31-12-2019
<b>Western Europe</b>			
Gestamp HardTech AB	37,623	(1,189)	36,434
Gestamp Metalbages S.A.	15,622		15,622
Gestamp Aveiro, S.A.	7,395		7,395
Gestamp Levante, S.A.	6,944		6,944
Griwe Subgroup	6,466		6,466
Adral, matricería y puesta a punto S.L.	857		857
Reparaciones Industriales Zaldibar, S.L.	444		444
<b>Eastern Europe</b>			
Beyçelik Gestamp Kalip, A.S.	11,832	(1,101)	10,731
Gestamp Severstal Vsevolozhsk, Llc	95	13	108
Çelik Form Gestamp Otomotive, A.S.	2,055	(191)	1,864
MPO Providers Rez. S.R.L.	962	(27)	935
<b>Mercosur</b>			
Gestamp Brasil Industria de Autopeças, S.A.	8,037	(117)	7,920
<b>Asia</b>			
Gestamp Services India Private, Ltd.	11		11
<b>Total</b>	<b>98,343</b>	<b>(2,612)</b>	<b>95,731</b>

Translation differences in 2020 and 2019 correspond to the adjustments to the goodwill of companies whose functional currency is different from the Euro, translated at the exchange rate prevailing at Interim Condensed Consolidated Balance Sheet date, according to IAS 21 (Note 6.3).

### **Impairment test of Goodwill**

The Group has implemented annual procedures to test goodwill for impairment. This assessment is carried out for each of the CGUs or groups of CGUs to which goodwill has been allocated.

A CGU is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash inflows from other assets or group of assets.

As at 30 June 2020 and 31 December 2019, the recoverable amount of CGUs was determined by taking the higher of the fair value less costs necessary to sell the CGU or by calculating the value in use, using cash flow projections for a period of five years and based on the future performance of the businesses.

The assumptions used at 31 December 2019 have been updated with the latest available information. Except for changes in WACC rates and the updating of certain variables, the hypotheses considered in the calculation on the discounting of cash flows mentioned are the hypotheses used at 31 December 2019.

In accordance with the estimates and projections available to the Group, it is concluded that the recoverable amount is higher than the carrying amount of all CGUs, enabling the Group to recover the value of the consolidated goodwill recognised at 30 June 2020.

#### **b) Other intangible assets**

The breakdown and movements of the different categories of Other intangible assets are:

	Thousands of euros						Balance at 30-06-2020
	Balance at 31-12-2019	Additions	Disposals	Currency translation differences	Hyperinflation adjustment	Other changes	
<b>Cost</b>							
Development costs	529,497	28,611	(1,004)	(3,262)		(1,304)	552,538
Concessions	22,589		(318)	(419)			21,852
Patents, licences and trademarks	40,712			(4)		1	40,709
Goodwill	1,437			66		(171)	1,332
Transfer rights	61	12		(1)		(3)	69
Software	211,139	9,064	(358)	(4,756)	(26)	5,784	220,847
Prepayments	12,703	1,903	(79)	(248)		(7,643)	6,636
<b>Total cost</b>	<b>818,138</b>	<b>39,590</b>	<b>(1,759)</b>	<b>(8,624)</b>	<b>(26)</b>	<b>(3,336)</b>	<b>843,983</b>
<b>Amortization and impairment</b>							
Development costs	(278,179)	(28,311)	873	1,622		242	(303,753)
Concessions	(3,827)	(841)		58		(425)	(5,035)
Patents, licences and trademarks	(6,580)	(345)		3			(6,922)
Transfer rights	(8)	(20)		10		3	(15)
Software	(142,859)	(9,768)	7	3,170		433	(149,017)
Accumulated amortisation	(431,453)	(39,285)	880	4,863	-	253	(464,742)
Impairment of intangible assets	(2,598)	(84)	9	2		78	(2,593)
<b>Net value</b>	<b>384,087</b>	<b>221</b>	<b>(870)</b>	<b>(3,759)</b>	<b>(26)</b>	<b>(3,005)</b>	<b>376,648</b>

Additions to development expenses mainly correspond to development and design costs of portfolio projects, as well as the application of new technologies and the introduction of new materials related to the business.

The net value of Other movements mainly reflects reclassifications between PP&E and intangible assets.

	Thousands of euros							Balance at 31-12-2019
	Balance at 31-12-2018	Changes in scope of consolidation	Additions	Disposals	Currency translation differences	Hyperinflation adjustment	Other changes	
<b>Cost</b>								
Development costs	445,547		74,280	(713)	1,063		9,320	529,497
Concessions	19,438				123		3,028	22,589
Patents, licences and trademarks	39,937	502	707	(150)	(116)		(168)	40,712
Goodwill	911				112		414	1,437
Transfer rights	23		3				35	61
Software	184,201	24	20,257	(1,070)	704	43	6,980	211,139
Prepayments	14,378		12,828	(405)	235		(14,333)	12,703
<b>Total cost</b>	<b>704,435</b>	<b>526</b>	<b>108,075</b>	<b>(2,338)</b>	<b>2,121</b>	<b>43</b>	<b>5,276</b>	<b>818,138</b>
<b>Amortization and impairment</b>								
Development costs	(217,269)		(60,432)		(476)		(2)	(278,179)
Concessions	(2,869)		(405)		(15)		(538)	(3,827)
Patents, licences and trademarks	(5,174)	(259)	(1,093)	149	64		(267)	(6,580)
Transfer rights	(1,360)		(40)		2		1,390	(8)
Software	(122,735)	(20)	(19,366)	817	(426)		(1,129)	(142,859)
Accumulated amortisation	(349,407)	(279)	(81,336)	966	(851)	-	(546)	(431,453)
Impairment of intangible assets	(2,664)		(220)		(2)		288	(2,598)
<b>Net value</b>	<b>352,364</b>	<b>247</b>	<b>26,519</b>	<b>(1,372)</b>	<b>1,268</b>	<b>43</b>	<b>5,018</b>	<b>384,087</b>

Changes in consolidation scope at 31 December 2019 correspond to the incorporation of Gestamp Etem Automotive Bulgaria, S.A. (Note 3).

Additions to R&D expenses mainly correspond to development and design costs of portfolio projects, as well as the application of new technologies or the introduction of new materials related to the business.

The net value of Other movements mainly reflects reclassifications between PP&E and intangible assets.

The most significant investments by segment are shown in Note 9.

Development expenses corresponding to projects not fulfilling requirements to be capitalised were registered in the heading Other operating expenses from the Interim Condensed Consolidated Income Statement and they amount to 395 thousand euros at June 30, 2020 (June 30, 2019: 521 thousand euros).

### **Impairment test on assets with indefinite useful lives**

Assets with indefinite useful life are yearly tested by the royalty relief method to identify impairment. It is concluded that their recoverable value is far higher than their net carrying amount.

### **Note 11. Property, plant and equipment**

The breakdown and changes in the items comprising Property, plant and equipment are as follows:

	Thousands of euros						Balance at 30-06-2020
	Balance at 31-12-2019	Additions	Disposals	Currency translation differences	Hyperinflation adjustment	Other changes	
<b>Cost</b>							
Land and buildings	1,941,598	43,305	(21,847)	(53,097)		27,988	1,937,947
Plant and other PP&E	6,374,170	30,803	(19,672)	(187,093)	(1,863)	129,894	6,326,239
PP&E under construction and prepayments	479,135	186,196	(550)	(27,973)		(149,910)	486,898
<b>Total cost</b>	<b>8,794,903</b>	<b>260,304</b>	<b>(42,069)</b>	<b>(268,163)</b>	<b>(1,863)</b>	<b>7,972</b>	<b>8,751,084</b>
<b>Amortisation and impairment</b>							
Land and buildings	(528,498)	(35,322)	1,717	12,457		392	(549,254)
Plant and other PP&E	(3,681,223)	(239,700)	14,985	92,235		1,251	(3,812,452)
Accumulated amortisation	(4,209,721)	(275,022)	16,702	104,692	-	1,643	(4,361,706)
Impairment of PP&E	(5,389)	(547)		48		237	(5,651)
<b>Net value</b>	<b>4,579,793</b>	<b>(15,265)</b>	<b>(25,367)</b>	<b>(163,423)</b>	<b>(1,863)</b>	<b>9,852</b>	<b>4,383,727</b>

The cost value of the property, plant and equipment additions at 30 June 2020 mainly corresponds to investments in plants and production lines, with the aim of increasing the productive capacity of the Group, as well as to capital expenditure to maintain existing activities, basically corresponding to companies located in China, USA, Spain, Brazil, Germany, Mexico, Morocco, Poland, France, Turkey, India, Czech Republic, UK, Portugal and Bulgaria.

The inflation adjustment corresponds to the restatement of the value of non-current assets in Argentina, under IAS 29 (Note 4.5).

The net value of the Other Movements column includes mainly reclassifications between intangible assets and PP&E, as well as certain cases related to the application of IFRS 16, which are explained below.

In addition, the Group recognised an additional allocation to accumulated depreciation amounting to 13 million euros arising from COVID-19, corresponding to the estimated costs to be incurred in restructuring and adapting the production structures to the new expected situation (Note 1).

	Thousands of euros								Balance at 31-12-2019
	Balance at 31-12-2018	IFRS 16 impact 01-01-19	Changes in scope of consolidation	Additions	Disposals	Currency translation differences	Hyperinflation adjustment	Other changes	
<b>Cost</b>									
Land and buildings	1,617,529	228,846		18,283	(553)	20,135		57,358	1,941,598
Plant and other PP&E	5,386,696	166,264	7,306	238,370	(109,655)	46,832	350	638,007	6,374,170
PP&E under construction and prepayments	672,868		459	457,787	(236)	12,155		(663,898)	479,135
<b>Total cost</b>	<b>7,677,093</b>	<b>395,110</b>	<b>7,765</b>	<b>714,440</b>	<b>(110,444)</b>	<b>79,122</b>	<b>350</b>	<b>31,467</b>	<b>8,794,903</b>
<b>Amortisation and impairment</b>									
Land and buildings	(444,801)			(65,857)	430	(2,704)		(15,566)	(528,498)
Plant and other PP&E	(3,348,662)		(1,042)	(418,265)	90,227	(21,556)		18,075	(3,681,223)
Accumulated amortisation	(3,793,463)	-	(1,042)	(484,122)	90,657	(24,260)	-	2,509	(4,209,721)
Impairment of PP&E	(5,935)			(429)	2,372	(17)		(1,380)	(5,389)
<b>Net value</b>	<b>3,877,695</b>	<b>395,110</b>	<b>6,723</b>	<b>229,889</b>	<b>(17,415)</b>	<b>54,845</b>	<b>350</b>	<b>32,596</b>	<b>4,579,793</b>

The impact of IFRS 16 on the changes shown in the foregoing table amounted to 395,110 thousand euros.

Changes in consolidation scope at 31 December 2019 correspond to the incorporation of Gestamp Etem Automotive Bulgaria, S.A. (Note 3).

The cost value of the property, plant and equipment additions at 31 December 2019 mainly corresponds to investments in plants and production lines, with the aim of increasing the productive capacity of the Group, as well as to capital expenditure to maintain existing activities, basically corresponding to companies located in USA, Spain, China, Brazil, Poland, Mexico, Germany, UK, Slovakia, Czech Republic, Turkey, Portugal and France.

The inflation adjustment corresponds to the restatement of the value of non-current assets in Argentina, under IAS 29 (Note 4.5).

The net value of the Other Movements column includes mainly reclassifications between intangible assets and PP&E, as well as certain cases related to the application of IFRS 16, which are explained below.

The changes in PP&E in 2020 include the effect of the application of IFRS 16, broken down as follows:

	Thousands of euros					Balance at 30-06-2020
	Balance at 31-12-2019	Additions	Disposals	Currency translation differences	Other changes	
<b>Cost</b>						
Right of use Land and buildings	260,124	40,749	(21,839)	(7,402)	8,041	279,673
Right of use Plant and other PP&E	212,524	2,152	(4,546)	(6,163)	1,981	205,948
<b>Total cost</b>	<b>472,648</b>	<b>42,901</b>	<b>(26,385)</b>	<b>(13,565)</b>	<b>10,022</b>	<b>485,621</b>
<b>Amortisation and impairment</b>						
Right of use Land and buildings	(42,588)	(18,099)	1,713	2,137	392	(56,445)
Right of use Plant and other PP&E	(44,221)	(22,362)	4,546	2,845	(293)	(59,485)
Accumulated amortisation	(86,809)	(40,461)	6,259	4,982	99	(115,930)
<b>Net value</b>	<b>385,839</b>	<b>2,440</b>	<b>(20,126)</b>	<b>(8,583)</b>	<b>10,121</b>	<b>369,691</b>

The net balance of the Other movements column mainly reflects amendments to the terms of the agreements affected by this standard and agreements provided to the Group companies in 2020.

The changes in PP&E in 2019 include the effect of the adoption and application of IFRS 16, broken down as follows:

	Thousands of euros					Balance at 31-12-2019
	IFRS 16 impact 01-01-2019	Additions	Disposals	Currency translation differences	Other changes	
<b>Cost</b>						
Right of use Land and buildings	228,846	13,362	(373)	5,181	13,108	260,124
Right of use Plant and other PP&E	166,264	13,030	(3,910)	4,029	33,111	212,524
<b>Total cost</b>	<b>395,110</b>	<b>26,392</b>	<b>(4,283)</b>	<b>9,210</b>	<b>46,219</b>	<b>472,648</b>
<b>Amortisation and impairment</b>						
Right of use Land and buildings		(27,524)	373	(36)	(15,401)	(42,588)
Right of use Plant and other PP&E		(47,879)	3,910	(252)		(44,221)
Accumulated amortisation		(75,403)	4,283	(288)	(15,401)	(86,809)
<b>Net value</b>	<b>395,110</b>	<b>(49,011)</b>	<b>-</b>	<b>8,922</b>	<b>30,818</b>	<b>385,839</b>

The net balance of the Other movements column mainly reflects amendments to the terms of the agreements affected by this standard and agreements provided to the Group companies in 2019.

The effect of the asset revaluation that was carried out in 2007 as a result of the IFRS transition, is as follows:

	Thousands of euros	
	30-06-2020	31-12-2019
Initial cost	266,567	266,567
Fair value	509,428	509,428
Revaluation	242,861	242,861
Accumulated amortisation	(55,106)	(53,054)
Deferred tax liabilities	(47,301)	(47,846)
<b>Total</b>	<b>140,454</b>	<b>141,961</b>
Non-controlling interests	(24,272)	(24,393)
Reserves (Note 17.3.b)	(117,568)	(120,341)
Profit for the year	1,386	2,773
<b>Total</b>	<b>(140,454)</b>	<b>(141,961)</b>

The rights of use corresponding to leases previously classified as finance leases at 30 June 2020 and 31 December 2019 are as follows:

Segment	Cost of the asset (thousands of euros)	Lease term	30-06-2020			
			Instalments paid	Thousands of euros		Purchase option value
				Present value of lease obligations (Note 22.c.1)		
			Short term	Long term		
<b>Eastern Europe</b>						
Machinery	8,819	2 years	3,491	1,696	5,084	-
Machinery	6,223	3 years	5,307	374	1,689	-
Machinery	474	4 years	221	75	167	-
Machinery	5,448	5 years	1,638	1,053	3,121	-
Machinery	23,825	7 years	7,366	4,209	14,620	-
Transportation equipment	35	2 years	22	7	5	-
<b>North America</b>						
Machinery	22,520	20 years	10,040	1,071	16,590	-
<b>Western Europe</b>						
Machinery	2,253	6 years	163	246	1,522	-
Machinery	6,886	7 years	1,816	543	5,027	-
<b>Total</b>	<b>76,483</b>			<b>9,274</b>	<b>47,825</b>	

Segment	Cost of the asset (thousands of euros)	Lease term	31-12-2019			
			Instalments paid	Thousands of euros		Purchase option value
				Present value of lease obligations (Note 22.c.1)		
			Short term	Long term		
<b>Eastern Europe</b>						
Machinery	9,827	2 years	3,580	1,401	5,815	-
Machinery	7,882	3 years	2,679	974	4,243	-
Machinery	472	4 years	254	93	169	-
Machinery	5,104	5 years	2,483	841	2,249	-
Machinery	27,842	7 years	10,757	3,751	13,606	-
Transportation equipment	35	2 years	16	11	7	-
<b>North America</b>						
Machinery	22,264	20 years	9,071	1,135	16,888	-
<b>Western Europe</b>						
Machinery	2,253	6 years	163	368	1,522	-
Machinery	6,886	7 years	1,301	929	5,027	-
<b>Total</b>	<b>82,565</b>			<b>9,503</b>	<b>49,526</b>	

The figures in the table above are affected by the application of different exchange rates in the conversion process of the financial statements of the subsidiaries. These subsidiaries have functional currencies different from the presentation currency.

### **Impairment test of Property, Plant and Equipment**

Impairment tests calculate recoverable value and are carried out for those CGU's whose signs of deterioration are found according to indicators mentioned in Note 6.7. Certain of the Company's CGUs show signs of impairment as in the previous year, for which an impairment test has been carried out by calculating their recoverable value.

The CGUs' recoverable value has been determined by choosing the higher of the fair value less necessary costs to sell the CGU, and the calculation of value in use, using cash flow projections covering a five-year period and based on future business performance.

In the case of the CGUs that had been tested for impairment in the previous year, these test variables were updated with the latest information available. Except for changes in WACC rates and the revision of certain variables, the hypotheses considered in the calculation on the discounting of cash flows mentioned are the hypotheses used at 31 December 2019.

The current crisis resulting from the COVID 19 pandemic has led to a substantial decrease in operational results in 2020 compared to previous forecasts, and the same is expected for 2021. Cash generations in these two years could undergo a certain decline as a result of cutbacks in costs and investment which will affect growth over these 2 years. With in this context of high uncertainty, the Group is in the process of drawing up a long term strategic plan.

According to economic projections forecasted in previous years the recoverable value is higher than the net value for all the CGUs, so the Group can recover the value of the consolidated assets of each CGU at 30 June 2020.

### **Pledged property, plant and equipment to secure bank loans with in rem guarantees and others**

At 30 June 2020, Edscha PHA Ltd held property, plant and equipment as security for bank loans for an outstanding amount of 2,914 thousand euros (Note 22.a.1) (3,087 thousand euros at 31 December 2019). The net carrying amount of these items at 30 June 2020 amounts to 5,419 thousand euros (6,186 thousand euros at 31 December 2019).

### **Note 12. Financial investments**

The detail, by class and maturity, of the Group's financial investments at 30 June 2020 and 31 December 2019, in thousands of euros, is as follows:

	Thousands of euros									
	Investments accounted for using the equity method		Loans granted		Derivative financial instruments		Current securities portfolio		Other financial assets	
	30-06-2020	31-12-2019	30-06-2020	31-12-2019	30-06-2020	31-12-2019	30-06-2020	31-12-2019	30-06-2020	31-12-2019
<b>Non-current financial assets</b>	<b>14,366</b>	<b>14,131</b>	<b>35,980</b>	<b>32,848</b>	<b>8,418</b>	<b>12,238</b>	-	-	<b>13,075</b>	<b>12,095</b>
Investments accounted for using the equity method	14,366	14,131	-	-	-	-	-	-	-	-
Held-to-maturity investments	-	-	-	-	-	-	-	-	461	898
Loans and receivables	-	-	35,980	32,848	-	-	-	-	12,614	11,197
Derivative financial instruments (Note 22.b.1)	-	-	-	-	8,418	12,238	-	-	-	-
<b>Current financial assets</b>	-	-	<b>21,703</b>	<b>22,212</b>	-	-	<b>3,615</b>	<b>22,250</b>	<b>30,808</b>	<b>44,079</b>
Held-to-maturity investments	-	-	-	-	-	-	3,615	22,250	-	-
Loans and receivables	-	-	21,703	22,212	-	-	-	-	30,808	44,079
<b>Total financial assets</b>	<b>14,366</b>	<b>14,131</b>	<b>57,683</b>	<b>55,060</b>	<b>8,418</b>	<b>12,238</b>	<b>3,615</b>	<b>22,250</b>	<b>43,883</b>	<b>56,174</b>

#### a) Non-current financial assets

The movement of non-current financial assets in 2020 and 2019 are the following:



	Thousands of euros			
	Investments accounted for using the equity method	Loans granted	Derivative financial instruments	Other financial assets
<b>Balance at December 31, 2018</b>	<b>2,390</b>	<b>37,407</b>	<b>6,019</b>	<b>12,199</b>
Changes in scope of consolidation	9,500			
Additions	114	571		1,672
Disposals		(6,044)		(1,584)
Change in valuation of derivatives			6,219	
Transfers		(160)		(9)
Other changes		1,091		(250)
Profit for the year	2,060			
Translation differences	67	(17)		67
<b>Balance at December 31, 2019</b>	<b>14,131</b>	<b>32,848</b>	<b>12,238</b>	<b>12,095</b>
Additions		2,516		2,087
Disposals		(89)		(516)
Change in valuation of derivatives			(3,820)	
Other changes		948		
Profit for the year	395			
Translation differences	(160)	(243)		(591)
<b>Balance at June 30, 2020</b>	<b>14,366</b>	<b>35,980</b>	<b>8,418</b>	<b>13,075</b>

### a.1) Investments accounted for using the equity method

Changes in the scope of consolidation in 2019 corresponded to the incorporation of the associate Etem Gestamp Aluminium Extrusions, S.A. (Note 2.b).

Profits for 2020, amounting to 395 thousand euros, related to the application of the Group's percentage of ownership interest in the results obtained by each company.

The associated company Industrias Tammer, S.A. reduced its share capital by fully amortising the shares of one of its shareholders. As a result of this reduction in share capital, the percentage of ownership of the shareholders was changed to Gestamp Esmar, S.A. (company which holds the shareholding in Industrias Tammer, S.A.) from 30% to 43%.

Gains in 2019 amounting to 2,060 thousand euros related, firstly, to the application of the Group's percentage of ownership in the results obtained by each company, representing profits of 104 thousand euros and, secondly, to the difference between the price of acquiring Etem Gestamp Aluminium Extrusions, S.A. and the shareholders' equity of such company on the acquisition date, totalling 1,956 thousand euros.

No dividends have been received from companies accounted for using the equity method in 2020 and 2019.

The summarised financial information of the Group's investment in 2020 and 2019 is as follows:

#### Condensed balance sheet:

	30-06-2020				
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aliminium Extrusions, S.A.	Industrias Tamer, S.A.
Total non-current assets	9,197	10	52,965	40,013	1,582
Total current assets	1,189	73,021	112,788	21,286	903
Total non-current liabilities	(6,459)	-	(41,943)	(5,391)	(386)
Total current liabilities	(800)	(68,529)	(126,671)	(34,269)	(659)
Equity	(3,127)	(4,581)	2,439	(21,639)	(1,440)
Translation differences	-	79	422	-	-
Percentage of shareholding	30%	49%	30%	49%	43%
<b>Carrying amount of investment</b>	<b>938</b>	<b>2,206</b>	<b>-</b>	<b>10,603</b>	<b>619</b>

	31-12-2019				
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aliminium Extrusions, S.A.	Industrias Tamer, S.A.
Total non-current assets	9,854	-	56,616	37,721	1,582
Total current assets	1,251	115,035	93,417	30,458	989
Total non-current liabilities	(7,891)	-	(38,018)	(5,140)	(475)
Total current liabilities	449	(111,290)	(111,918)	(40,963)	(926)
Equity	(3,663)	(3,740)	(119)	(22,076)	(1,170)
Translation differences	-	(5)	22	-	-
Percentage of shareholding	30%	49%	30%	49%	30%
<b>Carrying amount of investment</b>	<b>1,099</b>	<b>1,835</b>	<b>29</b>	<b>10,817</b>	<b>351</b>

### Condensed income statement:

	30-06-2020				
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aliminium Extrusions, S.A.	Industrias Tamer, S.A.
Operating income	2,189	105,616	23,882	25,131	1,051
Operating expense	(2,399)	(104,421)	(24,329)	(25,395)	(742)
<b>OPERATING PROFIT/LOSS</b>	<b>(210)</b>	<b>1,195</b>	<b>(447)</b>	<b>(264)</b>	<b>309</b>
Finance profit/loss	(84)	10	(447)	(270)	(6)
Exchange gains (losses)	-	-	(1,500)	-	-
Impairment and other gains/losses	-	-	-	-	(1)
<b>PROFIT/LOSS BEFORE TAX</b>	<b>(294)</b>	<b>1,205</b>	<b>(2,394)</b>	<b>(534)</b>	<b>302</b>
Income tax expense	-	(301)	-	-	-
Restatement of prior years' profit/loss	(243)	(63)	2,698	95	321
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>(537)</b>	<b>841</b>	<b>304</b>	<b>(439)</b>	<b>623</b>
Percentage of shareholding	30%	49%	30%	49%	43%
<b>Participation of the Group in profit/loss for the year</b>	<b>(161)</b>	<b>412</b>	<b>91</b>	<b>(215)</b>	<b>268</b>

	30-06-2019				
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aliminium Extrusions, S.A.	Industrias Tamer, S.A.
Operating income	3,969	142,978	17,968	14,979	1,874
Operating expense	(3,067)	(141,803)	(18,229)	(15,172)	(1,614)
<b>OPERATING PROFIT/LOSS</b>	<b>902</b>	<b>1,175</b>	<b>(261)</b>	<b>(193)</b>	<b>260</b>
Finance profit/loss	(103)	9	(247)	(150)	(9)
Exchange gains (losses)	-	-	258	-	-
Impairment and other gains/losses	-	-	-	-	-
<b>PROFIT/LOSS BEFORE TAX</b>	<b>799</b>	<b>1,184</b>	<b>(250)</b>	<b>(343)</b>	<b>251</b>
Income tax expense	-	(298)	(5)	-	-
Restatement of prior years' profit/loss	(42)	-	(88)	-	(54)
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>757</b>	<b>886</b>	<b>(343)</b>	<b>(343)</b>	<b>197</b>
Percentage of shareholding	30%	49%	30%	49%	30%
<b>Participation of the Group in profit/loss for the year</b>	<b>227</b>	<b>434</b>	<b>(103)</b>	<b>(168)</b>	<b>59</b>

### a.2) Loans granted

Loans granted includes mainly the loans granted to Group employees for the purchase of shares of the Parent Company from Acek Desarrollo y Gestión Industrial, S.L. in 2016, which at 30 June 2020 amounted to 34,396 thousand euros (31,177 thousand euros at 31 December 2019). A pledge on the shares of the Parent Company was generated as a guarantee for the loans. The interest rate of the loans is the legal interest rate prevailing every calendar year and the duration is six years from the date of signature. Additionally, it includes the balance that Edscha do Brasil Ltda. holds with the Brazilian public authorities, amounting to 494 thousand euros (710 thousand euros at 31 December 2019).

The most significant additions in 2020 mainly relate to an increase in loans granted to Group employees for the purchase from Acek Desarrollo y Gestión Industrial, S.L. of shares of the Parent Company amounting to 2,280 thousand euros.

The amount recorded under Other movements totalling 939 thousand euros relates mainly to the capitalisation of interest on the long-term loan that the Parent Company has with its employees.

Disposals in 2019 mainly corresponded to partial payment from employees amounting to 5,682 thousand euros, corresponding to loans granted to Group employees commented on in the previous paragraph.

The amount recorded under Other movements totalling 1,091 thousand euros relates to the capitalisation of interest on the long-term loan that the Parent Company has with its employees.

### a.3) Derivative financial instruments

The change in the measurement at 30 June 2020 and 31 December 2019 relates to changes in the present value of embedded derivatives due mainly to the reduction in the notional amount hedged and to changes in the exchange rate applicable to the sale and purchase prices of certain contracts with customers and suppliers (Note 22.b.1)).

### a.4) Other financial investments

The amount recognised under Other financial investments at 30 June 2020 includes mainly guarantees and deposits, amounting to 12,916 thousand euros (11,928 thousand euros at 31 December 2019).

The most significant additions at 30 June 2020 corresponded mainly to the arrangement of deposits as guarantee for leases, amounting to 2,044 thousand euros.

The most significant additions at 31 December 2019 corresponded to the arrangement of deposits as guarantee for leases, amounting to 1,319 thousand euros.

The most significant recognitions at 31 December 2019 mainly corresponded to the refund of deposits as guarantee for leases, amounting to 1,210 thousand euros.

## b) Current financial assets

The movement of non-current financial assets in 2020 and 2019 are the following:

	Thousands of euros		
	Loans granted	Current securities portfolio	Other financial assets
<b>Balance at December 31, 2018</b>	<b>35,320</b>	<b>4,316</b>	<b>54,622</b>
Additions	277	22,861	11,388
Disposals	(573)	(4,961)	(14,970)
Transfers	(12,448)	58	(58)
Other changes	(176)		8
Translation differences	(188)	(24)	(6,911)
<b>Balance at December, 31 2019</b>	<b>22,212</b>	<b>22,250</b>	<b>44,079</b>
Additions	481	986	728
Disposals	(986)	(21,082)	(11,463)
Other changes	4		(353)
Translation differences	(8)	1,461	(2,183)
<b>Balance at June, 30 2020</b>	<b>21,703</b>	<b>3,615</b>	<b>30,808</b>

### b.1) Loans granted

The balance recorded under the heading Loans granted at 30 June 2020 and 31 December 2019 relates mainly to the loan granted by the Parent Company to Gestión Global de Matricería, S.L. amounting to 21,400 thousand euros (21,400 thousand euros at 31 December 2019).

The amount relating to Transfers from 2019 mainly relates to the reclassification of the balance that Gestamp Brasil Industria de Autopeças, S.A. had with the Brazilian public authorities amounting to 12,794 thousand euros at 31 December 2018, which was transferred in 2019 to Receivables from public authorities.

### b.2) Current securities portfolio

The amount recorded under the Current securities portfolio at 30 June 2020 and 31 December 2019 corresponded mainly to the following:

- Short-term deposits arranged by the company Gestamp Pune Automotive Pvt, Ltd. for a total of 1,807 thousand euros (4,252 at 31 December 2019) and yielded an average return of 7%.
- Short-term deposits arranged by Edscha do Brasil Ltda., amounting to 1,620 thousand euros (2,098 thousand euros at 31 December 2019), providing an average return of between 4% and 5.5%.
- Short-term deposits arranged by the company Gestamp Automotive Chennai Private, Ltd for a total of 68 thousand euros (5,302 at 31 December 2019) and provided an average return of 4.55%.
- Short-term deposits arranged by Gestamp Sorocaba Industria de Autopeças Ltda. amounting to 7 thousand euros (4,838 thousand euros at 31 December 2019), providing an average return of between 1.35% and 6.25%.

The most significant Disposals at 30 June 2020 correspond to the maturity of short-term deposits contracted by the companies Gestamp Pune Automotive Pvt, Ltd., Gestamp Automotive Chennai Private, Ltd. and Gestamp Sorocaba Industria de Autopeças Ltda.

The most significant additions at 31 December 2019 mainly corresponded to:

- Short-term deposits arranged during the year by Gestamp Automotive Chennai Private, Ltd. for a total of 5,244 thousand euros, all of which had not yet matured at 31 December 2019 and yielded an average return of 4.55%.
- Short-term deposits arranged during the year by Gestamp Pune Automotive Pvt, Ltd. for a total of 6,390 thousand euros, of which 4,252 were pending maturity at 31 December 2019 and yielded an average return of 7%.
- Short-term deposits during the year from the aforementioned company Edscha do Brasil, amounting to 1,812 thousand euros, as well as those from the company Gestamp Sorocaba Industria de Autopeças Ltda. amounting to 2,619 thousand euros.

The most significant Disposals at 31 December 2019 corresponded to the maturity of short-term deposits contracted by Gestamp Metal Forming (Wuhan), Ltd. and Gestamp Pune Automotive Pvt, Ltd., for 1,784 thousand euros and 2,138 thousand euros, respectively.

### b.3) Other current financial investments

The balance of Other financial investments at 30 June 2020 mainly includes bank deposits amounting to 29,842 thousand euros (42,589 thousand euros at 31 December 2019), and guarantees and deposits for 955 thousand euros (1,479 thousand euros at 31 December 2019).

The most significant Disposals at 30 June 2020 relate mainly to the cancellation of bank deposits of Gestamp Baires, S.A., Gestamp Automotive India Private, Ltd and Gestamp Autocomponents Chongqing totalling 11,323 thousand euros.

The additions recognised at 31 December 2019 related mainly to bank deposits from Gestamp Córdoba, S.A. amounting to 2,320 thousand euros, Gestamp Automotive India Private Ltd., amounting to 3,280 thousand euros and Gestamp Togliatti, Llc. amounting to 1,794 thousand euros.

Disposals at 31 December 2019 related mainly to the cancellation of bank deposits of Gestamp Baires, S.A., Gestamp Córdoba, S.A. and Gestamp Automotive India Private, Ltd, totalling 14,527 thousand euros.

### Note 13. Inventories

The breakdown of this item in the condensed consolidated interim balance sheet at 30 June 2020 and 31 December 2019 is as follows:

	Thousands of euros	
	30-06-2020	31-12-2019
Commercial inventories	15,564	15,555
Raw materials	192,727	194,032
Parts and assemblies	72,045	73,484
Spare parts	117,572	119,160
Packaging materials	2,202	2,215
Total cost of raw materials and other supplies (*)	400,110	404,446
By-products, waste and recovered materials	477	884
Prepayments to suppliers	64,977	67,413
Total cost of inventories	465,564	472,743
Impairment of raw materials (*)	(12,240)	(12,181)
Impairment of other supplies (*)	(9,356)	(9,538)
Total impairment	(21,596)	(21,719)
<b>Total inventories</b>	<b>443,968</b>	<b>451,024</b>

(\*) The variation in commodities and other supplies is recorded under "Cost of materials used" in the Interim Condensed Consolidated Income Statement and is detailed below:

	Thousands of euros					
	Balance at 31-12-2019	Change in inventories			Total	Balance at 30-06-2020
Impairment		Reversal of impairment	Changes in inventories			
Raw materials and other supplies	404,446			(4,336)	(4,336)	400,110
Impairment of raw materials and other supplies	(21,719)	(1,263)	1,386	123	123	(21,596)
Consumption (Note 25.a)	382,727	(1,263)	1,386	(4,336)	(4,213)	378,514

There are no restrictions on the availability of inventories at 30 June 2020 and 31 December 2019.

**Note 14. Assets from contracts with customers**

The breakdown of this Interim Condensed Consolidated Balance Sheet heading is the following:

	Thousands of euros	
	30-06-2020	31-12-2019
Work in progress	109,078	110,748
Semi-finished products	89,119	103,542
Finished products	124,679	143,821
Trade receivables, tooling	157,636	180,289
<b>Total</b>	<b>480,512</b>	<b>538,400</b>

Customer tools correspond to the income recognised pending invoicing. There are no prepayments exceeding the stage of completion by customer. The amount of the construction certificates for tools in progress, which were recognised by reducing the balance of the Customer tools heading at 30 June 2020 amounted to 1,036 million euros. Likewise, this item amounted to 1,117 million euros at 31 December 2019.

**Note 15. Trade and other receivables/ Other current assets and liabilities/ Cash and cash equivalents**

## a) Trade receivables for sales and services

	Thousands of euros	
	30-06-2020	31-12-2019
Trade receivables	478,465	606,780
Trade bills receivable	7,463	31,837
Trade receivables by stage of completion, machinery	40,693	39,031
Trade receivables, doubtful collection	131	156
Impairment of trade receivables	(4,482)	(3,666)
Trade receivables, related parties (Note 30)	102,533	102,672
<b>Total</b>	<b>624,803</b>	<b>776,810</b>

As indicated in Note 1, Group sales, as well as trade receivable balances, are concentrated across a limited number of customers due to the nature of the automotive industry. In general, trade receivable balances have high credit quality.

The movement in the impairment provision at 30 June 2020 relates to a provision of 345 thousand euros (193 thousand euros at 31 December 2019) (Note 25.c)) and to bad debts and translation differences.

The amount of the collection rights not yet due assigned by the Group under the factoring without recourse agreements arranged with Spanish, German, Portuguese, French, UK, US, Brazilian, Mexican, Hungarian, Polish, Czech Republic, Romanian and Swedish banks, that were eliminated from the Interim Condensed Consolidated Balance Sheet, amounted to 441,181 thousand euros and to 668,530 thousand euros at 30 June 2020 and 31 December 2019, respectively.

The expense recognised at 30 June 2020 for the assignment of the receivables under the non-recourse factoring contracts amounted to 3,366 thousand euros (5,437 thousand euros at 30 June 2019) (Note 26.b)).

## b) Other receivables

	Thousands of euros	
	30-06-2020	31-12-2019
Debtors	11,981	12,423
Debtors, related parties (Note 30)	100	274
Remuneration prepayments	6,736	4,842
Short-term loans to staff	77	83
<b>Total</b>	<b>18,894</b>	<b>17,622</b>

#### c) Current income tax assets

The balance of this heading amounted to 15,195 thousand euros at 30 June 2020 (41,649 thousand euros at 31 December 2019) and includes the collection rights of the Parent Company and the Group companies for the refund of corporate income tax.

#### d) Receivables from public authorities

	Thousands of euros	
	30-06-2020	31-12-2019
Misc. receivables from tax authorities	219,838	229,968
VAT refunds	111,294	112,286
Grants and subsidies	9,706	8,225
Income tax refunds	19,485	19,437
Other	79,353	90,020
Receivables from Social Security	5,663	1,422
Withholdings and installment payments on income tax	27,856	-
<b>Total</b>	<b>253,357</b>	<b>231,390</b>

In previous years, Gestamp Brasil Industrias de Autopeças, S.A. filed several lawsuits claiming the right to exclude State Tax on Goods And Services (ICMS) from the calculation base of the contributions to PIS (Programa de Integração Social) and COFINS (Contribuição para Financiamento da Seguridade Social).

At 30 June 2020, as a result of final judgments, the subsidiary company had recognised 9,266 thousand euros (16,459 thousand euros at 31 December 2019) in this regard, together with the related late-payment interest, under Other in the heading Misc. receivables from tax authorities.

#### e) Other current assets and liabilities

At 30 June 2020 the net effect of the headings Other current assets and liabilities amounted to 112,778 thousand euros (100,501 thousand euros at 31 December 2019)

The breakdown of these headings was as follows:

	Thousands of euros	
	30-06-2020	31-12-2019
Operating expenses	60,895	47,540
Commercial agreements	54,852	53,514
Exchange rate derivative (Note 22.b.1))	632	1,311
Others	(3,601)	(1,864)
<b>Total</b>	<b>112,778</b>	<b>100,501</b>

## f) Cash and cash equivalents

	Thousands of euros	
	30-06-2020	31-12-2019
Cash	1,153,942	573,385
Cash equivalents	326,864	85,196
<b>Total</b>	<b>1,480,806</b>	<b>658,581</b>

Cash equivalents correspond to deposits and cash investments maturing in less than three months. The breakdown by currency and interest rate at 30 June 2020 and 31 December 2019 is as follows:

Company	30-06-2020		
	Thousands of euros	Source currency	Interest rate range
Gestamp Automoción, S.A.	300,000	Euros	0.00%
Gestamp Severstal Kaluga, Ll.c.	9,400	Russian ruble	4.0%-5.0%
Gestamp Brasil Industria de Autopeças, S.A.	17,464	Brazilian real	100%-101% CDI
<b>Total</b>	<b>326,864</b>		

Company	31-12-2019		
	Thousands of euros	Source currency	Interest rate range
Gestamp Severstal Kaluga, Ll.c.	22,220	Russian ruble	3.86%-5.5%
Gestamp Brasil Industria de Autopeças, S.A.	62,976	Brazilian real	100%-101% CDI
<b>Total</b>	<b>85,196</b>		

There are no restrictions on the disposal by the holders of the balances included under this heading in the accompanying Interim Condensed Consolidated Balance Sheet.

**Note 16. Capital, own shares and share premium**

“Issued capital” and “Share premium” at 30 June 2020 and 31 December 2019 are as follows:

ITEM	30-06-2020	31-12-2019
No. of shares	575,514,360	575,514,360
Par value	0.50	0.50
	<b>Thousands of euros</b>	
Issued capital (par value)	287,757	287,757
Own shares	(3,603)	(2,872)
Share premium	61,591	61,591

## a) Share capital

The shareholder structure at 30 June 2020 and 31 December 2019 was as follows:

Shareholders	% shareholding	
	30-06-2020	31-12-2019
Acek Desarrollo y Gestión Industrial, S.L.	22.25%	19.69%
Gestamp 2020, S.L.	50.10%	50.10%
Own shares	0.25%	0.12%
Free Float	27.40%	30.09%
	<b>100.00%</b>	<b>100.00%</b>



Acek Desarrollo y Gestión Industrial, S.L. has an equity interest of 75% in the capital of Gestamp 2020, S.L.; thus, its total holding (direct and indirect) in the Parent Company was 59.82% at 30 June 2020 (57.26% at 31 December 2019).

The increase of 2.56% in the share capital of the Parent Company by Acek Desarrollo y Gestión Industrial, S.L. took place through the purchase of 14,755,000 shares in successive acquisitions in March and April 2020.

There are no bylaw restrictions on the transfer of shares forming the Group's capital.

#### b) Own shares

On 27 July 2018, the Parent Company entered into a liquidity agreement with JB Capital Markets, S.V., S.A.U., adapted to Circular 1/2017, of 26 April, of the CNMV.

The framework of this agreement will be the Spanish stock markets.

This agreement stipulates the conditions under which the financial intermediary will operate for the account of the issuer, buying or selling own shares of the latter, with the sole objective of favouring the liquidity and regularity of their listing, for a duration of 12 months, which will be deemed to be tacitly extended for the same period unless indicated otherwise by the parties.

The amount earmarked to the cash account associated with the agreement was 9,000 thousand euros.

The own shares at 30 June 2020 represented 0.25% of the Parent Company's share capital (0.12% at 31 December 2019) and total 1,436,836 shares (688,549 at 31 December 2019), at an average acquisition price of 2.51 euros per share (4.17 at 31 December 2019).

The movement in 2020 and 2019 was as follows:

	Number of own shares	Thousands of euros
<b>Balance at December 31, 2018</b>	<b>1,078,834</b>	<b>6,041</b>
Increases/Purchases	11,706,626	54,488
Decreases/Sales	(12,096,911)	(57,657)
<b>Balance at December 31, 2019</b>	<b>688,549</b>	<b>2,872</b>
Increases/Purchases	6,762,097	19,387
Decreases/Sales	(6,013,810)	(18,656)
<b>Balance at June 30, 2020</b>	<b>1,436,836</b>	<b>3,603</b>

In 2020, the sales price of the own shares detailed in the previous table amounted to 17,020 thousand euros (56,783 thousand euros at 31 December 2019), generating a negative result of 1,636 thousand euros (874 thousand euros at 31 December 2019), which has been recorded under the heading of Distributable Reserves (Note 17.2).

#### c) Share premium

At 30 June 2020 and 31 December 2019, the share premium of the Parent Company amounted to 61,591 thousand euros.

The amended Spanish Corporate Enterprises Act (Ley de Sociedades de Capital) expressly allows the use of share premium balance to increase share capital balance, corresponding to an unrestricted reserve.



## Note 17. Retained earnings

The movements in “Retained earnings” for 2020 and 2019 are as follows:

	Legal reserve (Parent Company)	Unrestricted reserves (Parent Company)	Reserves at fully consolidated entities	Reserves at associates	Profit for the year	Effective hedges	Total
<b>AT JANUARY 1, 2020</b>	<b>57,550</b>	<b>478,969</b>	<b>1,222,743</b>	<b>(3,391)</b>	<b>212,272</b>	<b>(17,085)</b>	<b>1,951,058</b>
Profit for the period					(198,500)		(198,500)
Fair value adjustments reserve (hedge) (Note 22.b.1))						(8,858)	(8,858)
Actuarial gains and losses			(23)				(23)
Appropriation of 2019 profits		(43,917)	222,517	2,060	(212,272)		(31,612)
Treasury shares acquisitions (Note 17.2)		(1,636)					(1,636)
Increased ownership interest in companies with previous control (Note 2.b)			(517)				(517)
Interest from participative loans	1	975	(975)				1
<b>AT JUNE 30, 2020</b>	<b>57,551</b>	<b>434,391</b>	<b>1,443,745</b>	<b>(1,331)</b>	<b>(198,500)</b>	<b>(25,943)</b>	<b>1,709,913</b>

	Legal reserve (Parent Company)	Unrestricted reserves (Parent Company)	Reserves at fully consolidated entities	Reserves at associates	Profit for the year	Effective hedges	Total
<b>AT JANUARY 1, 2019</b>	<b>57,550</b>	<b>375,910</b>	<b>1,163,688</b>	<b>(3,344)</b>	<b>257,690</b>	<b>(22,076)</b>	<b>1,829,418</b>
Profit for the period					100,167		100,167
Fair value adjustments reserve (hedge)						(1,398)	(1,398)
Actuarial gains and losses			(76)				(76)
Appropriation of 2018 profits		21,468	236,269	(47)	(257,690)		
Dividends distributed by the Parent Company (Note 17.2)		(77,632)					(77,632)
Treasury shares acquisitions (Note 17.2)		(225)					(225)
Interest from participative loans		5,276	(5,276)				
Other movements and adjustments from prior years		(12,625)	11,709				(916)
<b>AT JUNE 30, 2019</b>	<b>57,550</b>	<b>312,172</b>	<b>1,406,314</b>	<b>(3,391)</b>	<b>100,167</b>	<b>(23,474)</b>	<b>1,849,338</b>

### 17.1 Legal reserves of the Parent Company

The legal reserve of the Parent Company amounted to 57,551 thousand euros at 30 June 2020 and 30 June 2019.

The Parent Company must allocate 10% of profit for each year to set up a reserve fund until such fund reaches at least 20% of share capital, equivalent to 57.6 million euros at 30 June 2020 and 31 December 2019. This reserve cannot be distributed to shareholders and may only be used to cover, if no other reserves are available, the receivable balance of the income statement.

At 31 December 2018, the Legal Reserve had already reached 20% of the Parent Company's Share Capital; accordingly, in 2020 and 2019 it was not necessary to allocate any amount of profits to increase said reserve.

### 17.2 Unrestricted reserves of the Parent Company

The most significant changes at 30 June 2020 and 30 June 2019 in the distributable reserves, apart from those relating to the distribution of 2019 result, amounting to 43,917 thousand euros losses and 2018 result, amounting to 21,468 thousand euros profit, respectively, included in the retained earnings tables, are as follows:

#### June 2020

- Result (loss) of the purchase and sale of own shares for 1,636 thousand euros (Note 16.b)).
- On 25 June 2020, the Parent Company's Board of Directors approved the distribution of the profit for the year ended 31 December 2019 at its meeting held on 18 May 2020, as consequence, the interim dividend 2019 amounted to 31,612 thousand euros showed in the Interim Condensed Consolidated Statement of Changes in Equity at 1 January 2020, was classified at the heading Unrestricted reserves (Parent Company).

#### June 2019

- Reclassification of the interim dividend paid by the Parent Company in 2018, for the application of 2018 profit approved at the meeting of 6 May 2019, amounting to 37,346 thousand euros.
- Dividend distribution by the Parent Company from voluntary reserves, approved at the meeting on 6 May 2019, amounting to 40,286 thousand euros. This dividend was paid on 5 July 2019.
- Result (loss) of the purchase and sale of own shares for 225 thousand euros.

### 17.3 Availability of reserves at fully consolidated companies

Reserves held by companies consolidated under the full consolidation method are subject to a number of restrictions as to their availability depending on whether they are legal reserves, revaluation reserves or other special reserves.

The restrictions regarding the reserves mentioned above are the following:

a) Legal reserves at subsidiaries

According to prevailing legislation in the countries where these companies are located, legal reserves must reach a certain percentage of share capital, so that each year a percentage of net profit is applied to offset losses or increase share capital.

The balance of these reserves at 30 June 2020 and 30 June 2019 amounts to 118,960 thousand euros and 112,910 thousand euros, respectively.

b) Reserve for the first-time application of IFRS (1 January 2007)

As a result of valuation of Property, plant and equipment at fair value, the land and buildings of certain subsidiaries were valued at their appraised values and an increase in reserves has been registered in the amount of the difference between the said assets' fair values and the net carrying amounts registered by each company.

The reserves generated by these value adjustments, net of tax effect, at 30 June 2020 and 30 June 2019 amounted to 118 million euros and 120 million euros, respectively (Note 11). This reserve is not distributable.

c) Other reserves of subsidiaries

In accordance with the current legislation of the countries in which the Group operates, the distributions of dividends are governed by law. Also, restrictions exist relating to revaluation reserves, development costs and other legal restrictions, which are not significant.

**Note 18.** Translation differences

The breakdown of translation differences assigned to each Group Segment is as follows:

Segment / Country	Thousands of euros		
	30-06-2020	31-12-2019	Difference
<b>Western Europe</b>			
Germany	2,153	2,153	-
Spain	(71,466)	(51,873)	(19,593)
Luxembourg	(1)	(1)	-
United Kingdom	(14,428)	(4,540)	(9,888)
Sweden	(16,777)	(8,409)	(8,368)
Morocco	59	88	(29)
<b>Eastern Europe</b>			
Hungary	(3,738)	(2,903)	(835)
Poland	(33,947)	(28,920)	(5,027)
Czech Republic	(4,969)	(2,580)	(2,389)
Romania	(176)	(122)	(54)
Russia	(63,259)	(54,842)	(8,417)
Turkey	(61,080)	(54,916)	(6,164)
Bulgaria	1	17	(16)
<b>Mercosur</b>			
Argentina	(74,583)	(73,632)	(951)
Brazil	(52,416)	(18,791)	(33,625)
<b>North America</b>			
USA	(15,261)	(19,711)	4,450
Mexico	(95,515)	(46,841)	(48,674)
<b>Asia</b>			
China	(5,435)	670	(6,105)
South Korea	1,043	3,234	(2,191)
India	(4,770)	(2,100)	(2,670)
Japan	828	527	301
Thailand	112	183	(71)
Taiwan	94	87	7
<b>Total</b>	<b>(513,531)</b>	<b>(363,222)</b>	<b>(150,309)</b>

Changes in translation differences in 2020 led to a negative net change of 150,309 thousand euros compared to 2019, mainly corresponding to:

- in Spain, mainly corresponding to the permanent financing in Brazilian reals granted to subsidiaries;
- in Western Europe due to the fluctuation of the pound sterling and the Swedish krona;
- in Eastern Europe due to fluctuations in the Russian rouble, Turkish lira and the Polish zloty;
- in North America mainly regarding the fluctuation of the Mexican peso;
- Mercosur regarding the fluctuation of Brazilian real; and
- in Asia due mainly to the fluctuation of the Chinese yuan renminb, the Korean won and the Indian rupee.

Also, the translation differences in Argentina includes the effect of the inflation adjustment amounting to 32,500 thousand euros at 30 June 2020 (32,404 thousand euros at 31 December 2019) (Note 4.5).

#### **Note 19. Non-controlling interests**

The changes in this heading, by company, in at 30 June 2020 and 31 December 2019 were as follows:

Company	Thousands of euros						30-06-2020
	31-12-2019	Translation differences	Dividends paid	Acquisition of non-controlling interests (control over the company previously)	Other changes	Profit (loss) for the year	
Gestamp Holding Rusia, S.L./Todlem, S.L./ Gestamp Severstal Vsevolozhsk LLC./ Gestamp Severstal Kaluga, LLC.	24,093	(2,946)			211	(2,799)	18,559
Gestamp Auto Components (Kunshan) Co., Ltd./Gestamp Holding China, AB	40,798	(590)			20	(905)	39,323
Shanghai Edscha Machinery Co., Ltd.	10,478	(83)			132	(872)	9,655
Edscha Pha, Ltd.	12,101	(576)			126	191	11,842
Edscha Aapico Automotive Co. Ltd.	1,298	(105)	(388)		(8)	107	904
Sofedit, SAS	18					(17)	1
Gestamp Wroclaw, sp. Z.o.o.	(2)						(2)
Gestamp Brasil Industria Autopeças, S.A.	38,989	(8,080)			650	(5,772)	25,787
G. Holding Argentina, S.L. and Argentinian companies	3,698	(408)			222	(2,369)	1,143
G. Holding México, S.L. and Mexican companies	111,422	(8,007)			3,459	(19,643)	87,231
G. North America, INC and North American companies	82,058	2,315			2,017	(10,666)	75,724
Mursolar 21, S.L./Gestamp A. Shenyang, Co. Ltd./Gestamp A. Dongguan, Co. Ltd.	55,441	(655)			119	3,534	58,439
Beyçelik Gestamp Kalip, A.S. / Çelik Form Gestamp Otomotive, A.S./ Beyçelik Gestamp Teknoloji Kalip, A.S./Gestamp Beyçelik Romania, S.R.L./Beyçelik Gestamp Sasi, L.S.	40,994	(1,212)	(6,649)	(1,540)	(489)	(2,661)	28,443
Gestamp Automotive India Private Ltd.	39,284	(1,893)			(10)	3,626	41,007
Jui Li Edscha Body System Co. Ltd./Jui Li Edscha Hainan Industry Enterprise Co. Ltd./ Jui Li Edscha Holding Co. Ltd.	2,805	(38)			(2)	168	2,933
Gestamp Sorocaba Industria de Autopeças Ltd.	659	(1,544)			28	(322)	(1,179)
Tuyauto Gestamp Morocco	677	(3)			185	(515)	344
Gestamp Etem Automotive Bulgaria, S.A.	4,990	(15)			(65)	(195)	4,715
Gestamp Auto Components (Tianjin) Co. Ltd./Gestmp Auto Components Beijing Co. Ltd.	19,605	(368)				2,258	21,495
<b>Total</b>	<b>489,406</b>	<b>(24,208)</b>	<b>(7,037)</b>	<b>(1,540)</b>	<b>6,595</b>	<b>(36,852)</b>	<b>426,364</b>

The movements in Non-controlling interests at 30 June 2020 are mainly due to the following:

- On 11 March 2020, the subsidiary Beyçelik Gestamp Kalip, A.S. acquired 30% of Gestamp Beyçelik Romania, S.R.L. (see note 2.b)).
- Distribution of dividends by the companies Beyçelik Gestamp Kalip, A.S. , Beyçelik Gestamp Sasi, L.S., Çelik Form Otomotiv, A.S., Beyçelik Gestamp Teknoloji Kalip, A.S., on 24 March 2020.

Company	Thousands of euros						31-12-2019
	31-12-2018	Changes in scope of consolidation	Translation differences	Dividends paid	Other changes	Profit (loss) for the year	
Gestamp Holding Rusia, S.L./Todlem, S.L./ Gestamp Severstal Vsevolozhsk LLC./ Gestamp Severstal Kaluga, LLC.	15,848		2,944		3	5,298	24,093
Gestamp Auto Components (Kunshan) Co., Ltd./Gestamp Holding China, AB	39,810		251		(30)	767	40,798
Shanghai Edscha Machinery Co., Ltd.	10,884		113		(2)	(517)	10,478
Edscha Pha, Ltd.	9,162		(256)		(7)	3,202	12,101
Edscha Aapico Automotive Co. Ltd.	1,359		70	(646)	(3)	518	1,298
Sofedit, SAS	18						18
Gestamp Wroclaw, sp. Z.o.o.	(2)						(2)
Gestamp Brasil Industria Autopeças, S.A.	32,745		(484)		974	5,754	38,989
G. Holding Argentina, S.L. and Argentinian companies	5,706		(356)		205	(1,857)	3,698
G. Holding México, S.L. and Mexican companies	100,186		3,258		1,049	6,929	111,422
G. North America, INC and North American companies	88,199		1,915		(2,171)	(5,885)	82,058
Mursolar 21, S.L./Gestamp A. Shenyang, Co. Ltd./Gestamp A. Dongguan, Co. Ltd.	47,438		114		(397)	8,286	55,441
Beyçelik Gestamp Kalip, A.S. / Çelik Form Gestamp Otomotive, A.S./ Beyçelik Gestamp Teknoloji Kalip, A.S./ MPO Providers rez. S.R.L./Beyçelik Gestamp Sasi, L.S.	30,702		1,286	(8,845)	300	17,551	40,994
Gestamp Automotive India Private Ltd.	32,583		(142)			6,843	39,284
Jui Li Edscha Body System Co. Ltd./Jui Li Edscha Hainan Industry Enterprise Co. Ltd./ Jui Li Edscha Holding Co. Ltd.	2,540		21	(205)		449	2,805
Gestamp Sorocaba Industria de Autopeças Ltd.	356		(99)		(48)	450	659
Tuyauto Gestamp Morocco	1,727		29		(61)	(1,018)	677
Gestamp Etem Automotive Bulgaria, S.A.	-	4,854	16		(11)	131	4,990
Gestamp Auto Components (Tianjin) Co. Ltd./Gestmp Auto Components Beijing Co. Ltd.	11,736		(20)		(73)	7,962	19,605
<b>Total</b>	<b>430,997</b>	<b>4,854</b>	<b>8,660</b>	<b>(9,696)</b>	<b>(272)</b>	<b>54,863</b>	<b>489,406</b>

The most significant changes in Non-controlling Interests at 31 December 2019 related to:

- The incorporation of Gestamp Etem Automotive Bulgaria, S.A. of which 51% was acquired, generating non-controlling interests for the remaining 49% (see Note 2.b).
- Dividends paid by Beyçelik Gestamp Kalip, A.S. and Beyçelik Gestamp Teknoloji Kalip, A.S. on 28 March 2019.

The most significant non-controlling interests mentioned in this Note have protecting rights mainly related to significant decisions on divestments of fixed assets, company restructuring, granting of guarantees, distribution of dividends and changes in articles of association. These protecting rights do not significantly restrict the Group's capacity to access or to use its assets as well as to liquidate its liabilities.

#### **Note 20. Deferred income**

This heading includes the grants related to assets obtained by the Group companies pending their transfer to the Interim Condensed Consolidated Income Statement.

The variations in this caption as at 30 June 2020 and 31 December 2019, were as follows:

	Thousands of euros
<b>Balance at December 31, 2018</b>	<b>22,695</b>
Grants received during the financial year	6,201
Grants returned during the financial year	(368)
Grants released to income in the year	(5,407)
Translation differences	77
Other changes	462
<b>Balance at December 31, 2019</b>	<b>23,660</b>
Grants received during the financial year	3,400
Grants released to income in the year (Note 24.b))	(2,218)
Translation differences	(121)
Other changes	489
<b>Balance at June 30, 2020</b>	<b>25,210</b>

The Group companies are able to meet all the requirements demanded by administrative resolutions regarding the awarding of subsidies to qualify as non-reimbursable grants.

#### **Note 21. Provisions and contingent liabilities**

The breakdown of the Provisions, by item, at 30 June 2020 and 31 December 2019, is as follows:

	Thousands of euros					
	Non-current		Current		Total	
	30-06-2020	31-12-2019	30-06-2020	31-12-2019	30-06-2020	31-12-2019
Provision for employee compensation	118,329	115,009	1,725	298	120,054	115,307
Uncertain tax position liabilities	8,419	8,574	6	6	8,425	8,580
Provision for other responsibilities	23,367	23,997	105,271	16,251	128,638	40,248
	<b>150,115</b>	<b>147,580</b>	<b>107,002</b>	<b>16,555</b>	<b>257,117</b>	<b>164,135</b>

The changes in provisions during 2020 and 2019 are as follows:



	Provision for employee compensation	Uncertain tax position liabilities	Provision for other responsibilities	Total
<b>Balance at December 31, 2018</b>	<b>101,125</b>	<b>8,229</b>	<b>25,807</b>	<b>135,161</b>
Additions	18,297	455	23,883	42,635
Retirements	(3,531)	(39)	(15,251)	(18,821)
Translation differences	(166)	(66)	(429)	(661)
Other movements	(418)	1	6,238	5,821
<b>Balance at December 31, 2019</b>	<b>115,307</b>	<b>8,580</b>	<b>40,248</b>	<b>164,135</b>
Additions	8,452	1,593	94,120	104,165
Retirements	(2,396)	(634)	(3,875)	(6,905)
Translation differences	(833)	(1,185)	(1,443)	(3,461)
Other movements	(476)	71	(412)	(817)
<b>Balance at June 30, 2020</b>	<b>120,054</b>	<b>8,425</b>	<b>128,638</b>	<b>257,117</b>

### Provision for remuneration to employees

According to the commitments undertaken, the Group has legal, contractual and implicit obligations to staff of certain subsidiaries whose amount or maturity is uncertain.

In 2019, the long-term Incentive Plan was changed, with the end of 2021 as the date for assessing compliance with objectives and the first half of 2022 as the settlement period. Consequently, the corresponding provision was recalculated.

The provision for long term defined benefit plans is quantified considering the possible affected assets according to the registration and valuation standards.

Increases at 30 June 2020 and in 2019 mainly correspond to:

- Provisions for employee remuneration regarding seniority awards and other benefits for remaining at the company.
- Provisions for employee compensation based on a long-term incentive plan.

Derecognitions at 30 June 2020 and in 2019 mainly correspond to reversals of long term employee compensation provisions.

### Liabilities from uncertain tax positions

The Group basically books the estimated amount of tax debts related to tax assessments commenced by the tax authorities and currently appealed against before the courts and others whose exact amount or payment date is uncertain.

### Provision for other responsibilities

This line item primarily reflects provisions recognised by certain Group companies to cover specific risks arising from their day-to-day businesses and provisions for personnel restructuring.

The Increases at 30 June 2020 and in 2019 relate mainly to provisions for other commercial operations and litigation.

In addition, the Group recognised a provision amounting to 87 million euros arising from COVID-19, corresponding to the estimated costs to be incurred in restructuring and adapting the production structures to the new expected situation. This amount is included in the Provisions in Note 1.

The decreases at 30 June 2020 relate mainly to hedges of risks arising from the companies' own activities and to other litigation. The Decreases in 2019 related mainly to provisions labour contingencies and other litigation.

Group Management considers that provisions registered in the Interim Condensed Consolidated Balance Sheet duly cover the risks for litigations, arbitration and other contingencies, and no additional related liabilities are expected.

At 30 June 2020 and 31 December 2019 there were no significant contingent liabilities in the Group.

## Note 22. Borrowed funds

The detail of the Group's borrowings at 30 June 2020 and 31 December 2019, classified by item, is as follows:

Item		Thousands of euros				
		Non current		Current		
		30-06-2020	31-12-2019	30-06-2020	31-12-2019	
a) Interest-bearing loans, borrowings and debt issues	a.1)	3,387,482	2,725,530	a.2)	587,279	138,706
b) Derivative financial instruments	b.1)	64,705	66,138	b.1)	-	-
c) Other financial liabilities		<u>516,976</u>	<u>527,136</u>		<u>82,334</u>	<u>77,334</u>
Finance lease prior IFRS 16	c.1)	47,825	49,526	c.1)	9,274	9,503
Borrowings from related parties	c.2)	128,130	128,160	c.2)	7,659	4,282
Other borrowings	c.3)	20,822	20,368	c.3)	-	-
Operating lease (IFRS 16)	c.4)	320,199	329,082	c.4)	65,401	63,549
d) Other liabilities	d)	12,506	10,368	d)	148,660	207,655
<b>Total</b>		<b>3,981,669</b>	<b>3,329,172</b>		<b>818,273</b>	<b>423,695</b>

The changes in liabilities related to financing activities, as shown in a) and c) and in derivative financial instruments in b) of the table above, are detailed as follows:

	Thousand of euros						
	31-12-2019	Cash flow	Foreign exchange effect	IFRS 9 application - Refinancing	Changes in fair value	Others	30-06-2020
Interest-bearing loans, borrowings and debt issues	2,864,235	1,099,458	(8,519)	(8,293)		27,880	3,974,761
Finance lease	59,029	(1,913)	(17)				57,099
Borrowings from related parties	132,442	1,982	(151)			1,516	135,789
Other borrowings	20,368	2,907				(2,453)	20,822
Operating lease (IFRS 16)	392,631		(6,930)			(101)	385,600
<b>Gross Financial Debt (Note 4.6)</b>	<b>3,468,705</b>	<b>1,102,434</b>	<b>(15,617)</b>	<b>(8,293)</b>	<b>-</b>	<b>26,842</b>	<b>4,574,071</b>
Derivative financial instruments	66,138				(1,433)		64,705
<b>TOTAL</b>	<b>3,534,843</b>	<b>1,102,434</b>	<b>(15,617)</b>	<b>(8,293)</b>	<b>(1,433)</b>	<b>26,842</b>	<b>4,638,776</b>

	Thousand of euros						
	31-12-2018	IFRS 16 impact 01-01-2019	Cash flow	Foreign exchange effect	Changes in fair value	Others	31-12-2019
Interest-bearing loans, borrowings and debt issues	2,664,983		200,571	5,774		(7,093)	2,864,235
Finance lease	46,638		12,391				59,029
Borrowings from related parties	203,527		(70,943)	1,996		(2,138)	132,442
Other borrowings	28,756		(10,492)			2,104	20,368
Operating lease (IFRS 16)	-	395,110	(2,479)				392,631
<b>Gross Financial Debt (Note 4.6)</b>	<b>2,943,904</b>	<b>395,110</b>	<b>129,048</b>	<b>7,770</b>	<b>-</b>	<b>(7,127)</b>	<b>3,468,705</b>
Derivative financial instruments	56,117				10,021		66,138
<b>TOTAL</b>	<b>3,000,021</b>	<b>395,110</b>	<b>129,048</b>	<b>7,770</b>	<b>10,021</b>	<b>(7,127)</b>	<b>3,534,843</b>

## a) Bank borrowings and debt securities

### a.1) Bank borrowings and long-term debt securities

The breakdown, by segment and maturity date, of non-current bank borrowings and debt securities is as follows:

Description	Thousands of euros						Total
	30-06-2020						
	July 2021 to June 2022	July 2022 to June 2023	July 2023 to June 2024	July 2024 to June 2025	Beyond	Total	Total
<b>In Euro</b>	<b>227,608</b>	<b>299,783</b>	<b>1,482,988</b>	<b>140,848</b>	<b>683,556</b>	<b>2,834,783</b>	<b>2,366,764</b>
Western Europe	209,830	289,783	1,472,988	140,848	683,556	2,797,005	2,333,902
Eastern Europe	17,778	10,000	10,000	-	-	37,778	32,862
<b>In foreign currency</b>	<b>72,697</b>	<b>135,090</b>	<b>306,071</b>	<b>12,906</b>	<b>25,935</b>	<b>552,699</b>	<b>358,766</b>
<b>Brazilian real</b>							
Mercosur	880	774	931	164	146	2,895	52,268
<b>Dollars</b>							
Western Europe	40,537	73,147	259,933	-	-	373,617	220,616
Mercosur	-	46,235	-	-	-	46,235	-
North America	18,016	-	-	-	-	18,016	-
<b>Turkish lira</b>							
Eastern Europe	6,768	2,784	766	-	-	10,318	31
<b>Czech koruna</b>							
Eastern Europe	5,802	11,604	11,604	11,604	5,802	46,416	49,158
<b>Remimbi yuan</b>							
Asia	-	-	-	-	18,894	18,894	-
<b>Romanian leu</b>							
Eastern Europe	-	-	3,903	-	-	3,903	4,570
<b>Korean won</b>							
Asia	694	546	546	1,138	1,093	4,017	4,244
<b>Japanese yen</b>							
Asia	-	-	28,388	-	-	28,388	27,878
<b>Total</b>	<b>300,305</b>	<b>434,873</b>	<b>1,789,059</b>	<b>153,754</b>	<b>709,491</b>	<b>3,387,482</b>	<b>2,725,530</b>

At 30 June 2020, the Group had bilateral credit facilities maturing in more than 12 months with a limit of 284,000 thousand euros (378,500 thousand euros at 31 December 2019) which were undrawn at that date (balance payable of 1,146 thousand euros at 31 December 2019, which was recorded under Cash and cash equivalents). The interest rate on these policies ranges from 0.60% to 1.90%.

The detail of the maturities relating to the balances at 31 December 2019 is as follows:

	Thousands of euros					
	31-12-2019					
	2021	2022	2023	2024	Beyond	Total
	158,059	742,075	1,103,859	186,411	535,126	2,725,530

The guarantees granted are personal guarantees of the borrower and were granted by a group of subsidiary companies (Appendix III).

At 30 June 2020, Edscha PHA Ltd has property, plant and equipment set aside to secure for bank loans amounting to 2,914 thousand euros (3,087 thousand euros at 31 December 2019) (Note 11).

In addition, there are security interests and related guarantees in the description of the individual transactions included in this Note.

The nominal interest rate on Interest-bearing loans at 30 June 2020 is as follows:

	<u>Interest rate</u>
• Loans denominated in euros:	0.90% - 1.90%
• Loans denominated in Brazilian reals*	2.00% - 8.70%
• Loans denominated in US dollars	3.95% - 4.25%

\* The lower level of the range corresponds to loans received by BNDES with a subsidised interest rate.

The annual nominal interest rate on interest-bearing loans at 31 December 2019 is as follows:

	<u>Interest rate</u>
• Loans denominated in euros:	0.90% - 1.45%
• Loans denominated in Brazilian reals*	2.00% - 8.70%
• Loans denominated in US dollars	3.95% - 4.25%

\* The lower level of the range corresponds to loans received by BNDES with a subsidised interest rate.

The loans in the schedule above where certain Group companies are guarantors or which are subject to covenants are as follows:

I) Syndicated loan 2013 (modified in future years)

The Group adopted IFRS 9 *Financial Instruments* for the first time in 2018. The accounting treatment adopted by IFRS 9 for restructurings requires adjusting the debt balance to the sum of the adjusted cash flows discounted to the original effective interest rate. This rate, once adjusted using the possible restructuring fees, must be used for subsequent periods.

On 20 May 2016, the Parent Company signed an agreement modifying the original syndicated loan agreement signed on 19 April 2013, modifying both the principal, whose original amount was 532 million euros, (Tranche A1), increasing it by 340 million euros (Tranche A2), and certain conditions of such loan.

Also, a tranche of a Revolving Credit Facility exists, the amount of which was increased at 31 December 2019 to 325,000 thousand euros, the initial amount of which was 280,000 thousand euros at 31 December 2018.

After the required analysis, this operation was considered as a refinancing of the syndicated loan since there was no substantial modification of the debt.

On 25 July 2017, the Parent Company signed a new agreement to modify the original syndicated loan agreement signed in April 2013. This agreement implies changes in interest rates and payment dates. The maturity date for the contract was 15 July 2022.

On 11 May 2018, the Parent Company signed a new agreement to modify the original syndicated loan agreement signed in April 2013. This agreement implies changes in clauses of the agreement, without altering economic terms, maturities, drawdowns and allowing interim dividend distribution.

The impact of the adoption of IFRS 9 at 1 January 2018 for the syndicated loan is as follows:

	Thousands of euros
<b>Liabilities</b>	
Interest-bearing loans and borrowings and debt issues	(54,064)
Deferred tax liabilities	12,976
<b>Total liabilities</b>	<b>(41,088)</b>
<b>Net positive impact on equity</b>	<b>41,088</b>

On 25 February 2019, the Parent Company signed a new agreement to modify the syndicated loan agreement modifying the maturity dates. Maturities initially set at 2020 and 2021 have been postponed to 30 April 2023, amounting to 324 million euros. The first Tranche (Tranche A1) relates to the initial transaction while the second (Tranche A2) results from the extension made in 2016; accordingly, each one was treated separately given that the initial IRR of each transaction is different. The effect at 31 December 2019 recognised for said restructuring transaction was a positive financial result of 13,289 thousand euros, whose tax effect amounted to 3,189 thousand euros.

On 23 January 2020, the Parent Company signed a new agreement to amend the syndicated loan agreement, amending the maturities so that the new maturity of the entire nominal amount is 30 April 2023. The effect at 30 June 2020 of this restructuring operation was a positive financial result of 8,293 thousand euros, with a tax effect of 1,990 thousand euros.

The estimate at 30 June 2020, that is, having considered the restructuring performed at that date, of the amount to be recorded in future years under “Finance costs” with the corresponding increase in Bank borrowings, and its tax effect, is as follows:

Year	Thousands of euros		Total impact on results
	Finance cost	Tax effect	
2020	8,448	(2,028)	6,420
2021	16,936	(4,065)	12,871
2022	12,090	(2,901)	9,189
2023	3,173	(761)	2,412
<b>Total</b>	<b>40,647</b>	<b>(9,755)</b>	<b>30,892</b>

These amounts may be altered in the case of extensions or early cancellations of the financing that will affect finally the accrual period.

The amount accrued under Finance costs at 30 June 2020, as a result of applying this standard and the subsequent increase in Bank borrowings, amounted to 8,242 thousand euros (14,357 thousand euros at 31 December 2019), with the corresponding reversal of the Deferred tax liability of 1,978 thousand euros (3,446 thousand euros at 31 December 2019).

The Parent Company must comply with certain financial obligations during the term of the loan related to its Interim Condensed Consolidated Financial Statements. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The calculation of these obligations is based exclusively in the quarterly Interim Condensed Consolidated Financial Statements for each year.

On 3 June 2020 an agreement was signed to amend the syndicated loan agreement, temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these ratios implies the early repayment of the loan by the requirement bank syndicate. A period of 20 working days exists to remedy the breach of these financial obligations. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expenses ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44). The ratios must be calculated in accordance with the accounting standards in force at the time of signature of the original agreement (19 April 2013), and which means, in particular, that the impacts due to the application in 2020 and 2019 of IFRS 9, 15 and 16 have been reversed.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. The agreement to amend the syndicated loan contract signed on 3 June 2020 prohibits the payment of dividends up to and including 30 June 2021.

The outstanding amount of this syndicated loan is registered as long-term in the amount of 932,639 thousand euros.

Certain Group companies, which together represent a significant portion of total consolidated assets and EBITDA, act as joint and several guarantors of the aforementioned loans. The detail of these companies is provided in Appendix III.

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. and Gestamp Toledo, S.A.

## II) Bond issues May 2016 and April 2018

On 11 May 2016, an issue of senior guaranteed bonds was completed through the subsidiary Gestamp Funding Luxembourg, S.A., amounting to 500 million euros at an interest rate of 3.5%.

This bond issue initially matures on 15 May 2023 and the interest will be payable every six months (in November and May).

The amortised cost of the bond issued in May 2016, at 30 June 2020, amounts to 456 million euros (at 31 December 2019: 450 million euros).

In April 2018, the Group completed an issuance of senior bonds guaranteed through the Parent Company for a total aggregate amount of 400 million euros with an annual coupon of 3.25% and an IRR of 3,375%.

The initial maturity date of the bonds was 30 April 2026 and the interest will be paid every six months (in November and May).

The amortised cost of the bond issued in April 2018, at 30 June 2020, amounts to 391 million euros (392 thousand euros at 31 December 2019).

Certain Group companies, which together represent a significant portion of total consolidated assets and consolidated EBITDA, act as joint guarantors of the bonds. The detail of these companies is provided in Appendix III.

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. and Gestamp Toledo, S.A.

As mentioned in heading I), the Group adopted IFRS 9 *Financial Instruments* for the first time in 2018. The accounting treatment adopted by IFRS 9 for restructurings requires adjusting the debt balance to the sum of the adjusted cash flows discounted to the original effective interest rate. This rate, once adjusted using the possible restructuring fees, must be used for subsequent periods.

The impact of the adoption of IFRS 9 at 1 January 2018 for the bond is as follows:

	Thousands of euros
<b>Liabilities</b>	
Interest-bearing loans and borrowings and debt issues	(52,116)
Deferred tax liabilities	10,944
<b>Total liabilities</b>	<b>(41,172)</b>
<b>Net positive impact on equity</b>	<b>41,172</b>

The estimate at 30 June 2020 of the amount to be recorded in future years under “Finance costs” with the corresponding increase in bank borrowings, and its tax effect, is as follows:

Thousands of euros			
Year	Finance cost	Tax effect	Total impact on results
2020	4,720	(991)	3,729
2021	10,129	(2,127)	8,002
2022	10,867	(2,282)	8,585
2023	5,727	(1,203)	4,524
<b>Total</b>	<b>31,443</b>	<b>(6,603)</b>	<b>24,840</b>

These amounts may be altered in the case of extensions or early cancellations of the financing that will affect finally the accrual period.

The amount accrued under Finance costs at 30 June 2020, as a result of applying this standard and the subsequent increase in Bank borrowings, amounted to 4,720 thousand euros (8,799 thousand euros at 31 December 2019), with the corresponding reversal of the Deferred tax liability of 991 thousand euros (1,848 thousand euros at 31 December 2019).

### III) European Investment Bank (2016)

On 15 June 2016, the Parent Company signed a financing agreement with the European Investment Bank for 160 million euros.

The loan has an duration of seven years, maturing on 22 June 2023. The Parent Company undertakes to comply with certain financial obligations during the term of the loan and relating to its Interim Condensed Consolidated Financial Statements. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The calculation of these obligations is based exclusively in the quarterly Interim Condensed Consolidated Financial Statements for each year.

On 27 July 2020 an amendment of the contract of the loan was agreed, temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these ratios implies the early repayment of the loan by requirement of the bank. A period of 20 working days exists to remedy the breach of these financial obligations. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expenses ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44). These financial ratios must be calculated excluding the impact of changes in accounting regulations after 31 December 2018.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. The agreement to amend the loan contract conclude that any dividends will not be paid up to and including 30 June 2021.

The outstanding amount of this loan granted to the Parent Company is recorded as non-current and amounting to 160 million euros.

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

#### IV) European Investment Bank (2020)

On 18 May 2020, the Parent Company signed a financing agreement with the European Investment Bank for 200 million euros.

The loan has an duration of seven years, maturing on 28 May 2027. The Parent Company undertakes to comply with certain financial obligations during the term of the loan and relating to its Interim Condensed Consolidated Financial Statements. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The calculation of these obligations is based exclusively in the quarterly Interim Condensed Consolidated Financial Statements for each year.

On 27 July 2020 an amendment of the contract of the loan was agreed, temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these ratios implies the early repayment of the loan by requirement of the bank. A period of 20 working days exists to remedy the breach of these financial obligations. These financial ratios must be calculated excluding the impact of changes in accounting regulations after 31 December 2018.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. The agreement to amend the



loan contract signed on 23 July 2020 conclude that any dividends will not paid up to and including 30 June 2021.

The outstanding amount of this loan granted to the Parent Company is recorded as non-current and amounting to 200 million euros.

Certain Group companies, which together represent a significant portion of total consolidated assets and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

V) Banco KfW IPEX Bank GmbH

On 26 June 2017, the Parent Company signed a financing agreement with Banco KfW IPEX Bank GmbH for 45 million euros.

The loan has an duration of 5 years. The maturity date for said loan is 19 June 2022.

The Parent Company must comply with certain financial obligations during the term of the loan related to its Interim Condensed Consolidated Financial Statements. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The calculation of these obligations is based exclusively in the quartely Interim Condensed Consolidated Financial Statements for each year.

On 24 July 2020 an amendment of the contract of the loan was agreed (ratification pending), temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these ratios implies the early repayment of the loan by requirement of the bank. A period of 20 working days exists to remedy the breach of these financial obligations. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expenses ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44).

Certain Group companies, which together represent a significant portion of total consolidated assets and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

VI) Slovenská sporiteľňa, a. s.

On 26 October 2017, the company Gestamp Nitra sro signed a financing agreement with Slovenská sporiteľňa, a. s for 50 million euros.

The loan term is 6 years with maturity on 30 October 2023.

The outstanding amount of the syndicated loan is registered as long-term in the amount of 30 million euros.

Gestamp Nitra, Sro must comply with certain financial obligations related to its Consolidated Financial Statements of the Gestamp Automoción Group over the life of the loan. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The calculation of these obligations is based exclusively in the quarterly Interim Condensed Consolidated Financial Statements for each year.

On 23 July 2020 an amendment of the contract of the loan was agreed, temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these ratios implies the early repayment of the loan by requirement of the bank.

VII) Česká spořitelna, a.s.

On 27 June 2018, the company Gestamp Louny sro signed a financing agreement with Česká Spořitelna, a.s. for 1,250 million Czech koruna.

The loan term is 6 years with maturity on 31 May 2024.

The outstanding amount of this loan is registered as long term in the amount of 1,093.7 million Czech koruna and as short term in the amount of 156.3 million Czech koruna.

Gestamp Louny, sro must comply with certain financial obligations related to its Consolidated Financial Statements of the Gestamp Automoción Group over the life of the loan. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The calculation of these obligations is based exclusively in the quarterly Interim Condensed Consolidated Financial Statements for each year.

On 27 July 2020 an amendment of the contract of the loan was agreed, temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these ratios implies the early repayment of the loan by requirement of the bank.

VIII) Schuldschein Bond Issue October 2019

On 11 November 2019, the Parent Company completed a "Schuldschein" issue of bonds for 176 million euros and 10 million US Dollar.

Initially, on 28 October 2019, the following tranches was issued:

Nominal	Currency	Value date	Interest Rate	Interest Period	Maturity
22,000,000.00	Euro	2019, October 28	Euribor 6M+185bps	Semi-annual	2023, April 28
71,000,000.00	Euro	2019, October 28	Euribor 6M+210bps	Semi-annual	2024, October 28
58,000,000.00	Euro	2019, October 28	Euribor 6M+240bps	Semi-annual	2026, April 28
10,000,000.00	US dollar	2019, October 28	Libor 3M+250bps	Quarterly	2024, October 28

Subsequently, on 11 November 2019, a new tranche of 25,000,000 euros was issued with a maturity date of 28 April 2026 at an interest rate of Euribor 6M+240bps.

The Parent Company must comply with certain financial obligations at the end of each year in which this bond is in force, calculated exclusively on the basis of the Annual Consolidated Financial Statements. These obligations are as follows:

- “EBITDA / Financial expense” equal or above 4.00x
- “Net Financial Debt / EBITDA” equal or below 3.50x

The non-fulfilment of these ratios implies the early repayment of the loan by requirement of the bank. A period of 20 working days exists to remedy the breach of these financial obligations. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expenses ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44). These financial ratios must be calculated excluding the impact of changes in accounting regulations after 31 December 2018.

During the month of July 2020, agreements have been signed with certain investors temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

Certain Group companies, which together represent a significant portion of total consolidated assets and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

IX) Caixabank, S.A.

On 11 March 2020, the Parent Company signed a financing agreement with Caixabank, S.A. for 100 million euros.

The loan term is 3 years with maturity on 30 April 2023.

The outstanding amount of this loan granted to the Parent Company is recorded as non-current, amounting to 100 million euros.

The Parent Company must comply with certain financial obligations during the term of the loan related to its Interim Condensed Consolidated Financial Statements. These obligations are as follows:

- “EBITDA / Financial expense” above 4.00x
- “Net Financial Debt / EBITDA” below 3.50x

The calculation of these obligations is based exclusively in the quarterly Interim Condensed Consolidated Financial Statements for each year.

On 18 June 2020 an amendment of the loan agreement was agreed, temporarily suspending the obligation to comply with the financial ratios from 30 June 2020 up to 30 June 2021, both inclusive.

The non-fulfilment of these financial obligations implies the early maturity of the loan by requirement of the bank. It exists a 20 working days period of grace to remedy the breach of these financial obligations.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. The agreement to amend the contract signed on 18 June 2020 conclude that any dividends will not paid up to and including 30 June 2021, inclusive.

## a.2) Current interest-bearing loans and borrowings

The breakdown by segment of current interest-bearing loans and borrowings is as follows:

Description	Thousands of euros											
	Credit facilities				Loans (b)		Accrued interest (c)		Discounted bills and Factoring (d)		(a)+(b)+(c)+(d)	
	Drawn down (a)		Limit		30-06-2020	2019	30-06-2020	2019	30-06-2020	2019	30-06-2020	2019
<b>In Euro</b>	<b>36,918</b>	<b>17,428</b>	<b>307,772</b>	<b>285,126</b>	<b>428,861</b>	<b>45,067</b>	<b>10,837</b>	<b>8,412</b>	<b>29</b>	<b>19,689</b>	<b>476,645</b>	<b>90,596</b>
Western Europe	36,918	13,759	307,772	216,808	409,070	35,089	10,837	8,296	29	19,689	456,854	76,833
Eastern Europe	-	3,669	-	68,318	19,791	9,978	-	116	-	-	19,791	13,763
<b>In foreign currency</b>	<b>-</b>	<b>6,478</b>	<b>51,145</b>	<b>106,393</b>	<b>109,244</b>	<b>40,949</b>	<b>1,390</b>	<b>684</b>	<b>-</b>	<b>-</b>	<b>110,634</b>	<b>48,110</b>
<b>Dollar</b>												
North America	-	-	-	-	28,971	2,766	372	-	-	-	29,343	2,766
<b>Turkish lira</b>												
Eastern Europe	-	2,075	-	25,037	19,227	374	402	20	-	-	19,629	2,469
<b>Argentine peso</b>												
Mercosur	-	-	-	-	867	1,945	-	-	-	-	867	1,945
<b>Mexican peso</b>												
Mercosur	-	-	-	-	14	-	-	-	-	-	14	-
<b>Brazilian real</b>												
Mercosur	-	-	-	-	35,811	26,165	611	620	-	-	36,422	26,785
<b>Indian rupee</b>												
Asia	-	12	43,737	42,704	173	-	-	-	-	-	173	12
<b>Remimbi yuan</b>												
Asia	-	4,390	-	37,109	22,397	7,736	1	44	-	-	22,398	12,170
<b>Czech crown</b>												
Eastern Europe	-	-	-	-	(1)	-	-	-	-	-	(1)	-
<b>Romanian leu</b>												
Eastern Europe	-	-	-	-	1,785	1,954	4	-	-	-	1,789	1,954
<b>Korean won</b>												
Asia	-	-	729	1,543	-	8	-	-	-	-	-	8
<b>Japanese yen</b>												
Asia	-	-	6,679	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>36,918</b>	<b>23,906</b>	<b>358,917</b>	<b>391,519</b>	<b>538,105</b>	<b>86,016</b>	<b>12,227</b>	<b>9,096</b>	<b>29</b>	<b>19,689</b>	<b>587,279</b>	<b>138,706</b>

The Group has 762 million euros in with-recourse and non-recourse factoring and trade bill discounting facilities at 30 June 2020 (918 million euros at 31 December 2019).

The interest rate on the credit facilities is basically indexed to a floating rate of Euribor plus a spread between 0.60% and 1.20% in 2020 and between 0.60% and 0.75% in 2019.

## b) Derivative financial instruments

### b.1) Interest rate derivatives and exchange rate derivatives

These Interim Condensed Consolidated Balance Sheet headings include the fair value of the interest rate and exchange rate hedges and derivatives held for trading arranged by the Group, which are as follows:

Description	Thousands of euros	
	30-06-2020	31-12-2019
<b>Financial assets - long term derivatives (Note 12.a.3))</b>	<b>8,418</b>	<b>12,238</b>
Derivatives held for trading	1,145	394
Cash flow hedges	831	-
Exchange rate hedges	(2,170)	-
Exchange rate derivatives held for trading	-	802
Others	8,612	11,042
<b>Financial liabilities - long term derivatives</b>	<b>64,705</b>	<b>66,138</b>
Derivatives held for trading	22,252	18,221
Cash flow hedges	32,021	35,869
Exchange rate hedges	1,820	1,006
Exchange rate derivatives held for trading	-	-
Others	8,612	11,042

### Interest rate derivatives

The interest rate swaps, arranged by the Group, in place at 30 June 2020 and 31 December 2019 are the following:

Contract	Item	Thousands of euros			
		30-06-2020		31-12-2019	
		Asset	Liability	Asset	Liability
2	Derivatives held for trading	-	22,252	-	18,092
7	Derivatives held for trading	-	-	(190)	-
8	Derivatives held for trading	-	-	(204)	-
9	Derivatives held for trading	-	-	-	129
13	Derivatives held for trading	-	-	-	-
14	Derivatives held for trading	(800)	-	-	-
15	Derivatives held for trading	(345)	-	-	-
<b>Total derivatives held for trading</b>		<b>(1,145)</b>	<b>22,252</b>	<b>(394)</b>	<b>18,221</b>
1	Cash flow	-	1,895	-	3,651
2	Cash flow	-	4,332	-	8,346
3	Cash flow	-	992	-	1,964
5	Cash flow	-	1,432	-	2,755
6	Cash flow	-	18,291	-	14,872
10	Cash flow	-	5,039	-	4,281
11	Cash flow	-	40	-	-
12	Cash flow	(831)	-	-	-
<b>Total cash flow hedges</b>		<b>(831)</b>	<b>32,021</b>	<b>-</b>	<b>35,869</b>

At 30 June 2020, the Group had implemented a strategy to hedge interest rate risk on the notional value of the Group's estimated bank debt for the period from 2020 to 2025, through these financial interest rate swaps with the following notional amounts in thousands of euros:

Year	Contract 1	Contract 2 Contract 12	Contract 3	Contract 5	Contract 6	Contract 10	Contract 11
2020	140,000	165,000	77,835	110,000	190,000	60,000	155,585
2021	-	-	-	-	190,000	60,000	155,585
2022	-	-	-	-	190,000	60,000	155,585
2023	-	-	-	-	190,000	60,000	155,585
2024	-	-	-	-	190,000	60,000	155,585
2025	-	-	-	-	190,000	-	-

The interest rate swaps arranged by the Group in place at 30 June 2020 have the following terms:

Contract	Effective date	Maturity date	Floating rate (to be received)	Fixed rate (to be paid)
Contract 1	July 1, 2015	January 4, 2021	3-month Euribor	2.15%
Contract 2	December 30, 2014	January 4, 2021	3-month Euribor	2.15%
Contract 3	January 2, 2015	January 4, 2021	3-month Euribor	2.09%
Contract 5	July 1, 2015	January 4, 2021	3-month Euribor	2.05%
Contract 6	December 31, 2020	December 31, 2025	3-month Euribor	1.46%
Contract 10	December 31, 2020	December 31, 2024	3-month Euribor	1.60%
Contract 11	April 23, 2020	January 23, 2025	3-month Euribor	-0.51%
Contract 12	December 31, 2020	December 31, 2024	3-month Euribor	-0.31%

The hedging arrangements, outlined above, are qualified as effective cash flow hedges under IFRS hedge accounting criteria. Accordingly, changes in the fair value of the swaps are recognised in Equity while the accrued interest is recognised in the Interim Condensed Consolidated Income Statement.

The cash flows underlying the hedges are expected to affect the Interim Condensed Consolidated Income Statement during the following years:

Thousands of euros (Expenses)/Incomes	
30-06-2020	
2020	(8,469)
2021	(1,945)
2022	433
2023	(1,198)
2024	(1,499)
2025	(1,803)
<b>Total</b>	<b>(14,481)</b>

Thousands of euros (Expenses)/Incomes	
31-12-2019	
2020	(16,527)
2021	(1,740)
2022	972
2023	(491)
2024	(583)
2025	(791)
<b>Total</b>	<b>(19,160)</b>

The difference of 16,709 thousand euros between the value of cash flow hedges and the amount of future settlements of hedges reflected in the table above, corresponds to the valuations of speculative hedge transactions that were restructured in May and November 2019 to give them hedging accounting treatment.

At 30 June 2020, the Group had transferred an expense of 7,443 thousand euros from Equity to the Interim Condensed Consolidated Income Statement as a result of the settlements made in the year relating to interest rate hedging transactions. In 2019, expense recognised on the same basis amounted to 14,681 thousand euros.

In 2020, the Group recognised an expense for the amount of 3,280 thousand euros relating to changes in the value of derivatives held for trading. In 2020, all hedging operations were efficient; accordingly, there was no impact on the Interim Condensed Consolidated Income Statement. In 2019, an expense of 14,587 thousand euros was recognised in the Interim Condensed Consolidated Income Statement, relating to the changes in value of derivatives held for trading.

#### Exchange rate derivatives

- In July 2018, Gestamp Brasil, S.A. signed a loan granted by Bank of America, amounting to 50,000 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which at 30 June 2020 amounted to 923 thousand euros (1,006 thousand euros at 31 December 2019).

The initial measurement arising in July 2018 was negative in the amount of 9,157 thousand Brazilian reals. This amount was recognised under Other current assets and accrues over the term of the loan on a straight-line basis over 48 months, with its balance at 30 June 2020 amounting to 805 thousand euros (1,311 thousand euros at 31 December 2019) (Note 15.e)).

At 30 June 2020, the Group transferred 87,980 thousand Brazilian reals from Equity to the Interim Condensed Consolidated Income Statement (72,265 thousand Brazilian reals in 2020 and 15,715 thousand Brazilian reals in 2019), in order to offset the negative exchange gains generated in the measurement of the loan.

- In January 2020, the Parent Company signed a loan granted by Bank of América, Barclays and Commerzbank amounting to 30,000 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 563 thousand euros at 30 June 2020.

The initial measurement arising in January 2020 was negative in the amount of 58 thousand euros. This amount was recognised under Other current assets and accrues over the term of the loan on a straight-line basis over 60 months, with its balance at 30 June 2020 amounting to 53 thousand euros ((Note 15.e)).

At 30 June 2020, the Group transferred from Equity to the Interim Condensed Consolidated Income Statement an amount of 345 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

- Additionally, in January 2020, the Parent Company signed a second loan granted by Bank of America, Barclays and Commerzbank amounting to 142,552 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 2,170 thousand euros at 30 June 2020.

The initial measurement arising in January 2020 was positive in the amount of 251 thousand euros. This amount was recognised under Other current liabilities and accrues over the term of the loan on a straight-line basis over 60 months, with its balance at 30 June 2020 amounting to 230 thousand euros ((Note 15.e)).

At 30 June 2020, the Group transferred from Equity to the Interim Condensed Consolidated Income Statement an amount of 1,638 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

- Moreover, in July 2019, Gestamp Kartek Co. Ltd. signed a loan granted to Gestamp Autocomponents (Shenyang), Co. Ltd. for 10,000 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 335 thousand euros at 30 June 2020.

The initial measurement arising in January 2020 was positive in the amount of 6 thousand euros. This amount was recognised under Other current assets and accrues over the term of the loan on a straight-line basis over 36 months, with its balance at 30 June 2020 amounting to 4 thousand euros ((Note 15.e)).

At 30 June 2020, the Group transferred from Equity to the Interim Condensed Consolidated Income Statement an amount of 392 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

- Lastly, on 13 November 2019, the Parent Company entered into an exchange rate hedge whereby dollars were sold (62,000 thousand dollars) and euros were bought at 9 January 2020 at an exchange rate of EUR 1,10535 to the dollar. This contract was renewed on 9 January 2020, setting a new expiry date of 10 July 2020.

This hedge was classified as held for trading during its term, and its fair value amounted to 802 thousand euros at 31 December 2019, which was posted in the Interim Condensed Consolidated Income Statement.

Finally, the Parent Company brought forward its settlement to 18 June 2020, obtaining a profit of 752 thousand euros recognised under Exchange gains.

The effect of financial instruments in retained earnings in 2020 and 2019 is as follows:

	Thousands of euros
<b>Adjustment due to change value 31-12-2018</b>	<b>(22,076)</b>
<b>Variation in fair value adjustment</b>	<b>4,991</b>
Variation in deferred tax from financial instruments	(2,593)
Variation in derivative financial instruments (liabilities)	<u>(6,938)</u>
Interest rate derivatives	(20,492)
Cancellation of derivatives	16,710
Exchange rate derivatives	(3,156)
Effect in profit due to hedge inefficiency	<u>14,587</u>
Others	(65)
<b>Adjustment due to change value 31-12-2019</b>	<b>(17,085)</b>
<b>Variation in fair value adjustment</b>	<b>(8,858)</b>
Variation in deferred tax from financial instruments	(1,123)
Variation in derivative financial instruments (liabilities)	<u>(11,018)</u>
Interest rate derivatives	1,399
Exchange rate derivatives	(12,417)
Effect in profit due to hedge inefficiency	<u>3,280</u>
Others	<u>3</u>
<b>Adjustment due to change value 30-06-2020</b>	<b>(25,943)</b>



Lastly, "Others" under "Long-term derivative financial liabilities", amounted to 8,612 thousand euros, includes the present value of implicit derivatives with respect to the exchange rate applicable to sales and purchase prices in a customer and supplier agreement (Note 12.a.3)).

### c) Other financial liabilities

#### c.1) Lease previously classified as a finance lease (prior to IFRS 16)

The finance lease obligations recognised under this heading relate to the discounted values of the payments under finance lease agreements detailed in Note 11. Details of the expected maturities of these obligations, and future financial expenses are as follows:

30-06-2020						
Thousands of euros						
Segment	Present value of lease obligations				Future financial expenses	Financial lease installments
	Short term		Long term			
	Less than one year	Between one and five years	More than five years	Total		
North America	1,071	4,716	11,874	16,590	3,960	21,621
Eastern Europe	7,414	22,846	1,840	24,686	3,678	35,778
Western Europe	789	6,549	-	6,549	392	7,731
<b>Total</b>	<b>9,274</b>	<b>34,111</b>	<b>13,714</b>	<b>47,825</b>	<b>8,030</b>	<b>65,130</b>

31-12-2019						
Thousands of euros						
Segment	Present value of lease obligations				Future financial expenses	Financial lease installments
	Short term		Long term			
	Less than one year	Between one and five years	More than five years	Total		
North America	1,135	4,801	12,087	16,888	4,457	22,480
Eastern Europe	7,071	23,737	2,352	26,089	3,999	37,159
Western Europe	1,297	6,549	-	6,549	450	8,296
<b>Total</b>	<b>9,503</b>	<b>35,087</b>	<b>14,439</b>	<b>49,526</b>	<b>8,906</b>	<b>67,935</b>

#### c.2) Borrowings from related parties

This heading in the Interim Condensed Consolidated Balance Sheet includes the following items with related parties:

Description	Long term		Short term	
	30-06-2020	31-12-2019	30-06-2020	31-12-2019
Loans (Note 30)	107,427	106,197	2,248	1,563
Fixed assets suppliers (Note 30)	20,703	21,963	3,434	1,541
Interest (Note 30)	-	-	1,977	1,178
<b>Total</b>	<b>128,130</b>	<b>128,160</b>	<b>7,659</b>	<b>4,282</b>

At 30 June 2020 and 31 December 2019, the debt posted in long-term fixed asset suppliers with Acek, Desarrollo y Gestión Industrial, S.L. corresponds to the purchase of the GESTAMP brand.

On 26 February 2019, it was agreed with Mitsui & Co. Ltd to extend its 171 million dollars loan to Gestamp North America, its December 2019 maturity being divided into three equal tranches maturing in December 2020, 2021 and 2022.

The breakdown of expected maturities for long-term borrowings with related parties is as follows (Note 30):

Description	Thousands of euros					Total 30-06-2020	Total 31-12-2019
	July 2021 to June 2022	July 2022 to June 2023	July 2023 to June 2024	July 2024 to June 2025	Beyond		
<b>Loans</b>	51,347	51,346	4,734	-	-	107,427	106,197
North America	51,347	51,346	-	-	-	102,693	101,522
Eastern Europe	-	-	4,734	-	-	4,734	4,675
<b>Fixed assets suppliers</b>	1,343	1,431	1,525	1,625	14,779	20,703	21,963
Western Europe	1,343	1,431	1,525	1,625	14,779	20,703	21,963

The detail of the maturities of the balance of this account as at 31 December 2019, is as follows:

Thousands of euros					
31-12-2019					
2021	2022	2023	2024	Beyond	Total
52,021	52,104	1,431	6,200	16,404	128,160

Interest rates of loans granted by related parties are at arm's length.

### c.3) Other liabilities

#### Other non-current liabilities

The amounts included under this heading, broken down by maturity at 30 June 2020 and 31 December 2019, are as follows:

Description	Thousands of euros					Total 30-06-2020	Total 31-12-2019
	July 2021 to June 2022	July 2022 to June 2023	July 2023 to June 2024	July 2024 to June 2025	Beyond		
Loans from Ministry of Science and Technology	6,777	3,733	3,346	2,920	4,046	20,822	20,368

The detail of these amounts corresponds to companies included in the Western Europe segment.

The detail of the maturities of the balance of this account as at 31 December 2019, is as follows:

Thousands of euros					
31-12-2019					
2021	2022	2023	2024	Beyond	Total
6,684	3,883	3,407	2,911	3,483	20,368

### c.4) Operating leases (IFRS 16)

The operating lease commitments, recognised under this heading, correspond to the present value of the lease arrangements, in accordance with the application of IFRS 16 (applied from 1 January 2019). The detail by type of asset, both short and long-term, at 30 June 2020 and 31 December 2019 is as follows:

Type of asset	Thousands of euros			Total 30-06-2020	Total 31-12-2019
	Short term	Between one and five years	More than five years		
Stores	4,543	18,536	26,019	49,098	49,716
Machinery	25,198	64,658	1,765	91,621	103,121
Offices	4,442	14,651	7,254	26,347	50,008
Plants	15,835	53,152	52,801	121,788	82,635
Tooling	7,303	27,202	1,150	35,655	39,137
Lands	2,649	11,994	20,853	35,496	39,328
Others	5,431	18,197	1,967	25,595	28,686
<b>Total</b>	<b>65,401</b>	<b>208,390</b>	<b>111,809</b>	<b>385,600</b>	<b>392,631</b>

At 30 June 2020 both long-term and short-term operating leases include debt with related parties in the amount of 34,512 thousand euros and 8,603 thousand euros, respectively (31,166 thousand euros and 7,365 thousand euros, respectively, at 31 December 2019). (Note 30).

The detail of the maturities of the balance of this account as at 31 December 2019, is as follows:

Thousands of euros			
31-12-2019			
Short term	Between one and five years	More than five years	Total
63,549	207,465	121,617	392,631

#### d) Other borrowed funds

##### Other non-current borrowed funds

The breakdown of the amounts included under this heading by maturity and segment at 30 June 2020 and 31 December 2019 is as follows:

Description	Thousands of euros					Total 30-06-2020	Total 31-12-2019
	July 2021 to June 2022	July 2022 to June 2023	July 2023 to June 2024	July 2024 to June 2025	Beyond		
<b>Guarantees received</b>	301	19	2	-	118	440	439
Western Europe	296	14	-	-	118	428	427
North America	5	5	-	-	-	10	10
Mercosur	-	-	2	-	-	2	2
<b>Fixed assets suppliers</b>	272	272	272	272	819	1,907	1,907
Western Europe	272	272	272	272	819	1,907	1,907
<b>Other creditors</b>	864	1,755	5,395	1,907	238	10,159	8,022
Western Europe	864	1,755	5,395	1,907	238	10,159	8,022
<b>Total</b>	<b>1,437</b>	<b>2,046</b>	<b>5,669</b>	<b>2,179</b>	<b>1,175</b>	<b>12,506</b>	<b>10,368</b>

The detail of the maturities relating to the balances at 31 December 2019 is as follows:

Thousands of euros						
2019						
2021	2022	2023	2024	Beyond	Total	
1,027	1,653	1,403	4,821	1,464	10,368	

##### Other current borrowings

The amounts included under this heading in the accompanying Interim Condensed Consolidated Balance Sheet, by item, are as follows:

Item	Thousands of euros	
	30-06-2020	31-12-2019
Fixed assets suppliers	117,524	148,349
<u>Dividends (Note 30)</u>	<u>3</u>	<u>31,814</u>
Interim dividends	-	31,601
Dividends	3	213
Short term debts	31,096	27,135
Deposits and guarantees	71	70
Others	(34)	287
<b>Total</b>	<b>148,660</b>	<b>207,655</b>

On 14 January 2020, the unpaid dividend payment at 31 December 2019, amounting to 31,601 thousand euros, was paid. The amount of this dividend finally paid on 14 January 2020, based on the number of treasury shares held at 12 January 2020, was 31,612 thousand euros.

Under "Short term debts" included an outstanding amount relating to the acquisition of 100% of the shares of Gestamp Sorocaba Industria Autopeças Ltda and that amounts to 4,419 thousand euros (5,215 thousand euros at 31 December 2019).

### Note 23. Trade and other payables

#### a) Trade payables

	Thousands of euros	
	30-06-2020	31-12-2019
Trade accounts payable	892,795	946,680
Trade bills payable	86,168	118,811
Suppliers from related parties (Note 30)	212,769	398,030
<b>Total</b>	<b>1,191,732</b>	<b>1,463,521</b>

#### b) Other payables

	Thousands of euros	
	30-06-2020	31-12-2019
VAT payable	82,369	63,325
Tax withholdings payable	5,166	20,802
Other items payable to the tax authorities	24,086	15,994
Payable to social security	44,512	33,904
Other payables	3,071	5,658
Outstanding remuneration	146,123	121,159
<b>Total</b>	<b>305,327</b>	<b>260,842</b>

### Note 24. Operating revenue

#### a) Revenue

The breakdown of Revenue by category at 30 June 2020 and 30 June 2019, is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Parts, prototypes and components	2,760,397	4,164,574
Tooling	176,854	165,587
Byproducts and containers	86,444	165,827
Services rendered	21,574	17,214
<b>Total</b>	<b>3,045,269</b>	<b>4,513,202</b>

The geographical breakdown of consolidated Revenue is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
<b>Western Europe</b>	<b>1,331,881</b>	<b>2,060,757</b>
Spain	557,640	813,051
Germany	340,550	516,615
United Kingdom	171,396	295,428
France	143,288	269,794
Portugal	101,118	140,819
Sweden	11,770	24,674
Morocco	6,119	376
<b>Eastern Europe</b>	<b>478,405</b>	<b>695,465</b>
Turkey	121,818	215,648
Czech Republic	93,400	126,445
Russia	49,307	79,546
Poland	111,355	171,999
Hungary	32,078	48,637
Slovakia	41,973	26,763
Romania	16,779	24,004
Bulgaria	11,695	2,423
<b>Mercosur</b>	<b>142,599</b>	<b>295,503</b>
Brazil	119,630	237,532
Argentina	22,969	57,971
<b>North America</b>	<b>664,548</b>	<b>940,229</b>
USA	493,872	668,300
Mexico	170,676	271,929
<b>Asia</b>	<b>427,836</b>	<b>521,248</b>
China	333,927	370,553
India	41,081	86,212
South Korea	44,860	53,423
Japan	5,442	6,905
Thailand	2,441	4,098
Taiwan	85	57
<b>Total</b>	<b>3,045,269</b>	<b>4,513,202</b>

## b) Other operating income

	Thousands of euros	
	30-06-2020	30-06-2019
Other operating income	9,096	17,817
Grants related to income	4,744	6,582
Capital grants transferred to income for the year (Note 20)	2,218	1,963
Excess provision for taxes	-	70
Excess provision for environmental actions and other liabilities	64	739
Own work capitalized	57,169	73,083
Other gains/losses	14,883	260
Gains/(losses) from disposals of intangible assets and PP&E	792	260
Other	14,091	-
<b>Total</b>	<b>88,174</b>	<b>100,514</b>

Other operating income in June 2020 and June 2019 mainly include third party billing for transactions different from the main activity of the companies.

## Note 25. Operating expenses

### a) Cost of materials used

The breakdown of Cost of materials used in the Interim Condensed Consolidated Income Statement is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Purchases of goods and tools	166,198	169,043
Discounts on early payment purchases	(358)	(847)
Returns for purchases and similar transactions	(1,180)	(1,802)
Volume discounts	(2,839)	(2,991)
Change in inventories (*)	4,336	(45,098)
Purchases of raw materials	1,110,664	1,882,737
Consumption of other supplies	439,377	549,160
Work carried out by other companies	100,423	159,408
Losses due to impairment of goods, raw materials (*)	1,263	1,178
Reversal of impairment of goods, raw materials (*)	(1,386)	(1,280)
<b>Total</b>	<b>1,816,498</b>	<b>2,709,508</b>

(\*) The total of these line items amounts to a net consumption of commodities of 4,213 thousand euros (Note 13).

### b) Staff costs

The breakdown of "Staff costs" in the Interim Condensed Consolidated Income Statement is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Salaries	535,751	657,337
Social security	89,358	113,468
Other welfare expenses	39,800	55,729
<b>Total</b>	<b>664,909</b>	<b>826,534</b>

Other welfare expenses include the amounts relating to contributions from defined contribution pension plans amounting to 1.2 million euros at 30 June 2020 (2.3 million euros at 30 June 2019) (Note 6.16).

### c) Other operating expenses

The breakdown of Other operating expenses in the Interim Condensed Consolidated Income Statement is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Operation and maintenance	237,426	340,266
Other external services	144,458	224,550
Taxes	15,922	21,237
Impairment of accounts receivable (Note 15.a))	345	(369)
Other gains/losses	1,830	3,845
Provision for contingencies and expenses	1,830	1,588
Other	-	2,257
<b>Total</b>	<b>399,981</b>	<b>589,529</b>

## Note 26. Finance income and finance costs

### a) Finance income

The breakdown of Finance income in the Interim Condensed Consolidated Income Statement is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Income from investments in equity instruments	1	-
From current loans to third parties	1	1
Other finance income	3,967	2,817
From current loans to related parties (Note 30)	91	94
From non-current loans to third parties	118	118
<b>Total</b>	<b>4,178</b>	<b>3,030</b>

### b) Finance costs

The breakdown of Finance costs in the Interim Condensed Consolidated Income Statement is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Interest on bank borrowings	61,000	53,275
Interest on discounted bills of exchange at banks	10	35
On trade factoring operations with credit institutions (Note 15.a))	3,366	5,437
Other finance expenses	4,840	3,715
Finance expenses IFRS 16	10,127	10,625
On update provisions	142	138
Interest from receivables, related parties (Note 30)	1,799	4,845
<b>Total</b>	<b>81,284</b>	<b>78,070</b>

The heading Finance costs in IFRS 16 includes the amounts corresponding to interest on lease liabilities with related parties, which amounted to 791 thousand euros at 30 June 2020 (595 thousand euros at 30 June 2019) (Note 30).

## Note 27. Income tax

The Parent Company and its subsidiaries file their income tax returns separately except:

- On 1 January 2014, the Parent Company chose to apply the special fiscal consolidation regime, regulated under Basque Regional Law 11/2013. The subsidiaries included in this fiscal group are Gestamp Bizkaia, S.A; Gestamp Tooling Erandio, S.L.; Gestamp North Europe Services, S.L.,

Loire S.A.F.E., Gestamp Global Tooling S.L., Matricería Deusto S.L., Adral Matricería y Puesta a punto S.L., Gestamp Tool Hardening S.L., Gestamp Try Out Services S.L., Gestamp Technology Institute S.L., Autotech Engineering, AIE, Reparaciones Industriales Zaldibar, S.L. and Diede Die Development S.L.

- The subsidiaries Gestamp North America, Inc., Gestamp Alabama, Ll., Gestamp Mason, Ll., Gestamp Chattanooga, Ll., Gestamp Chattanooga II Ll., Gestamp South Carolina, Ll., Gestamp West Virginia, Ll. and Gestamp Washtenaw Ll. file a tax return according to fiscal transparency system.
- The subsidiaries Gestamp Griwe Haynrode GmbH and Gestamp Griwe Westerbürg GmbH file a tax return according to a profit and loss transfer agreement.
- The subsidiaries Edscha Holding, GmbH, Edscha Automotive Hengersberg, GmbH, Edscha Automotive Hauzenberg, GmbH, Edscha Engineering, GmbH, Edscha Kunststofftechnik GmbH, Edscha Hengersberg Real Estate, GmbH and Edscha Hauzenberg Real Estate, GmbH file an income tax return in line with a profit and loss transfer agreement.
- The subsidiaries GMF Holding GmbH and Gestamp Umformtechnik GmbH file a tax return according to a profit and loss transfer agreement.
- The subsidiaries Gestamp Sweden, AB and Gestamp HardTech AB file income tax returns under the profit and loss transfer system and the detail of the income tax income and expense for the years ended 2020 and 2019, in thousands of euros, is as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Current tax	19,137	56,542
Deferred tax	<u>(89,726)</u>	<u>(14,213)</u>
Deferred tax IFRS 16	(2,094)	(930)
Other	(87,632)	(13,283)
Other adjustments to tax expense	(51)	(16)
<b>Total</b>	<b>(70,640)</b>	<b>42,313</b>

#### **Note 28. Earnings per share**

Basic earnings per share are calculated by dividing the profit for the year attributable to shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are also calculated by adjusting the profit attributable to ordinary equity holders of the Parent Company and the weighted average number of ordinary shares outstanding by all the dilutive effects inherent to potential ordinary shares.

Basic and diluted earnings per share for the first half of 2020 and for 2019 are as follows:



	30-06-2020	30-06-2019
Profit attributable to the shareholders of the Parent Company (Thousands of euros)	(198,500)	100,167
Loss from discontinued activities attributable to the shareholders of the Parent (Thousands of euros)	-	-
Weighted average number of ordinary shares outstanding (Thousands of shares)	574,371	574,641
Basic earnings per share from continuing operations (Euros per share)	(0.35)	0.17
Basic earnings per share from discontinued operations (Euros per share)	-	-
Diluted earnings per share from continuing operations (Euros per share)	(0.35)	0.17

The calculation of the weighted average number of ordinary shares at 30 June 2020 does not include the average number of own shares in the first six months of 2020, which amounted to 1,143 thousand shares (873 thousand shares in the first six months of 2019).

### **Note 29. Commitments**

The Group is lessee of buildings, warehouses, machinery and vehicles. At 1 January 2019, the Group implemented the transition to IFRS 16 without modifying the comparative figures for the previous year.

The information relating to the lease arrangements at 30 June 2020 was included in the corresponding Notes, by type (Note 11 and Note 22.c.4)).

The amount recognised as a lease expense at 30 June 2020 and 30 June 2019 relates to agreements of one year or less, which are not material, and to lease arrangements that may be similar to the provision of services, totalling 34,659 thousand euros (45,981 thousand euros at 30 June 2019), recognised under Other operating expenses (Note 25.c).

The commitments acquired by Group companies relating to the acquisition of fixed assets and tools amounted to 297.9 million euros at 30 June 2020 (408.7 million euros at 30 June 2019). It is likely that the execution of these orders will be from 2020 to 2023.

The Group has no guarantees granted to third parties. The amount of guarantees received by the Group from financial institutions and provided to third parties at 30 June 2020 amounts to 218 million euros (256 million euros at 31 December 2019).

### **Note 30. Related party transactions**

#### **Balances and transactions with Related Parties**

At 30 June 2020 and 31 December 2019, transactions with related parties are as follows:

30-06-2020			
Company	Thousands of euros	Company	Thousands of euros
<b>Shareholders</b>		<b>Related parties</b>	
JSC Karelsky Okatysh	(4,734)	Gonvarri Ptos. Siderúrgicos, S.A.	28
Mitsui & Co., Ltd.	(102,693)	Gonvauto Thüringen, GMBH	72
<b>Total non-current loans (Note 22.c.2)</b>	<b>(107,427)</b>	<b>Associates</b>	
<b>Shareholders</b>		<b>Total Debtors, related parties (Note 15.b)</b>	
Tuyauto, S.A.	(2,156)	<b>Shareholders</b>	<b>100</b>
<b>Related parties</b>		AceK, Desarrollo y Gestión Industrial, S.L.	(2,443)
Gescrap Bilbao, S.L.	(92)	<b>Related parties</b>	
<b>Total current loans (Note 22.c.2)</b>	<b>(2,248)</b>	Gescrap Autometal México, S.A. de C.V.	(1)
<b>Shareholders</b>		Inmobiliaria Acek, S.L.	(5)
Beijing Hainachuan Automotive Parts Co., Ltd.	(4,960)	<b>Associates</b>	
<b>Related parties</b>		GGM Puebla, S.A. de C.V.	(127)
Gonvarri Czech, S.R.O.	(7,761)	Kunshan Gestool Tooling Manufacturing Co, Ltd	(858)
Gonvarri Polska SP, Z.o.o.	(1,463)	<b>Total short-term asset suppliers (Note 22.c.2)</b>	<b>(3,434)</b>
Gonvauto Navarra, S.A.	(1,291)	<b>Shareholders</b>	
Inmobiliaria Acek, S.L.	(11,057)	AceK, Desarrollo y Gestión Industrial, S.L.	(20,703)
<b>Associates</b>		<b>Total long-term asset suppliers (Note 22.c.2)</b>	<b>(20,703)</b>
Gestión Global de Matricería, S.L.	(7,980)	<b>Shareholders</b>	
<b>Total Non-current operating leases (IFRS 16) (Note 22.c.4)</b>	<b>(34,512)</b>	AceK, Desarrollo y Gestión Industrial, S.L.	(240)
<b>Shareholders</b>		JSC Karelsky Okatysh	(135)
Beijing Hainachuan Automotive Parts Co., Ltd.	(2,004)	Mitsui & Co., Ltd.	(1,566)
<b>Related parties</b>		<b>Related parties</b>	
Gonvarri Czech, S.R.O.	(1,858)	Gonvarri I. Centro Servicios, S.L.	(36)
Gonvarri Polska SP, Z.o.o.	(397)	<b>Total interest payable (Note 22.c.2)</b>	<b>(1,977)</b>
Gonvauto Navarra, S.A.	(290)	<b>Shareholders</b>	
Inmobiliaria Acek, S.L.	(1,293)	Others shareholders	(3)
<b>Associates</b>		<b>Total Dividends payable (Note 22.d)</b>	<b>(3)</b>
Gestión Global de Matricería, S.L.	(2,761)	<b>Shareholders</b>	
<b>Total Current operating leases (IFRS 16) (Note 22.c.4)</b>	<b>(8,603)</b>	AceK, Desarrollo y Gestión Industrial, S.L.	(5,633)
<b>Associates</b>		Beijing Hainachuan Automotive Parts Co., Ltd.	(727)
Gestión Global de Matricería, S.L.	21,400	<b>Related parties</b>	
<b>Total Current Loans</b>	<b>21,400</b>	ArceLorMittal Flat Carbon, Luxemburg	(1,460)
<b>Associates</b>		ArceLorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	(3,886)
Gestión Global de Matricería, S.L.	134	Dongguan Gonvarri Center, LTD.	(2,730)
<b>Total Interest receivable</b>	<b>134</b>	Gescrap Autometal México, S.A. de C.V.	(2)
<b>Related parties</b>		Gescrap GmbH	(5)
GES Recycling USA Llc.	1,453	Gescrap Navarra, S.L.	(2)
GES Recycling, Ltd.	1	Gescrap Slovakia S.R.O.	(560)
Gescrap Aragón, S.L.	5	Gonvarri Argentina, S.A.	132
Gescrap Autometal Comercio de Sucatas, S.A.	72	Gonvarri Czech, S.R.O.	13
Gescrap Autometal México, S.A. de C.V.	27	Gonvarri Galicia, S.A.	(25,112)
Gescrap Bilbao, S.L.	1,131	Gonvarri I. Centro Servicios, S.L.	(83,647)
Gescrap Centro, S.L.	852	Gonvarri Polska SP, Z.o.o.	(8,951)
Gescrap Czech, S.R.O.	52	Gonvarri Ptos. Siderúrgicos, S.A.	(13,350)
Gescrap France S.A.R.L.	292	Gonvauto Asturias, S.L.	(1,622)
Gescrap GmbH	758	Gonvauto Navarra, S.A.	(6,923)
Gescrap Hungary, Kft.	351	Gonvauto Puebla, S.A. de C.V.	(15,790)
Gescrap India Private Limited	(6)	Gonvauto South Carolina Llc.	(2,904)
Gescrap Navarra, S.L.	112	Gonvauto Thüringen, GMBH	(5,334)
Gescrap Noroeste, S.L.U.	74	Gonvauto, S.A.	(12,784)
Gescrap Polska SP, ZOO.	810	Gonvvama, Ltd.	(1)
Gescrap Romania, S.R.L.	101	Grupo Arcelor	(5,950)
Gescrap Rusia, Ltd.	1	Grupo Arcelor (rappel)	12,833
Gescrap Slovakia S.R.O.	43	Industrial Ferrodistribuidora, S.L.	(456)
Gonvarri Czech, S.R.O.	70	Inmobiliaria Acek, S.L.	(303)
Gonvarri Galicia, S.A.	52	Láser Automotive Barcelona, S.L.	(447)
Gonvarri I. Centro Servicios, S.L.	261	Severstal Gonvarri Kaluga, LLC	(2,859)
Gonvarri Industrial, S.A.	555	Steel & Alloy, Ltd.	(2,587)
Gonvarri Polska SP, Z.o.o.	10	<b>Associates</b>	
Gonvauto Asturias, S.L.	190	Em Gestamp Aliminium Extrusions, S.A.	(2,629)
Gonvauto Navarra, S.A.	334	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(13)
Gonvauto Puebla, S.A. de C.V.	1,657	Gestión Global de Matricería, S.L.	(650)
Gonvauto South Carolina Llc.	8,479	GGM Puebla, S.A. de C.V.	(7,152)
Gonvauto Thüringen, GMBH	570	Global Laser Araba, S.L.	(874)
Gonvauto, S.A.	399	Ingeniería y Construcción Matrices, S.A.	(2,072)
Gonvvama, Ltd.	486	IxCxT, S.A.	(304)
GS Hot-Stamping Co., Ltd.	5	Kunshan Gestool Tooling Manufacturing Co, Ltd	(8,028)
Industrial Ferrodistribuidora, S.L.	420	<b>Total Suppliers, related parties (Note 23.a)</b>	<b>(212,769)</b>
Láser Automotive Barcelona, S.L.	19		
Road Steel Engineering, S.L.	4		
Steel & Alloy, Ltd.	46		
<b>Associates</b>			
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	62,901		
Gestión Global de Matricería, S.L.	521		
GGM Puebla, S.A. de C.V.	6,154		
Global Laser Araba, S.L.	4		
Ingeniería y Construcción Matrices, S.A.	3161		
IxCxT, S.A.	354		
Kunshan Gestool Tooling Manufacturing Co, Ltd	9752		
<b>Total Trade receivables from related parties (Note 15.a)</b>	<b>102,533</b>		
			<b>Total debit/credit balances (267,509)</b>

31-12-2019		31-12-2019	
Company	Thousands of euros	Company	Thousands of euros
<b>Shareholders</b>		<b>Related parties</b>	
JSC Karelsky Okatysh	(4,674)	Gonvauto Thüringen, GMBH	71
Mitsui & Co., Ltd.	(101,523)	<b>Associates</b>	
<b>Total non-current loans (Note 22.c.2)</b>	<b>(106,197)</b>	Kunshan Gestool Tooling Manufacturing Co, Ltd	203
<b>Shareholders</b>		<b>Total Debtors, related parties (Note 15.b)</b>	<b>274</b>
Tuyauto, S.A.	(1,470)	<b>Shareholders</b>	
<b>Related parties</b>		Acek, Desarrollo y Gestión Industrial, S.L.	(21,963)
Gescrap Bilbao, S.L.	(93)	<b>Total long-term asset suppliers (Note 22.c.2)</b>	<b>(21,963)</b>
<b>Total current loans (Note 22.c.2)</b>	<b>(1,563)</b>	<b>Shareholders</b>	
<b>Related parties</b>		Acek, Desarrollo y Gestión Industrial, S.L.	(1,183)
Gonvarri Czech, S.R.O.	(8,685)	<b>Associates</b>	
Gonvauto Navarra, S.A.	(1,435)	GGM Puebla, S.A. de C.V.	(125)
Inmobiliaria Acek, S.L.	(11,689)	Kunshan Gestool Tooling Manufacturing Co, Ltd	(233)
<b>Associates</b>		<b>Total short-term asset suppliers (Note 22.c.2)</b>	<b>(1,541)</b>
Gestión Global de Matricería, S.L.	(9,357)	<b>Shareholders</b>	
<b>Total Non-current operating leases (IFRS 16) (Note 22.c.4)</b>	<b>(31,166)</b>	Acek, Desarrollo y Gestión Industrial, S.L.	(1,138)
<b>Shareholders</b>		JSC Karelsky Okatysh	(4)
Beijing Hainachuan Automotive Parts Co., Ltd.	(1,259)	<b>Related parties</b>	
<b>Related parties</b>		Gonvarri I. Centro Servicios, S.L.	(36)
Gonvarri Czech, S.R.O.	(1,832)	<b>Total interest payable (Note 22.c.2)</b>	<b>(1,178)</b>
Gonvauto Navarra, S.A.	(286)	<b>Shareholders</b>	
Inmobiliaria Acek, S.L.	(1,270)	Acek, Desarrollo y Gestión Industrial, S.L.	(6,232)
<b>Associates</b>		Free float	(9,511)
Gestión Global de Matricería, S.L.	(2,718)	Gestamp 2020, S.L.	(15,858)
<b>Total Current operating leases (IFRS 16) (Note 22.c.4)</b>	<b>(7,365)</b>	Others shareholders	(213)
<b>Associates</b>		<b>Total Dividends payable (Note 22.d)</b>	<b>(31,814)</b>
Gestión Global de Matricería, S.L.	21,400	<b>Shareholders</b>	
<b>Total Current Loans</b>	<b>21,400</b>	Acek, Desarrollo y Gestión Industrial, S.L.	(1,179)
<b>Associates</b>		Beijing Hainachuan Automotive Parts Co., Ltd.	(124)
Gestión Global de Matricería, S.L.	44	<b>Related parties</b>	
<b>Total Interest receivable</b>	<b>44</b>	Air Executive, S.L.	(14)
<b>Shareholders</b>		ArceorMittal Flat Carbon, Luxemburg	(9,167)
Acek, Desarrollo y Gestión Industrial, S.L.	839	ArceorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	(25,740)
<b>Related parties</b>		Dongguan Gonvarri Center, LTD.	94
GES Recycling USA LLC.	3,080	Gescrap Autometal México, S.A. de C.V.	(1)
Gescrap Aragón, S.L.	74	Gescrap France S.A.R.L.	(1)
Gescrap Autometal Comercio de Sucatas, S.A.	499	Gescrap GmbH	(23)
Gescrap Autometal México, S.A. de C.V.	816	Gescrap Navarra, S.L.	(3)
Gescrap Bilbao, S.L.	2,877	Gescrap Slovakia S.R.O.	(502)
Gescrap Centro, S.L.	1,378	Gonvarri Argentina, S.A.	(2,902)
Gescrap Czech, S.R.O.	68	Gonvarri Galicia, S.A.	(47,317)
Gescrap Desarrollo, S.L.U.	(8)	Gonvarri I. Centro Servicios, S.L.	(126,914)
Gescrap France S.A.R.L.	2,197	Gonvarri Polska SP, Z.o.o.	(35,501)
Gescrap GmbH	3,290	Gonvarri Ptos. Siderúrgicos, S.A.	(21,298)
Gescrap Hungary, Kft.	235	Gonvauto Asturias, S.L.	(4,039)
Gescrap India Private Limited	(2)	Gonvauto Navarra, S.A.	(8,408)
Gescrap Navarra, S.L.	230	Gonvauto Puebla, S.A. de C.V.	(30,868)
Gescrap Noroeste, S.L.U.	505	Gonvauto South Carolina LLC.	2,376
Gescrap Polska SP, ZOO.	873	Gonvauto Thüringen, GMBH	(13,033)
Gescrap Slovakia S.R.O.	397	Gonvauto, S.A.	(20,499)
Gonvarri Argentina, S.A.	42	Gonvama, Ltd.	(19)
Gonvarri Czech, S.R.O.	70	Grupo Arcelor	(18,264)
Gonvarri I. Centro Servicios, S.L.	247	Grupo Arcelor (rappel)	10,701
Gonvarri Industrial, S.A.	517	Industrial Ferrodistribuidora, S.L.	(5,351)
Gonvarri Polska SP, Z.o.o.	15	Inmobiliaria Acek, S.L.	(199)
Gonvauto Asturias, S.L.	374	Láser Automotive Barcelona, S.L.	(958)
Gonvauto Navarra, S.A.	1,787	Severstal Gonvarri Kaluga, LLC	(5,203)
Gonvauto Puebla, S.A. de C.V.	505	Steel & Alloy, Ltd.	(12,768)
Gonvauto South Carolina LLC.	1,254	Otros	(1)
Gonvauto Thüringen, GMBH	959	<b>Associates</b>	
Gonvauto, S.A.	343	Etem Gestamp Aliminium Extrusions, S.A.	(2,507)
Gonvama, Ltd.	534	Gestión Global de Matricería, S.L.	(386)
GS Hot-Stamping Co., Ltd.	5	GGM Puebla, S.A. de C.V.	(3,426)
Industrial Ferrodistribuidora, S.L.	763	Global Laser Araba, S.L.	(1,083)
Láser Automotive Barcelona, S.L.	50	Ingeniería y Construcción Matrices, S.A.	(2,021)
Road Steel Engineering, S.L.	3	IxCxT, S.A.	(482)
Steel & Alloy, Ltd.	46	Kunshan Gestool Tooling Manufacturing Co, Ltd	(11,000)
<b>Associates</b>		<b>Total Suppliers, related parties (Note 23.a)</b>	<b>(398,030)</b>
Etem Gestamp Aliminium Extrusions, S.A.	2		
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	61,955		
Gestión Global de Matricería, S.L.	506		
GGM Puebla, S.A. de C.V.	5,763		
Global Laser Araba, S.L.	36		
Ingeniería y Construcción Matrices, S.A.	2,551		
IxCxT, S.A.	302		
Kunshan Gestool Tooling Manufacturing Co, Ltd	6,695		
<b>Total Trade receivables from related parties (Note 15.a)</b>	<b>102,672</b>		
		<b>Total debit/credit balances</b>	<b>(476,427)</b>

The related parties in the following tables are subsidiaries and associates from the Acek Desarrollo y Gestión Industrial, S.L. Group in which the Parent Company does not directly or indirectly hold any ownership interests.

There are no purchase commitments with related parties that are not related to the Group's own production activity.

As at 30 June 2020 and 30 June 2019, transactions with Related Parties are as follows:

	Thousands of euros	
	30-06-2020	30-06-2019
Revenue		
Sales of goods	(204,998)	(291,718)
Services rendered	(2,475)	(1,734)
Finance income	(91)	(94)
Expenses		
Purchases	554,567	797,091
Services received	27,216	36,505
Finance expenses	1,799	4,845
Finance expenses IFRS 16	791	595

Receivable balance: positive / Balance payable: negative

The breakdown of transactions with related parties at 30 June 2020 has been as follows:

30-06-2020			
Company	Thousands of euros	Company	Thousands of euros
<b>Related parties</b>		<b>Related parties</b>	
GES Recycling USA Llc.	(16,103)	ArcelorMittal Flat Carbon, Luxemburg	18,330
GES Recycling, Ltd.	(841)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	36,913
Gescrap Aragón, S.L.	(414)	Dongguan Gonvarri Center, LTD.	9,791
Gescrap Autometal Comercio de Sucatas, S.A.	(3,670)	Gonvarri Argentina, S.A.	6,685
Gescrap Autometal México, S.A. de C.V.	(4,484)	Gonvarri Galicia, S.A.	34,410
Gescrap Bilbao, S.L.	(8,553)	Gonvarri I. Centro Servicios, S.L.	130,093
Gescrap Centro, S.L.	(2,599)	Gonvarri Polska SP, Z.o.o.	51,177
Gescrap Czech, S.R.O.	(474)	Gonvarri Ptos. Siderúrgicos, S.A.	16,852
Gescrap France S.A.R.L.	(4,836)	Gonvauto Asturias, S.L.	5,730
Gescrap GmbH	(9,750)	Gonvauto Navarra, S.A.	8,596
Gescrap Hungary, Kft.	(970)	Gonvauto Puebla, S.A. de C.V.	35,999
Gescrap India Private Limited	(1,093)	Gonvauto South Carolina Llc.	18,090
Gescrap Navarra, S.L.	(1,619)	Gonvauto Thüringen, GMBH	45,042
Gescrap Noroeste, S.L.U.	(1,047)	Gonvauto, S.A.	21,603
Gescrap Polska SP, ZOO.	(5,694)	Grupo Arcelor	35,926
Gescrap Romania, S.R.L.	(622)	Industrial Ferrodistribuidora, S.L.	7,610
Gescrap Rusia, Ltd.	(1)	Láser Automotive Barcelona, S.L.	102
Gescrap Slovakia S.R.O.	(434)	Severstal Gonvarri Kaluga, LLC	18,587
Gonvarri I. Centro Servicios, S.L.	539	Steel & Alloy, Ltd.	41,074
Gonvauto Asturias, S.L.	(988)	<b>Associates</b>	
Gonvauto Navarra, S.A.	(1,464)	Etem Gestamp Aluminio Extrusions, S.A.	10,014
Gonvauto Puebla, S.A. de C.V.	(3,695)	GGM Puebla, S.A. de C.V.	1,871
Gonvauto South Carolina Llc.	(6,187)	Kunshan Gestool Tooling Manufacturing Co, Ltd	72
Gonvauto Thüringen, GMBH	(777)	<b>Total Purchases</b>	<b>554,567</b>
Gonvauto, S.A.	(3,155)	<b>Shareholders</b>	
Láser Automotive Barcelona, S.L.	(45)	Acek, Desarrollo y Gestión Industrial, S.L.	6,493
<b>Associates</b>		Beijing Hainachuan Automotive Parts Co., Ltd.	618
Etem Gestamp Aluminio Extrusions, S.A.	(7)	<b>Related parties</b>	
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(125,336)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	91
GGM Puebla, S.A. de C.V.	(97)	Dongguan Gonvarri Center, LTD.	2
Ingeniería y Construcción Matrices, S.A.	(414)	Gescrap Autometal Comercio de Sucatas, S.A.	21
Kunshan Gestool Tooling Manufacturing Co, Ltd	(168)	Gescrap Autometal México, S.A. de C.V.	2
<b>Total Sales</b>	<b>(204,998)</b>	Gescrap GmbH	75
<b>Shareholders</b>		Gescrap Navarra, S.L.	6
Acek, Desarrollo y Gestión Industrial, S.L.	(113)	Gescrap Slovakia S.R.O.	1,175
<b>Related parties</b>		Gonvarri Argentina, S.A.	65
Acek energías renovables, S.L.	(463)	Gonvarri Czech, S.R.O.	877
GES Recycling USA Llc.	(3)	Gonvarri Galicia, S.A.	15
Gescrap Autometal México, S.A. de C.V.	(48)	Gonvarri I. Centro Servicios, S.L.	30
Gescrap Hungary, Kft.	(2)	Gonvarri Polska SP, Z.o.o.	55
Gescrap Polska SP, ZOO.	(18)	Gonvarri Ptos. Siderúrgicos, S.A.	106
Gescrap Romania, S.R.L.	(26)	Gonvauto Asturias, S.L.	21
Gescrap Slovakia S.R.O.	(27)	Gonvauto Navarra, S.A.	169
Gonvarri I. Centro Servicios, S.L.	(2)	Gonvauto Puebla, S.A. de C.V.	1
Gonvarri Industrial, S.A.	(72)	Gonvauto South Carolina Llc.	4,157
Gonvarri Polska SP, Z.o.o.	(5)	Gonvauto Thüringen, GMBH	1
Gonvarri Ptos. Siderúrgicos, S.A.	(34)	Gonvama, Ltd.	16
Gonvauto Asturias, S.L.	(12)	Grupo Arcelor	45
Gonvauto Thüringen, GMBH	(44)	Industrial Ferrodistribuidora, S.L.	6
Gonvauto, S.A.	(10)	Inmobiliaria Acek, S.L.	437
Gonvama, Ltd.	(567)	Láser Automotive Barcelona, S.L.	925
GRI Renewable industries, S.L.	(24)	<b>Associates</b>	
Road Steel Engineering, S.L.	(12)	Etem Gestamp Aluminio Extrusions, S.A.	386
<b>Associates</b>		Gestión Global de Matricería, S.L.	788
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(11)	GGM Puebla, S.A. de C.V.	4,196
Gestión Global de Matricería, S.L.	(17)	Global Laser Araba, S.L.	2,406
GGM Puebla, S.A. de C.V.	(352)	Ingeniería y Construcción Matrices, S.A.	2,384
Global Laser Araba, S.L.	(30)	IxCt, S.A.	748
Ingeniería y Construcción Matrices, S.A.	(212)	Kunshan Gestool Tooling Manufacturing Co, Ltd	899
IxCt, S.A.	(66)	<b>Total Services received</b>	<b>27,216</b>
Kunshan Gestool Tooling Manufacturing Co, Ltd	(305)	<b>Shareholders</b>	
<b>Total Services rendered</b>	<b>(2,475)</b>	Acek, Desarrollo y Gestión Industrial, S.L.	619
<b>Associates</b>		JSC Karelsky Okatsh	132
Gestión Global de Matricería, S.L.	(91)	Mitsui & Co., Ltd.	678
<b>Total Financial income (Note 26.a)</b>	<b>(91)</b>	Tuyauto, S.A.	8
		<b>Related parties</b>	
		Gonvarri Galicia, S.A.	54
		Gonvarri I. Centro Servicios, S.L.	76
		Gonvarri Ptos. Siderúrgicos, S.A.	97
		Gonvauto Navarra, S.A.	8
		Gonvauto Puebla, S.A. de C.V.	54
		Gonvauto, S.A.	21
		Grupo Arcelor	44
		Industrial Ferrodistribuidora, S.L.	8
		<b>Total Financial expenses (Note 26.b)</b>	<b>1,799</b>
		<b>Shareholders</b>	
		Beijing Hainachuan Automotive Parts Co., Ltd.	128
		<b>Related parties</b>	
		Gonvarri Czech, S.R.O.	159
		Gonvarri Polska SP, Z.o.o.	34
		Gonvauto Navarra, S.A.	25
		Inmobiliaria Acek, S.L.	252
		<b>Associates</b>	
		Gestión Global de Matricería, S.L.	193
		<b>Total Financial expenses IFRS 16 (Note 26.b)</b>	<b>791</b>

The breakdown of transactions with related parties at 30 June 2019 has been as follows:

30-06-2019			
Company	Thousands of euros	Company	Thousands of euros
<b>Related parties</b>		<b>Related parties</b>	
GES Recycling USA Ll.c.	(27,505)	ArcelorMittal Flat Carbon, Luxemburg	37,781
GES Recycling, Ltd.	(26)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	53,404
Gescrap Aragón, S.L.	(972)	Dongguan Gonvarri Center, LTD.	10,397
Gescrap Autometal Comercio de Sucatas, S.A.	(8,645)	Gonvarri Argentina, S.A.	18,584
Gescrap Autometal México, S.A. de C.V.	(12,707)	Gonvarri Galicia, S.A.	53,779
Gescrap Bilbao, S.L.	(14,766)	Gonvarri I. Centro Servicios, S.L.	203,870
Gescrap Centro, S.L.	(4,789)	Gonvarri Polska SP, Z.o.o.	85,168
Gescrap Czech S.R.O.	(728)	Gonvarri Ptos. Siderúrgicos, S.A.	24,631
Gescrap France S.A.R.L.	(11,531)	Gonvauto Asturias, S.L.	6,739
Gescrap GmbH	(19,790)	Gonvauto Navarra, S.A.	11,502
Gescrap Hungary, Kft.	(1,620)	Gonvauto Puebla, S.A. de C.V.	70,334
Gescrap India Private Limited	(208)	Gonvauto South Carolina Ll.c.	38,814
Gescrap Navarra, S.L.	(3,400)	Gonvauto Thüringen, GMBH	61,837
Gescrap Noroeste, S.L.U.	(1,806)	Gonvauto, S.A.	36,518
Gescrap Polska SP, ZOO.	(13,250)	Gonvvama, Ltd.	(14)
Gescrap Rusia, Ltd.	(2,305)	Grupo Arcelor	44,202
Gescrap Slovakia S.R.O.	(449)	Industrial Ferrodistribuidora, S.A.	5,192
Gonvarri Czech, S.R.O.	(209)	Laser Automotive Barcelona, S.L.	50
Gonvarri I. Centro Servicios, S.L.	(541)	Severstal Gonvarri Kaluga, LLC	30,512
Gonvauto Asturias S.L.	(2,914)	Steel & Alloy, Ltd.	1,930
Gonvauto Navarra, S.A.	(2,665)	<b>Associates</b>	
Gonvauto Puebla, S.A. de C.V.	(509)	Esymo Metal, S.L.	323
Gonvauto South Carolina Ll.c.	(673)	Gestamp Tooling Manufacturing Kunshan Co., Ltd.	520
Gonvauto Thüringen, GMBH	(4,380)	GGM Puebla, S.A. de C.V.	1,018
Gonvauto, S.A.	(5,707)	<b>Total Purchases</b>	<b>797,091</b>
Industrial Ferrodistribuidora, S.A.	11	<b>Shareholders</b>	
Láser Automotive Barcelona S.L.	(17)	Acek, Desarrollo y Gestión Industrial, S.L.	7,565
Severstal Gonvarri Kaluga, LLC	(62)	<b>Related parties</b>	
<b>Associates</b>		Air Executive, S.L.	367
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(131,296)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	798
Gestamp Tooling Manufacturing Kunshan Co., Ltd.	(40)	Dongguan Gonvarri Center, LTD.	1
Gestión Global de Matricería, S.L.	(16,800)	Gescrap Autometal Comercio de Sucatas, S.A.	4
GGM Puebla, S.A. de C.V.	(1,349)	Gescrap Autometal México, S.A. de C.V.	2
Ingeniería y Construcción Matrices, S.A.	(70)	Gescrap GmbH	137
<b>Total Sales</b>	<b>(291,718)</b>	Gescrap Slovakia S.R.O.	1,110
<b>Shareholders</b>		Gonvarri Argentina, S.A.	228
Acek, Desarrollo y Gestión Industrial, S.L.	(102)	Gonvarri Czech, S.R.O.	4,666
<b>Related parties</b>		Gonvarri I. Centro Servicios, S.L.	43
GES Recycling USA Ll.c.	(4)	Gonvarri Polska SP, Z.o.o.	376
Gescrap Autometal México, S.A. de C.V.	(32)	Gonvarri Ptos. Siderúrgicos, S.A.	130
Gescrap Bilbao, S.L.	(1)	Gonvauto Asturias, S.L.	(104)
Gescrap France S.A.R.L.	(19)	Gonvauto Navarra, S.A.	236
Gescrap Hungary, Kft.	(2)	Gonvauto Puebla, S.A. de C.V.	30
Gescrap Polska SP, ZOO.	(32)	Gonvauto South Carolina Ll.c.	5,996
Gescrap Rusia, Ltd.	(2)	Gonvauto Thüringen, GMBH	7
Gonvarri Industrial, S.A.	(46)	Gonvauto, S.A.	17
Gonvarri Polska SP, Z.o.o.	(12)	Gonvvama, Ltd.	6
Gonvarri Ptos. Siderúrgicos, S.A.	(1)	Grupo Arcelor	82
Gonvauto Puebla, S.A. de C.V.	(5)	Industrial Ferrodistribuidora, S.A.	48
Gonvauto South Carolina LLC	(11)	Inmobiliaria Acek, S.L.	292
Gonvauto Thüringen, GMBH	(71)	Laser Automotive Barcelona, S.L.	1,932
Gonvvama, Ltd.	(334)	Otros	1
Inmobiliaria Acek, S.L.	(1)	<b>Associates</b>	
Road Steel Engineering, S.L.	(13)	Esymo Metal, S.L.	1,417
<b>Associates</b>		Gestamp Tooling Manufacturing Kunshan Co., Ltd.	2,008
Esymo Metal, S.L.	(19)	GGM Puebla, S.A. de C.V.	1,177
Gestamp Tooling Manufacturing Kunshan Co., Ltd.	(326)	Global Laser Araba, S.L.	4,631
Gestión Global de Matricería, S.L.	(6)	Ingeniería y Construcción Matrices, S.A.	2,401
GGM Puebla, S.A. de C.V.	(388)	IxCxT, S.A.	901
Global Laser Araba, S.L.	(29)	<b>Total Services received</b>	<b>36,505</b>
Ingeniería y Construcción Matrices, S.A.	(220)	<b>Shareholders</b>	
IxCxT, S.A.	(58)	Acek, Desarrollo y Gestión Industrial, S.L.	650
<b>Total Services rendered</b>	<b>(1,734)</b>	JSC Karelsky Okatysh	284
<b>Associates</b>		Mitsui & Co., Ltd.	3,384
Esymo Metal, S.L.	(5)	<b>Related parties</b>	
Gestión Global de Matricería, S.L.	(89)	Gonvarri Argentina S.A.	117
<b>Total Financial income (Note 26.a)</b>	<b>(94)</b>	Gonvarri Galicia, S.A.	111
		Gonvarri I. Centro Servicios, S.L.	135
		Gonvarri Ptos. Siderúrgicos, S.A.	77
		Gonvauto Navarra, S.A.	11
		Gonvauto Puebla, S.A. de C.V.	33
		Gonvauto, S.A.	38
		Industrial Ferrodistribuidora, S.A.	5
		<b>Total Financial expenses (Note 26.b)</b>	<b>4,845</b>
		<b>Related parties</b>	
		Gonvarri Czech, S.R.O.	98
		Inmobiliaria Acek, S.L.	276
		<b>Associates</b>	
		Gestión Global de Matricería, S.L.	221
		<b>Total Financial expenses IFRS 16 (Note 26.b)</b>	<b>595</b>

## Note 31. Financial risk management

The Group uses the review of business plans, the study of the relationship between exposure and the present value of the cash flows arising from an investment, and the accounting vision that allows the assessment of the state and development of the different risk situations for financial risk management.

### 31.1 Financial risk factors

In compliance with prevailing accounting legislation, below is a description of the main financial risks to which the Group's activity is exposed:

- Market risk
  - Exchange rate risk
  - Interest rate risk
- Liquidity risk
- Credit risk
- Commodity price risk

#### Exchange rate risk

The exchange rate risk mainly arises from: (i) the Group's international diversification, which leads it to invest and obtain income, results and cash flows in currencies other than the euro, (ii) payables in currencies other than those of the countries in which the companies are located that have taken the debt and (iii) accounts receivable or payable in foreign currency from the standpoint of the company recognising the transaction.

The fluctuation in the exchange rate of the currency in which a given transaction is carried out against the accounting currency may have a negative or positive impact on profit or loss and equity.

The Group operates in the following currencies:

Euro	US dollar	Mexican peso
Argentine peso	Brazilian real	Pound sterling
Swedish crown	Polish zloty	Hungarian forint
Turkish lira	Indian rupee	Korean won
Chinese renminbi	Russian rouble	Czech crown
Japanese yen	Thai Baht	Romanian leu
Taiwanese dollar	Moroccan dirham	Bulgarian lev

To manage exchange rate risk, the Group uses (or evaluates the possibility of using) a series of financial instruments, basically (Note 22.b.1):

- A. Foreign currency forward contracts: These arrangements lock in the price at which an entity can buy or sell a currency on a set date; the timing can be adjusted to align the transactions with the hedged cash flows.
- B. Options: The objective is to seek to protect against the negative impact of any exchange rate exposure, or any price ranges, or to fix a maximum or minimum exchange rate (collar or tunnel) on the date of settlement, or structures with a minimum cost or even zero (by renouncing benefits in different scenarios in exchange for achieving protection in other scenarios).

### Interest rate risk

The Group's borrowings mainly bear interest at floating rates to the extent that rate fluctuations affect cash flows and how they are reflected in finance costs. The Group mitigates this risk by using interest rate derivative financial instruments, mainly swaps, by which it converts the floating rate on a loan into a fixed rate. It may swap the rate on a portion of the loan or on the entire loan, and for its entire duration or a part thereof (Note 22.b.1).

The Group's borrowings accrue a floating rate indexed to the Euribor, Dollar Libor and other foreign exchange interbank indexes. Conversely, the bonds issued by the Group on May 2016 and April 2018 accrue a fixed interest rate.

The Group's financial debt accrues both a floating and a fixed rate as a consequence of seeking a balance in the financial expenses, adapting them to the economic cycle, the interest rate (short and long term) and their foreseeable development and the financing alternatives (especially the terms, costs and depreciation). It is also influenced by the changes in debt, which leads to using the facilities and performing repayments dynamically, based on the agreement facilities.

### Liquidity risk

Liquidity risk is evaluated as the risk that the Group will not be able to service its payment commitments as a result of adverse conditions in the debt and/or equity markets that prevent or hinder its capital raising efforts or cash liquidity needs exceeding those budgeted.

The Group manages liquidity risk looking for cash availability to cover its cash needs and debt maturity for a period of 12 months, thereby avoiding the need to raise funds on disadvantageous terms to cover short term needs. The available liquidity comprises cash and cash equivalents and undrawn credit lines with a maturity beyond 12 months, according to the Interim Condensed Consolidated Balance Sheet, without adjusting them proportionally by the shareholdings, or by resources in subsidiaries subject to administrative authorisations.

At 30 June 2020, cash and cash equivalents amounted to 1,480.8 million euros and unused long-term credit facilities amounted to 284 million euros (the Revolving Credit Facility has been drawn down at 30 June 2020). Current financial debt repayments amount to 669.6 million euros (7.7 million euros of payables to related parties, 587.3 million euros of bank borrowings and 74.7 million euros of finance leases). At 30 June 2020, the cash flows from operations exceeded the cash flows from investing activities (excluding intercompany purchases and sales) by 277.8 million euros.

Liquidity risk management in the next 12 months is complemented with the management of the debt maturity profile, seeking an appropriate average maturity and refinancing in advance the short term maturities, especially in the first two years. At 30 June 2020, the average maturity of the Group's net financial debt is 3.8 years (estimated considering the use of long-term cash and credit lines to repay short-term debt).

Liquidity risk has been managed with regard to financial covenants on a number of loans. Throughout May and June 2020 agreements have been reached to amend those contracts that involve the quarterly measurement of financial covenants that may accelerate the repayment of financing. There has been temporary suspension of the obligation to comply with financial ratios since 30 June 2020 and it will continue until 30 June 2021, both dates inclusive, and this will affect loans for a value of about 1,860 million euros. Agreements have also been reached to suspend financial covenants with



creditors of Schuldschein Bonds for approximately 88 million euros, although negotiations are still underway with certain institutions.

To meet the uncertainties regarding liquidity requirements, there has been intense financing activity, which is reflected in the amount for cash flows in financing activities totalling 1,082.2 million euros (a substantial proportion due to the generation of new financing and the renewal of existing lines of credit), 982.2 million euros more than the total amount of cash flows for financing activities in the first six months of 2019.

Working capital can be defined as the permanent financial resources that finance the company's current activities, that is, the portion of current assets financed with long-term funds. At 30 June 2020, working capital amounts to 947 million euros, calculated as the difference between the long-term financing debt (3,904 million euros) and equity (1,968 million euros), less net fixed assets, excluding deferred tax assets (4,925 million euros). This working capital exceeds the working capital related to EBITDA, which amounted to 338 million euros at 30 June 2020.

### Credit risk

Credit risk is concentrated primarily in the Group's accounts receivable, which have a high credit rating.

Each business unit manages its credit risk according to policies, procedures and controls determined by the Group regarding credit risk management of customers.

At each closing date, the Group companies analyse on the basis of real historical data the balances of each major client individually in order to determine the need for provisions or impairment.

The Group has no guarantee on debts and has concluded that the risk concentration is low given that its customers belong to distinct jurisdictions and operate in highly independent markets.

The credit risk with banks is managed by the treasury department of the Group according to Group policies.

Investments of excess funds are only made with authorised counterparties and always within the credit limits assigned to such counterparties.

The limits are established in order to minimise risk concentration, thereby mitigating financial losses in the event of a default by the counterparty.

The maximum exposure of the Group to credit risk at 30 June 2020 and 31 December 2019 amounts to the carrying values, showed in Note 15, except for financial guarantees and derivative financial instruments.

The net Credit Valuation Adjustment by counterparty (CVA + DVA) is the method used to value the credit risk of the counterparties and the Parent Company in calculating the fair value of derivative financial instruments. This adjustment reflects the possibility of bankruptcy or impairment of the credit quality of the counterparty and the Parent Company. The simplified formula corresponds to the expected exposure multiplied by the possibility of bankruptcy and by the expected loss in case of non-payment. For calculating such variables the Parent Company uses market references.

### Commodity Price Risk

Steel, followed by aluminium, is the main commodity used in the business.

At 30 June 2020, 62.2% of the steel had been purchased through "re-sale" programs with customers (62.2% in 2019), whereby the car manufacturer periodically negotiates with the steel maker the price of the steel that the Group uses for the production of automotive components. The selling price of the final product is directly adjusted to any fluctuations in steel prices.

In the case of products that use steel purchased outside the "re-sale" method, a part of the customers adjust the prices of the Group products, taking as a base the fluctuations in steel prices that the customers agree with the iron and steel industry, others adjust the prices based on public indexes and with others negotiations are held upon the initiative of the parties. Historically, the Group has negotiated its steel purchase agreements with the iron and steel manufacturers to ensure suitable conditions.

### **31.2 Hedge accounting**

For the purpose of hedge accounting, the Group classifies its hedges as:

- Fair value hedges when hedging the exposure to changes in the market value of an asset or liability recognised in the Interim condensed consolidated balance sheet, or of a firm commitment attributable to a specific risk.
- Cash flow hedges when hedging exposure to fluctuations in cash flows that are either attributable to a particular risk associated with an asset or liability recognised in the Interim condensed consolidated balance sheet, or a highly probable forecast transaction.
- Hedges of a net investment in a foreign operation when hedging exposure to variability in exchange rates relative to a net investment in a foreign operation.

Such derivative financial instruments are initially recognised in the Interim condensed consolidated balance sheet at acquisition cost and are subsequently measured at fair value. Changes in fair value are normally accounted for in keeping with specific hedge accounting criteria.

The accounting for these instruments is carried out as follows:

- Fair value hedges: changes in the fair value of both the hedging instrument and the hedged item, in both instances attributable to the risk hedged, are recognised in the Interim Condensed Consolidated Income Statement.
- Cash flow hedges: changes in the fair value of the hedging instrument attributable to the risk hedged, as long as the hedge is effective, are recognised in "Retained earnings" under "Equity". Amounts taken to equity are transferred to the Interim Condensed Consolidated Income Statement when the hedged cash flows affect profit or loss.
- Hedges of a net investment in a foreign operation: its operating account is similar to cash flow hedges and the account used to record changes in the value of the hedging instrument in the condensed consolidated balance sheet is the "Translation differences" caption. The cumulative amount of the valuation in Translation differences is transferred to income to the extent that the foreign investment that gave rise to it is disposed of.

### 31.3 Fair value of financial instruments

The fair value of financial instruments is determined as follows:

- The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices.
- Where there is no active market, fair value is determined using cash flow analysis discounted at market discount rates and based on market assumptions at the time of the estimate. In relation to options, fair value is determined using implied volatility in market participants' quoted prices.

#### Non-current financial assets

There is no difference between the fair value and carrying amount of non-current loans granted since they all accrue interest at floating rates.

Equity investments are carried on the Interim condensed consolidated balance sheet at fair value when they can be measured reliably. Since it is usually not possible to measure the fair value of shareholdings in unlisted companies reliably, these investments are valued at acquisition cost or lower if there is evidence of impairment.

Changes in fair value, net of the related tax effect, are recognised with a charge or credit, as appropriate, under "Equity - Retained earnings" until these investments are sold, at which time the cumulative amount recognised in Equity is allocated in full in the Interim Condensed Consolidated Income Statement. If fair value is lower than acquisition cost, the difference is recognised directly in equity, unless the asset is determined to be impaired, in which case, it is recognised in the Interim Condensed Consolidated Income Statement.

#### Trade receivables

For receivables due in less than one year, the Group considers the carrying amount a reasonable approximation of fair value.

#### Current financial assets

There is no difference between the fair value and carrying amount of short term loans granted since they all accrue interest at market rates.

For other current financial assets, as their maturity is near the financial year end, the Group considers their carrying amounts a reasonable approximation of fair value.

#### Interest-bearing loans and borrowings

For current and non-current bank borrowings there is no difference between fair value and carrying amount since all these borrowings carry interest at market rates.

### Trade and other payables

The Group's management considers the carrying amount of the items recorded in this Interim condensed consolidated statement of financial position line item to be a reasonable approximation of fair value.

### Fair values of financial instruments

The fair values of current and non-current financial assets and liabilities do not differ significantly from their respective carrying amounts.

The Group uses the following sequence of three levels, based on the relevance of the variables used, to measure the fair value of its financial instruments:

- Level 1: Unadjusted quoted price for identical assets or liabilities in active markets.
- Level 2: Variables which are observably different from the prices quoted in Level 1, either directly (price), or indirectly (derived from the price).
- Level 3: Variables which are not based on observable market data (non-observable variables).

## **31.4 Capital risk management**

The objective of the Group's capital management is to protect its ability to continue as a going concern, upholding the commitment to remain solvent and looking for a high shareholder value for shareholdings.

The Group monitors its capital structure based on its leverage ratio. It defines leverage as net financial debt (financial borrowings, finance lease payables, borrowing from related parties and other financial liabilities less short-term financial investments and cash and cash equivalents) divided by total equity (consolidated equity plus grants pending release to the income statement). At 30 June 2020 this ratio is 1.50 (1.13 at 31 December 2019).

The Net Financial Debt / EBITDA (last 12 months) ratio is mainly used to monitor solvency, which amounted to 4.5 at 30 June (2.5 at 31 December 2019).

Gestamp Automoción, S.A.'s rating is BB from Standard & Poor's and B1 from Moody's, which makes it a speculative grade.

### **Note 32. Subsequent events**

There were no significant events after the reporting period.

## Appendix I

### Scope of consolidation

June 30, 2020								
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors	
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	Full	Ernst & Young	
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%	14.69%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%	57.75%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Toledo, S.A.	Toledo	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young	
Autotech Engineering S.L.	Vizcaya	Spain	10.00%	90.00%	Research and development	Full	Ernst & Young	
SCI de Tournan en Brie	Tournan	France	0.10%	99.90%	Property	Full	N/A	
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailor-welded blanks	Full	Ernst & Young	
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Argentina, S.A.	Buenos Aires	Argentina		70.00%	Portfolio company	Full	Ernst & Young	
Gestamp Córdoba, S.A.	Córdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Linares, S.A.	Jaén	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young	
Matrickerías Deusto, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young	
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	No activity	Full	N/A	
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Noury, S.A.S	Tournan	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Griwe Subgroup	Westerburg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young	
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico		70.00%	Portfolio company	Full	N/A	
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young	
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Service provision	Full	Ernst & Young	

June 30, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%	28.63%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administration services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%	11.50%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain		100.00%	Tooling and welding	Full	N/A
MB Aragón P21, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North America, INC	Michigan	USA		70.00%	Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden	93.15%	6.85%	Portfolio company	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		43.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Kalip, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		69.93%	Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.

June 30, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Severstal Vsevolozhsk Llc	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Pune Automotive, Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Chattanooga, Llc	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain	25.19%	52.34%	Portfolio company	Full	Ernst & Young
Gestamp South Carolina, Llc	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio company	Full	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%	0.01%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, Llc.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North Europe Services, S.L.	Vizcaya	Spain	99.97%	0.03%	Consultancy services	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		Manufacturing of dies	Full	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guipúzcoa	Spain		100.00%	Portfolio company	Full	Ernst & Young
Diede Die Developments, S.L.	Vizcaya	Spain	100.00%		Manufacturing of dies	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, Llc.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Sasi, L.S.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Dongguan), Co. Ltd.	Dongguan	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matricería, S.L.	Vizcaya	Spain	30.00%		No activity	Equity method	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

June 30, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
IxCxT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio company	Full	Ernst & Young
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		100.00%	Research and development	Full	Ernst & Young
Autotech Engineering R&D Uk I limited	Durhan	United Kingdom		100.00%	Research and development	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio company	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio company	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio company	Full	Ernst & Young
GGM Puebla, S.A. de C.V.	Puebla	Mexico		30.00%	Tooling and parts manufacturing	Equity method (A)	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Employment services	Equity method (A)	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	Equity method (A)	Ernst & Young
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%	0.01%	Education	Full	Ernst & Young
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig.	Germany		100.00%	Manufacturing of dies	Full	N/A
Gestamp Chattanooga II, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Autotech Engineering R&D USA	Delaware	USA		100.00%	IT, and research and development	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China	100.00%		Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washtenaw, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Employment services	Full	N/A
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio company	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research and development	Full	Ernst & Young
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Global Laser Araba, S.L.	Álava	Spain	30.00%		Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Beycelik Romania, S.R.L.	Darmanesti	Romania		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey		50.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Die maintenance	Full	Ernst & Young
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Autotech Japan Co., Ltd.	Tokio	Japan		100.00%	Research and development	Full	Ernst & Young
Gestamp Sorocaba Industria Autopeças Ltda.	Sorocaba	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Tuyauto Gestamp Morocco	Kenitra	Morocco		50.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Autocomponents (Beijing) Co., Ltd.	Beijin	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico		100.00%	Employment services	Full	N/A
Reparaciones Industriales Zaldibar, S.L.	Vizcaya	Spain	0.01%	99.99%	Industrial equipment services	Full	N/A
Autotech Engineering Spain, S.L.	Madrid	Spain		100.00%	Research and development	Full	Ernst & Young
Autotech Engineering France S.A.S.	Meudon la Forêt	France		100.00%	Research and development	Full	N/A
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China		49.00%	Consulting and Post-sales services	Equity method	N/A
Gestamp Etem Automotive Bulgaria, S.A.	Sofia	Bulgaria		51.00%	Industrialization of post-extrusion activities	Full	N/A
Etem Gestamp Aluminium Extrusions, S.A.	Sofia	Bulgaria		49.00%	Aluminium extruded profile manufacturing	Equity method	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.



June 30, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Manufacturing of dies	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonquejar (Burgos)	Spain		100.00%	Portfolio company	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonquejar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and development	Full	Shangai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co Ltda.	Anhui	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, Llc.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	100.00%		Portfolio company	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG Treuhand
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Parts manufacture research and development	Full	Ernst & Young
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Kunshan	China		100.00%	Parts manufacturing	Full	Deloitte
Edscha North America Technologies, Llc.	Delaware	USA		100.00%	Holding/Divisional company	Full	Ernst & Young
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai	China		100.00%	Estampación y fabricación de piezas	full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Portfolio company	Full	Ernst & Young
Sofedit, S.A.S	Le Theil sur Huisne	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Messempré	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

December 31, 2019							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Automoci3n, S.A.	Vizcaya	Spain	Parent company		Portfolio company	Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%	14.69%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%	57.75%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering S.L.	Vizcaya	Spain	10.00%	90.00%	Research and development	Full	Ernst & Young
SCI de Tournan en Brie	Tournan	France	0.10%	99.90%	Property	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailor-welded blanks	Full	Ernst & Young
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Argentina, S.A.	Buenos Aires	Argentina		70.00%	Portfolio company	Full	Ernst & Young
Gestamp C3rdoba, S.A.	C3rdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Ja3n	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%	99.67%	No activity	Full	N/A
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Griwe Subgroup	Westerburg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguas calientes, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cartera de M3xico, S.A. de C.V.	Puebla	Mexico		70.00%	Portfolio company	Full	N/A
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Service provision	Full	Ernst & Young

December 31, 2019							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%	28.63%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administration services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%	11.50%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain		100.00%	Tooling and welding	Full	N/A
MB Aragón P21, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North America, INC	Michigan	USA		70.00%	Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden		69.97%	Portfolio company	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Kalip, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		69.93%	Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.

December 31, 2019							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Severstal Vsevolzhsk LLC	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Pune Automotive, Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Chattanooga, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain	25.19%	52.34%	Portfolio company	Full	Ernst & Young
Gestamp South Carolina, LLC	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio company	Full	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%	0.01%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, LLC.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North Europe Services, S.L.	Vizcaya	Spain	99.97%	0.03%	Consultancy services	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		Manufacturing of dies	Full	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guipúzcoa	Spain		100.00%	Portfolio company	Full	Ernst & Young
Diede Die Developments, S.L.	Vizcaya	Spain	100.00%		Manufacturing of dies	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Sasi, L.S.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Dongguan), Co. Ltd.	Dongguan	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matricería, S.L.	Vizcaya	Spain	30.00%		No activity	Equity method	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

December 31, 2019							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
IxCxT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio company	Full	Ernst & Young
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		100.00%	Research and development	Full	Ernst & Young
Autotech Engineering R&D Uk limited	Durhan	United Kingdom		100.00%	Research and development	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio company	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio company	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio company	Full	Ernst & Young
GGM Puebla, S.A. de C.V.	Puebla	Mexico		30.00%	Tooling and parts manufacturing	Equity method (A)	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Employment services	Equity method (A)	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	Equity method (A)	Ernst & Young
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%	0.01%	Education	Full	Ernst & Young
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig.	Germany		100.00%	Manufacturing of dies	Full	N/A
Gestamp Chattanooga II, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Autotech Engineering R&D USA	Delaware	USA		100.00%	IT, and research and development	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China	100.00%		Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washtenaw, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Employment services	Full	N/A
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio company	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research and development	Full	Ernst & Young
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Global Laser Araba, S.L.	Álava	Spain	30.00%		Tooling and parts manufacturing	Equity method	Ernst & Young
MPO Prodivers Rezistent, S.R.L.	Darmanesti	Romania		35.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey		50.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Die maintenance	Full	Ernst & Young
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Autotech Japan Co., Ltd.	Tokio	Japan		100.00%	Research and development	Full	Ernst & Young
Gestamp Sorocaba Industria Autopeças Ltda.	Sorocaba	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Tuyauto Gestamp Morocco	Kenitra	Morocco		50.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Autocomponents (Beijing) Co., Ltd.	Beijin	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico		100.00%	Employment services	Full	N/A
Reparaciones Industriales Zaldibar, S.L.	Vizcaya	Spain	0.01%	99.99%	Industrial equipment services	Full	N/A
Autotech Engineering Spain, S.L.	Madrid	Spain		100.00%	Research and development	Full	Ernst & Young
Autotech Engineering France S.A.S.	Meudon la Forêt	France		100.00%	Research and development	Full	N/A
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China		49.00%	Consulting and Post-sales services	Equity method	N/A
Gestamp Etem Automotive Bulgaria, S.A.	Sofia	Bulgaria		51.00%	Industrialization of post-extrusion activities	Full	N/A
Etem Gestamp Aluminium Extrusions, S.A.	Sofia	Bulgaria		49.00%	Aluminium extruded profile manufacturing	Equity method	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

December 31, 2019							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Manufacturing of dies	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonquejar (Burgos)	Spain		100.00%	Portfolio company	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonquejar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and development	Full	Shanghai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co Ltda.	Anhui	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, LLC.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	25.00%	75.00%	Portfolio company	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG Treuhand
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Parts manufacture research and development	Full	Ernst & Young
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Kunshan	China		100.00%	Parts manufacturing	Full	Deloitte
Edscha North America Technologies, LLC.	Delaware	USA		100.00%	Holding/Divisional company	Full	Ernst & Young
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai	China		100.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Portfolio company	Full	Ernst & Young
Sofedit, S.A.S	Le Theil sur Huisne	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Messempre	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

The companies comprising the Griwe Subgroup at 30 June 2020 and 31 December 2019 were as follows:

<b>Company</b>	<b>Address</b>	<b>Country</b>	<b>Shareholding</b>	<b>Consolidation method</b>
Gestamp Griwe Westerburg GmbH	Westerburg	Germany	Parent company	Full
Gestamp Griwe Haynrode GmbH	Haynrode	Germany	100.00%	Full

## Appendix II

### Indirect investments at 30 June 2020

June 30, 2020		
Company	Company holding indirect investment	% investment
Gestamp Vigo, S.A.	Gestamp Servicios, S.A.	0.010%
Gestamp Toledo, S.L.	Gestamp Servicios, S.A.	0.010%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Servicios, S.A.	42.350%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Servicios, S.A.	0.040%
Gestamp Esmar, S.A.	Gestamp Servicios, S.A.	99.900%
Gestamp Bizkaia, S.A.	Gestamp Servicios, S.A.	14.690%
Gestamp Kartek Co., LTD	Gestamp Servicios, S.A.	100.000%
Gestamp Services India Private, Ltd.	Gestamp Servicios, S.A.	1.010%
Beyçelik Gestamp Kalip, A.S.	Gestamp Servicios, S.A.	50.000%
Gestamp Holding México, S.L.	Gestamp Servicios, S.A.	69.850%
Gestamp Holding Rusia, S.L.	Gestamp Servicios, S.A.	7.655%
Gestamp Togliatti, LLC.	Gestamp Servicios, S.A.	100.000%
Gestamp Sweden, AB	Gestamp Servicios, S.A.	5.475%
Gestamp Cerveira, Lda.	Gestamp Vígo, S.A.	60.630%
Gestamp Washington Uk, Limited	Gestamp Vígo, S.A.	4.990%
Gestamp Noury, S.A.	Gestamp Vígo, S.A.	100.000%
Gestamp Louny S.R.O.	Gestamp Cerveira, Lda.	52.720%
Gestamp Aveiro, S.A.	Gestamp Cerveira, Lda.	45.660%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Cerveira, Lda.	26.370%
Autotech Engineering S.L.	Gestamp Bizkaia, S.A.	90.000%
Gestamp Sweden, AB	Gestamp Bizkaia, S.A.	1.000%
Gestamp North Europe Services, S.L.	Gestamp Bizkaia, S.A.	0.030%
Autotech Engineering Deutschland GmbH	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering R&D Uk limited	Gestamp Bizkaia, S.A.	55.000%
Gestamp Technology Institute, S.L.	Gestamp Bizkaia, S.A.	0.030%
Gestamp Global Tooling, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering R&D USA, Inc.	Gestamp Bizkaia, S.A.	55.000%
Loire S.A. Franco Española	Gestamp Bizkaia, S.A.	1.000%
Autotech Engineering (Shangai), Co. Ltd.	Gestamp Bizkaia, S.A.	55.000%
Gestamp Autotech Japan K.K.	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering Spain, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering France S.A.S.	Gestamp Bizkaia, S.A.	55.000%
Reparaciones Industriales Zaldibar, S.L.	Gestamp Bizkaia, S.A.	0.010%
Gestamp Tooling AIE	Gestamp Bizkaia, S.A.	40.000%
Gestamp Levante, S.L.	Gestamp Linares, S.A.	11.500%
Gestamp Hard Tech AB	Gestamp Sweden, AB	100.000%
Gestamp Holding China, AB	Gestamp HardTech, AB	68.940%
Gestamp Tool Hardening, S.L.	Matricerías Deusto, S.L.	0.100%
Gestamp Tooling AIE	Matricerías Deusto, S.L.	20.000%
SCI Tournan en Brie	Gestamp Noury, S.A.S	99.900%
Gestamp Linares, S.L.	Gestamp Toledo, S.A.	94.980%
Gestamp Holding Argentina, S.L.	Gestamp Toledo, S.A.	43.530%
Gestamp Aveiro, S.A.	Gestamp Palencia, S.A.	54.340%
Gestamp Tech, S.L.	Gestamp Palencia, S.A.	99.670%
Gestamp Holding Argentina, S.L.	Gestamp Palencia, S.A.	15.660%
Gestamp Holding México, S.L.	Gestamp Palencia, S.A.	0.150%
Tuyauto Gestamp Morocco	Gestamp Palencia, S.A.	50.000%
Gestamp Romchamp, S.A.	Gestamp Palencia, S.A.	100.000%
Gestamp Autocomponents (Beijing) Co., Ltd.	Gestamp Autocomponents (Tianjin) Co., Ltd.	100.000%
Gestamp Córdoba, S.A.	Gestamp Argentina, S.A.	7.906%
Mursolar, 21, S.L.	Gestamp Aragón, S.A.	16.924%
Gestamp North America, INC	Gestamp Aveiro, S.A.	70.000%
Gestamp Navarra, S.A.	Gestamp Metalbages, S.A.	28.630%
Ingeniería Global MB, S.A.	Gestamp Metalbages, S.A.	100.000%
Gestamp Aragon, S.A.	Gestamp Metalbages, S.A.	94.990%
Gestamp Abrera, S.A.	Gestamp Metalbages, S.A.	94.990%
MB Aragon P21, S.L.	Gestamp Metalbages, S.A.	100.000%
Gestamp Polska SP. Z.O.O.	Gestamp Metalbages, S.A.	100.000%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Metalbages, S.A.	99.960%
Gestamp Manufacturing Autochasis, S.L.	Gestamp Metalbages, S.A.	94.990%
Subgrupo Griwe	Gestamp Metalbages, S.A.	100.000%
Edscha Holding GmbH	Gestamp Metalbages, S.A.	67.000%
ESSA PALAU, S.A.	Gestamp Metalbages, S.A.	60.000%
GMF Holding GmbH	Gestamp Metalbages, S.A.	100.000%
Gestamp Services India private. Ltd.	Gestamp Levante, S.A.	98.990%
Gestamp Holding Rusia, S.L.	Gestamp Levante, S.A.	7.810%



Company	Company holding indirect investment	% investment
Gestamp Holding Rusia, S.L.	Gestamp Solblank Navarra, S.L.	5.642%
Gestamp Severstal Vsevolozhsk LLC	Todlem, S.L.	100.000%
Gestamp Severstal Kaluga, LLC	Todlem, S.L.	100.000%
Mexicana Servicios Laborales, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Aguascalientes, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Mexicana Serv. Lab., S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla II, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Sevicios Laborales de Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.900%
Gestamp Córdoba, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	3.167%
Gestamp Sorocaba Indústria de Autopeças Ltda.	Gestamp Brasil Industria de Autopeças, S.A.	100.000%
Gestamp Baires, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	6.770%
MB Solblank Navarra, S.L.	Gestamp Abrera, S.A.	100.000%
Gestamp Solblank Barcelona, S.A.	Gestamp Abrera, S.A.	94.990%
Gestamp Etem Automotive Bulgaria, S.A.	Gestamp North Europe Services, S.L.	51.000%
Etem Gestamp Aluminium Extrusions, S.A.	Gestamp North Europe Services, S.L.	49.000%
Gestamp Holding Rusia, S.L.	Gestamp Polska, SP. Z.O.O.	24.561%
Edscha Holding GmbH	Gestamp Polska, SP. Z.O.O.	33.000%
Gestamp Automotive India Private Ltd.	Gestamp Polska, SP. Z.O.O.	50.000%
Gestamp Automotive Chennai Private, Ltd.	Gestamp Solblank Barcelona, S.A.	100.000%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Barcelona, S.A.	6.673%
Gestamp Chattanooga, LLC.	Gestamp North America, INC	100.000%
Gestamp Mason, LLC.	Gestamp North America, INC	100.000%
Gestamp Alabama, LLC	Gestamp North America, INC	100.000%
Gestamp West Virginia, LLC.	Gestamp North America, INC	100.000%
Gestamp South Carolina, LLC.	Gestamp North America, INC	100.000%
Gestamp Washtenaw, LLC.	Gestamp North America, INC	100.000%
Gestamp Chattanooga II, LLC.	Gestamp North America, INC	100.000%
Todlem, S.L.	Gestamp Holding Rusia, S.L.	74.980%
Gestamp Auto Components (Kunshan) Co., Ltd	Gestamp Holding China, AB	100.000%
Industrias Tamer, S.A.	Gestamp Esmar, S.A.	30.000%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Automotive Chennai Private Ltd.	73.630%
Mursolar, 21, S.L.	Subgrupo Griwe	19.540%
Gestamp Louny S.R.O.	Subgrupo Griwe	47.280%
Gestamp Palau, S.A.	Gestamp Manufacturing Autochasis, S.L.	40.000%
Almussafes Mantenimiento Troqueles, S.L.	Gestamp Palau, S.A.	100.000%
Matricerías Deusto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Try Out Services, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tooling Services, AIE	Gestamp Global Tooling, S.L.	40.000%
Adral Matricería y puesta a punto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tool Hardening, S.L.	Gestamp Global Tooling, S.L.	99.900%
Gestamp Tooling Engineering Deutschland GmbH	Gestamp Global Tooling, S.L.	100.000%
Gestamp Argentina, S.A.	Gestamp Holding Argentina, S.L.	97.000%
Gestamp Córdoba, S.A.	Gestamp Holding Argentina, S.L.	38.250%
Gestamp Baires, S.A.	Gestamp Holding Argentina, S.L.	93.230%
Gestamp Córdoba, S.A.	Gestamp Baires, S.A.	50.670%
Autotech Engineering Deutschland GmbH	Autotech Engineering S.L.	45.000%
Autotech Engineering (Shanghai), Co. Ltd.	Autotech Engineering S.L.	45.000%
Gestamp Autotech Japan K.K.	Autotech Engineering S.L.	45.000%
Autotech Engineering Spain, S.L.	Autotech Engineering S.L.	99.990%
Autotech Engineering France S.A.S.	Autotech Engineering S.L.	45.000%
Autotech Engineering R&D Uk limited	Autotech Engineering S.L.	45.000%
Autotech Engineering R&D USA limited	Autotech Engineering S.L.	45.000%
Gestamp Tooling Erandio, S.L.	Gestamp Tool Hardening, S.L.	20.000%
Gestamp Cartera de Mexico, S.A. de CV	Gestamp Holding México, S.L.	100.000%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Holding México, S.L.	39.500%
Gestamp Argentina, S.A.	Gestamp Holding México, S.L.	3.000%
Gestamp Hot Stamping Japan K.K.	Gestamp Kartek Co., LTD	50.000%
Gestamp Mexicana Serv. Lab. II, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Mexicana Serv. Lab. II, S.A. de CV	Gestamp Puebla, S.A. de CV	0.010%
Gestamp Tooling Erandio, S.L.	Loire Sociedad Anónima Franco Española	80.000%
Gestamp Autocomponents (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	51.000%
Gestamp Metal Forming (Wuhan) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Gestamp Auto Components (Chongqing), Co. Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Gestamp Autocomponents Sales (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	49.000%
Ingeniería y Construcción Matrices, S.A.	Gestión Global de Matricería, S.L.	100.000%
IxCxT, S.A.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Kunshan Gestool Tooling Manufacturing, Co. Ltd.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Gestamp Auto Components (Shenyang), Co. Ltd.	Mursolar 21, S.L.	100.000%
Gestamp Autocomponents (Dongguan) Co., Ltd.	Mursolar 21, S.L.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Celik Form Gestamp Otomotive, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Gestamp Beyçelik Romania, S.R.L.	Beyçelik Gestamp Kalip, A.S.	100.000%
Beyçelik Gestamp Teknoloji Kalip, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Beyçelik Gestamp Sasi, L.S.	Beyçelik Gestamp Kalip, A.S.	100.000%

Company	Company holding indirect investment	% investment
Edscha Automotive Hengersberg GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Hauzenberg GmbH	Edscha Holding GmbH	100.000%
Edscha Engineering GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Technology, Co. Ltd.	Edscha Holding GmbH	100.000%
Gestamp 2008, S.L.	Edscha Holding GmbH	100.000%
Anhui Edscha Automotive parts, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Hradec, S.R.O.	Edscha Holding GmbH	100.000%
Gestamp Edscha Japan, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Burgos, S.A.	Edscha Holding GmbH	0.010%
Edscha Velky Meder, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Automotiv Kamenice, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Engineering France SAS	Edscha Holding GmbH	100.000%
Edscha Hengersberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Edscha Hauzenberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Shanghai Edscha Machinery, Co. Ltd.	Edscha Holding GmbH	55.000%
Edscha Automotive Michigan, Inc.	Edscha Holding GmbH	100.000%
Edscha Togliatti, LLC.	Edscha Holding GmbH	100.000%
Edscha Automotive Components, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Kunststofftechnik GmbH	Edscha Holding GmbH	100.000%
Edscha Pha, Ltd.	Edscha Holding GmbH	50.000%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive Components (Chongqing) Co. Ltd.	Edscha Holding GmbH	100.000%
Jui li Edscha Body Systems Co. Ltd.	Edscha Holding GmbH	60.000%
Edscha Automotive Italy	Edscha Holding GmbH	100.000%
Edscha Automotive Aapico, Co. Ltd.	Edscha Holding GmbH	50.990%
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Edscha Pha, Ltd.	100.000%
Jui li Edscha Holding, Co. Ltd.	Jui li Edscha Body Systems Co. Ltd.	100.000%
Jui li Edscha Hainan Industry Enterprise, Co. Ltd.	Jui li Edscha Holding, Co. Ltd.	100.000%
Edscha do Brasil, Ltd.	Edscha Engineering GmbH	83.260%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive Aapico, Co. Ltd.	Edscha Engineering GmbH	0.010%
Edscha Santander, S.L.	Gestamp 2008, S.L.	94.990%
Edscha Burgos, S.A.	Gestamp 2008, S.L.	99.990%
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai Edscha Machinery, Co. Ltd.	100.000%
Edscha Briey, S.A.S.	Edscha Santander, S.L.	100.000%
Edscha do Brasil, Ltd.	Edscha Santander, S.L.	16.740%
Gestamp Umformtechnik GmbH	GMF Holding GmbH	100.000%
Automotive Chassis Products, Plc.	GMF Holding GmbH	100.000%
Sofedit SAS	GMF Holding GmbH	100.000%
Gestamp (China) Holding, Co. Ltd	GMF Holding GmbH	100.000%
Gestamp Prisma SAS	GMF Holding GmbH	100.000%
Gestamp Tallent, Ltd.	Automotive Chassis Products Plc.	100.000%
Gestamp Wroclaw, Sp. Z.o.o.	Sofedit, S.A.S	100.000%
Gestamp Washington Uk, Limited	Gestamp Tallent , Ltd	95.010%
Gestamp Hot Stamping Japan K.K.	Gestamp Tallent , Ltd	50.000%
Gestamp Sweden, AB	Gestamp Tallent , Ltd	0.372%

## Indirect investments at 31 December 2019

December 31, 2019		
Company	Company holding indirect investment	% investment
Gestamp Vigo, S.A.	Gestamp Servicios, S.A.	0.010%
Gestamp Toledo, S.L.	Gestamp Servicios, S.A.	0.010%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Servicios, S.A.	70.000%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Servicios, S.A.	0.040%
Gestamp Esmar, S.A.	Gestamp Servicios, S.A.	99.900%
Gestamp Bizkaia, S.A.	Gestamp Servicios, S.A.	14.690%
Gestamp Kartek Co., LTD	Gestamp Servicios, S.A.	100.000%
Gestamp Services India Private, Ltd.	Gestamp Servicios, S.A.	1.010%
Beyçelik Gestamp Kalip, A.S.	Gestamp Servicios, S.A.	50.000%
Gestamp Holding México, S.L.	Gestamp Servicios, S.A.	69.850%
Gestamp Holding Rusia, S.L.	Gestamp Servicios, S.A.	7.655%
Gestamp Togliatti, LLC.	Gestamp Servicios, S.A.	100.000%
Gestamp Cerqueira, Lda.	Gestamp Vigo, S.A.	57.750%
Gestamp Washington Uk, Limited	Gestamp Vigo, S.A.	4.990%
Gestamp Noury, S.A.	Gestamp Vigo, S.A.	100.000%
Gestamp Louny S.R.O.	Gestamp Cerqueira, Lda.	52.720%
Gestamp Aveiro, S.A.	Gestamp Cerqueira, Lda.	45.660%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Cerqueira, Lda.	26.370%
Autotech Engineering S.L.	Gestamp Bizkaia, S.A.	90.000%
Gestamp Sweden, AB	Gestamp Bizkaia, S.A.	51.010%
Gestamp North Europe Services, S.L.	Gestamp Bizkaia, S.A.	0.030%
Autotech Engineering Deutschland GmbH	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering R&D Uk limited	Gestamp Bizkaia, S.A.	55.000%
Gestamp Technology Institute, S.L.	Gestamp Bizkaia, S.A.	0.030%
Gestamp Global Tooling, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering R&D USA, Inc.	Gestamp Bizkaia, S.A.	55.000%
Loire S.A. Franco Española	Gestamp Bizkaia, S.A.	1.000%
Autotech Engineering (Shanghai), Co. Ltd.	Gestamp Bizkaia, S.A.	55.000%
Gestamp Autotech Japan K.K.	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering Spain, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering France S.A.S.	Gestamp Bizkaia, S.A.	55.000%
Reparaciones Industriales Zaldibar, S.L.	Gestamp Bizkaia, S.A.	0.010%
Gestamp Tooling AIE	Gestamp Bizkaia, S.A.	40.000%
Gestamp Levante, S.L.	Gestamp Linares, S.A.	11.500%
Gestamp Hard Tech AB	Gestamp Sweden, AB	100.000%
Gestamp Holding China, AB	Gestamp HardTech, AB	68.940%
Gestamp Tool Hardening, S.L.	Matricerías Deusto, S.L.	0.100%
Gestamp Tooling AIE	Matricerías Deusto, S.L.	20.000%
SCI Tournan en Brie	Gestamp Noury, S.A.S	99.900%
Gestamp Linares, S.L.	Gestamp Toledo, S.A.	94.980%
Gestamp Holding Argentina, S.L.	Gestamp Toledo, S.A.	43.530%
Gestamp Aveiro, S.A.	Gestamp Palencia, S.A.	54.340%
Gestamp Tech, S.L.	Gestamp Palencia, S.A.	99.670%
Gestamp Holding Argentina, S.L.	Gestamp Palencia, S.A.	15.660%
Gestamp Holding México, S.L.	Gestamp Palencia, S.A.	0.150%
Tuyauto Gestamp Morocco	Gestamp Palencia, S.A.	50.000%
Gestamp Romchamp, S.A.	Gestamp Palencia, S.A.	100.000%
Gestamp Autocomponents (Beijing) Co., Ltd.	Gestamp Autocomponents (Tianjin) Co., Ltd.	100.000%
Gestamp Córdoba, S.A.	Gestamp Argentina, S.A.	7.906%
Mursolar, 21, S.L.	Gestamp Aragón, S.A.	16.924%
Gestamp North America, INC	Gestamp Aveiro, S.A.	70.000%
Gestamp Navarra, S.A.	Gestamp Metalbages, S.A.	28.630%
Ingeniería Global MB, S.A.	Gestamp Metalbages, S.A.	100.000%
Gestamp Aragon, S.A.	Gestamp Metalbages, S.A.	94.990%
Gestamp Abrera, S.A.	Gestamp Metalbages, S.A.	94.990%
MB Aragon P21, S.L.	Gestamp Metalbages, S.A.	100.000%
Gestamp Polska SP. Z.O.O.	Gestamp Metalbages, S.A.	100.000%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Metalbages, S.A.	99.960%
Gestamp Manufacturing Autochasis, S.L.	Gestamp Metalbages, S.A.	94.990%
Subgrupo Griwe	Gestamp Metalbages, S.A.	100.000%
Edscha Holding GmbH	Gestamp Metalbages, S.A.	67.000%
ESSA PALAU, S.A.	Gestamp Metalbages, S.A.	60.000%
GMF Holding GmbH	Gestamp Metalbages, S.A.	100.000%
Gestamp Services India private. Ltd.	Gestamp Levante, S.A.	98.990%

Company	Company holding indirect investment	% investment
Gestamp Holding Rusia, S.L.	Gestamp Solblank Navarra, S.L.	5.642%
Gestamp Severstal Vsevolozhsk Llc	Todlem, S.L.	100.000%
Gestamp Severstal Kaluga, Llc	Todlem, S.L.	100.000%
Mexicana Servicios Laborales, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Aguascalientes, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Mexicana Serv. Lab., S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla II, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Sevicios Laborales de Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.900%
Gestamp Córdoba, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	4.272%
NCSG Sorocaba Industria Metalúrgica Ltda.	Gestamp Brasil Industria de Autopeças, S.A.	100.000%
Gestamp Baires, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	6.770%
MB Solblank Navarra, S.L.	Gestamp Abrera, S.A.	100.000%
Gestamp Solblank Barcelona, S.A.	Gestamp Abrera, S.A.	94.990%
Gestamp Holding Rusia, S.L.	Gestamp Polska, SP. Z.O.O.	24.561%
Edscha Holding GmbH	Gestamp Polska, SP. Z.O.O.	33.000%
Gestamp Automotive India Private Ltd.	Gestamp Polska, SP. Z.O.O.	50.000%
Gestamp Automotive Chennai Private, Ltd.	Gestamp Solblank Barcelona, S.A.	100.000%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Barcelona, S.A.	6.673%
Gestamp Chattanooga, LLC.	Gestamp North America, INC	100.000%
Gestamp Mason, Llc.	Gestamp North America, INC	100.000%
Gestamp Alabama, Llc	Gestamp North America, INC	100.000%
Gestamp West Virginia, Llc.	Gestamp North America, INC	100.000%
Gestamp South Carolina, LLC.	Gestamp North America, INC	100.000%
Gestamp Washtenaw, LLC.	Gestamp North America, INC	100.000%
Gestamp Chattanooga II, LLC.	Gestamp North America, INC	100.000%
Todlem, S.L.	Gestamp Holding Rusia, S.L.	74.980%
Gestamp Auto Components (Kunshan) Co., Ltd	Gestamp Holding China, AB	100.000%
Industrias Tamer, S.A.	Gestamp Esmar, S.A.	30.000%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Automotive Chennai Private Ltd.	73.630%
Mursolar, 21, S.L.	Subgrupo Griwe	19.540%
Gestamp Louny S.R.O.	Subgrupo Griwe	47.280%
Gestamp Palau, S.A.	Gestamp Manufacturing Autochasis, S.L.	40.000%
Almussafes Mantenimiento Troqueles, S.L.	Gestamp Palau, S.A.	100.000%
Matricerías Deusto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Try Out Services, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tooling Services, AIE	Gestamp Global Tooling, S.L.	40.000%
Adral Matricería y puesta a punto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tool Hardening, S.L.	Gestamp Global Tooling, S.L.	99.900%
Gestamp Tooling Engineering Deutschland GmbH	Gestamp Global Tooling, S.L.	100.000%
Gestamp Argentina, S.A.	Gestamp Holding Argentina, S.L.	97.000%
Gestamp Córdoba, S.A.	Gestamp Holding Argentina, S.L.	38.250%
Gestamp Baires, S.A.	Gestamp Holding Argentina, S.L.	93.230%
Gestamp Córdoba, S.A.	Gestamp Baires, S.A.	50.670%
Autotech Engineering Deutschland GmbH	Autotech Engineering S.L.	45.000%
Autotech Engineering (Shanghai), Co. Ltd.	Autotech Engineering S.L.	45.000%
Gestamp Autotech Japan K.K.	Autotech Engineering S.L.	45.000%
Autotech Engineering Spain, S.L.	Autotech Engineering S.L.	99.990%
Autotech Engineering France S.A.S.	Autotech Engineering S.L.	45.000%
Autotech Engineering R&D Uk limited	Autotech Engineering S.L.	45.000%
Autotech Engineering R&D USA limited	Autotech Engineering S.L.	45.000%
Gestamp Tooling Erandio, S.L.	Gestamp Tool Hardening, S.L.	20.000%
Gestamp Cartera de Mexico, S.A. de CV	Gestamp Holding México, S.L.	100.000%
Gestamp Argentina, S.A.	Gestamp Holding México, S.L.	3.000%
Gestamp Hot Stamping Japan K.K.	Gestamp Kartek Co., LTD	50.000%
Gestamp Mexicana Serv. Lab. II, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Mexicana Serv. Lab. II, S.A. de CV	Gestamp Puebla, S.A. de CV	0.010%
Gestamp Tooling Erandio, S.L.	Loire Sociedad Anónima Franco Española	80.000%
Gestamp Autocomponents (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	51.000%
Gestamp Autocomponents Sales (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	49.000%
Gestamp Metal Forming Wuhan, Co. Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Gestamp Auto Components (Chongqing), Co. Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Ingeniería y Construcción Matrices, S.A.	Gestión Global de Matricería, S.L.	100.000%
IxCxT, S.A.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Kunshan Gestool Tooling Manufacturing, Co. Ltd.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Gestamp Auto Components (Shenyang), Co. Ltd.	Mursolar 21, S.L.	100.000%
Gestamp Autocomponents (Dongguan) Co., Ltd.	Mursolar 21, S.L.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Celik Form Gestamp Otomotive, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
MPO Providers Rezistent, SRL	Beyçelik Gestamp Kalip, A.S.	70.000%
Beyçelik Gestamp Teknoloji Kalip, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Beyçelik Gestamp Sasi, L.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Gestamp Etem Automotive Bulgaria, S.A.	Gestamp North Europe, S.A.	51.000%
Etem Gestamp Aluminium Extrusions, S.A.	Gestamp North Europe, S.A.	49.000%

Company	Company holding indirect investment	% investment
Edscha Automotive Hengersberg GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Hauzenberg GmbH	Edscha Holding GmbH	100.000%
Edscha Engineering GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Technology, Co. Ltd.	Edscha Holding GmbH	100.000%
Gestamp 2008, S.L.	Edscha Holding GmbH	100.000%
Anhui Edscha Automotive parts, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Hradec, S.R.O.	Edscha Holding GmbH	100.000%
Gestamp edscha Japan, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Burgos, S.A.	Edscha Holding GmbH	0.010%
Edscha Velky Meder, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Automotiv Kamenice, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Engineering France SAS	Edscha Holding GmbH	100.000%
Edscha Hengersberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Edscha Hauzenberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Shanghai Edscha Machinery, Co. Ltd.	Edscha Holding GmbH	55.000%
Edscha Automotive Michigan, Inc.	Edscha Holding GmbH	100.000%
Edscha Togliatti, Ll.c.	Edscha Holding GmbH	100.000%
Edscha Automotive Components, Co. Ltd.	Edscha Holding GmbH	100.000%
Gestamp Finance Slovakia, S.R.O.	Edscha Holding GmbH	75.000%
Edscha Kunststofftechnik GmbH	Edscha Holding GmbH	100.000%
Edscha Pha, Ltd.	Edscha Holding GmbH	50.000%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive Components (Chongqing) Co. Ltd.	Edscha Holding GmbH	100.000%
Jui li Edscha Body Systems Co. Ltd.	Edscha Holding GmbH	60.000%
Edscha Automotive Italy	Edscha Holding GmbH	100.000%
Edscha Automotive Aapico, Co. Ltd.	Edscha Holding GmbH	50.990%
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Edscha Pha, Ltd.	100.000%
Jui li Edscha Holding, Co. Ltd.	Jui li Edscha Body Systems Co. Ltd.	100.000%
Jui li Edscha Hainan Industry Enterprise, Co. Ltd.	Jui li Edscha Holding, Co. Ltd.	100.000%
Edscha do Brasil, Ltd.	Edscha Engineering GmbH	83.260%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive Aapico, Co. Ltd.	Edscha Engineering GmbH	0.010%
Edscha Santander, S.L.	Gestamp 2008, S.L.	94.990%
Edscha Burgos, S.A.	Gestamp 2008, S.L.	99.990%
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai Edscha Machinery, Co. Ltd.	100.000%
Edscha Briey, S.A.S.	Edscha Santander, S.L.	100.000%
Edscha do Brasil, Ltd.	Edscha Santander, S.L.	16.740%
Gestamp Umformtechnik GmbH	GMF Holding GmbH	100.000%
Automotive Chassis Products, Plc.	GMF Holding GmbH	100.000%
Sofedit SAS	GMF Holding GmbH	100.000%
Gestamp (China) Holding, Co. Ltd	GMF Holding GmbH	100.000%
Gestamp Prisma SAS	GMF Holding GmbH	100.000%
Gestamp Tallent, Ltd.	Automotive Chassis Products Plc.	100.000%
Gestamp Wroclaw, Sp. Z.o.o.	Sofedit, S.A.S	100.000%
Gestamp Washington Uk, Limited	Gestamp Tallent , Ltd	95.010%
Gestamp Hot Stamping Japan K.K.	Gestamp Tallent , Ltd	50.000%
Gestamp Sweden, AB	Gestamp Tallent , Ltd	18.970%

**APPENDIX III****Guarantors for 2013 Syndicated Loan (modified in subsequent years)**

Gestamp Navarra, S.A.	Gestamp Polska, Sp. Z.o.o.
Edscha Automotive Kamenice, S.R.O.	Gestamp Cerveira, Ltda.
Edscha Engineering, GmbH	Gestamp Ronchamp, S.A.S.
Edscha Briey, S.A.S.	Gestamp Servicios, S.A.
Edscha Engineering France, S.A.S.	Gestamp Washington UK, Limited
Edscha Automotive Hauzenberg, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Vigo, S.A.
Edscha Hengersberg Real Estate, GmbH	Gestamp Umformtechnik, GmbH
Edscha Automotive Hengersberg, GmbH	Griwe Subgroup
Edscha Holding, GmbH	Ingeniería Global MB, S.A.
Edscha Hradec, S.r.o.	Loire S.A. Franco Española
Edscha Velky Meder, S.r.o.	Gestamp Abrera, S.A.
Gestamp Bizkaia, S.A.	Gestamp Aragón, S.A.
Edscha Santander, S.L.	Gestamp Metalbages, S.A.
Gestamp Automoción, S.A.	Gestamp Prisma, S.A.S.
Gestamp Aveiro, S.A.	SCI de Tournan en Brie
Gestamp HardTech, AB	Gestamp Solblank Barcelona, S.A.
Gestamp Hungaria, KFT	Gestamp Tallent Limited
Gestamp Linares, S.A.	Edscha Burgos, S.A.
Gestamp Louny, S.r.o.	Gestamp Levante, S.A.
Gestamp Noury, S.A.S.	Edscha Santander, S.L.
Gestamp Palencia, S.A.	

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. y Gestamp Toledo, S.A.

**Guarantors for May 2016 issue of bonds**

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
Gestamp Toledo, S.A.	

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. y Gestamp Toledo, S.A.

**Guarantors for June 2016 European Investment Bank Loan**

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Ingeniería Global MB, S.A.
Edscha Velky Meder, S.r.o.	Loire S.A. Franco Española
Gestamp Bizkaia, S.A.	Gestamp Abrera, S.A.
Sofedit, S.A.S.	Gestamp Aragón, S.A.
Gestamp Automoción, S.A.	Gestamp Metalbages, S.A.
Gestamp Aveiro, S.A.	Gestamp Prisma, S.A.S.
Gestamp HardTech, AB	SCI de Tournan en Brie
Gestamp Hungaria, KFT	Gestamp Solblank Barcelona, S.A.
Gestamp Linares, S.A.	Gestamp Tallent Limited
Gestamp Louny, S.r.o.	Gestamp Sweden, AB
Gestamp Esmar, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Wroclaw, Sp. Z.o.o.	
Griwe Subgroup	

**Guarantors for May 2020 European Investment Bank Loan**

Edscha Automotive Hengersberg, GmbH	Gestamp Palencia, S.A.
Edscha Holding, GmbH	Gestamp Esmar, S.A.
Griwe Subgroup	Gestamp Abrera, S.A.
Edscha Automotive Hauzenberg, GmbH	Gestamp Solblank Barcelona, S.A.
Gestamp Umformtechnik, GmbH	Loire S.A. Franco Española
Edscha Hauzenberg Real Estate, GmbH	Gestamp Aragón, S.A.
Edscha Hengersberg Real Estate, GmbH	Gestamp Linares, S.A.
Edscha Engineering, GmbH	Gestamp Vigo, S.A.
Gestamp Servicios, S.A.	Gestamp Automoción, S.A.
Gestamp Navarra, S.A.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Gestamp Ronchamp, S.A.S.
Gestamp Metalbages, S.A.	Gestamp Noury, S.A.S.
Edscha Briey, S.A.S.	Gestamp Hungaria, KFT
Sofedit, S.A.S.	Gestamp Polska, Sp. Z.o.o.
SCI de Tournan en Brie	Gestamp Wroclaw, Sp. Z.o.o.
Edscha Engineering France, S.A.S.	Gestamp Cerveira, Ltda.
Gestamp Prisma, S.A.S.	Gestamp Vendas Novas Unipessoal, Lda.
Gestamp Aveiro, S.A.	Edscha Automotive Kamenice, S.R.O.
Edscha Hradec, S.r.o.	Gestamp Tallent Limited
Gestamp Louny, S.r.o.	Edscha Velky Meder, S.r.o.
Gestamp Washington UK, Limited	Gestamp Sweden, AB
Gestamp HardTech, AB	Gestamp Funding Luxembourg, S.A.
Edscha Santander, S.A.	Gestamp Levante, S.A.
Edscha Burgos, S.A.	Gestamp Global Tooling, S.L.
GMF Holding, GmbH	

**Guarantors for Kfw IPEX Bank GmbH Loan**

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
Gestamp Toledo, S.A.	Gestamp Funding Luxemburgo, S.A.

**Guarantors for April 2018 bond issue**

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Toledo, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
Gestamp Funding Luxembourg, S.A.	Gestamp Global Tooling, S.L.
GMF Holding, GmbH	

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. y Gestamp Toledo, S.A.



**Guarantors for October 2019 Schuldschein issue of bonds**

Gestamp Metalbages, S.A.	Gestamp Navarra, S.A.
Gestamp Palencia, S.A.	Gestamp Polska, Sp. Z.o.o.
Gestamp Servicios, S.A.	Gestamp Umformtechnik, GmbH
Gestamp Toledo, S.A.	Sofedit, S.A.S.
Gestamp Bizkaia, S.A.	Gestamp Tallent, Ltd.
Gestamp Vigo, S.A.	

**Guarantors for March 2020 Caixabank, S.A. Loan**

Gestamp Servicios, S.A.	Gestamp Cerveira, LDA.
Gestamp Bizkaia, S.A.	Gestamp Umformtechnik, GmbH
Gestamp Navarra, S.A.	Gestamp Tallent, Ltd.
Gestamp Palencia, S.A.	Gestamp Polska, Sp. Z.o.o.
Gestamp Metalbages, S.A	Sofedit, S.A.S.
Gestamp Aveiro, LDA.	



Management Discussion and Analysis of the  
Financial Condition and Results of Operations  
for the six months period ended June 30, 2020

Gestamp Automoción, S.A.

July 30, 2020

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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.

Certain information presented in this report has not been prepared in accordance with IFRS or any other accounting standards. 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.

## **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 2023 and 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

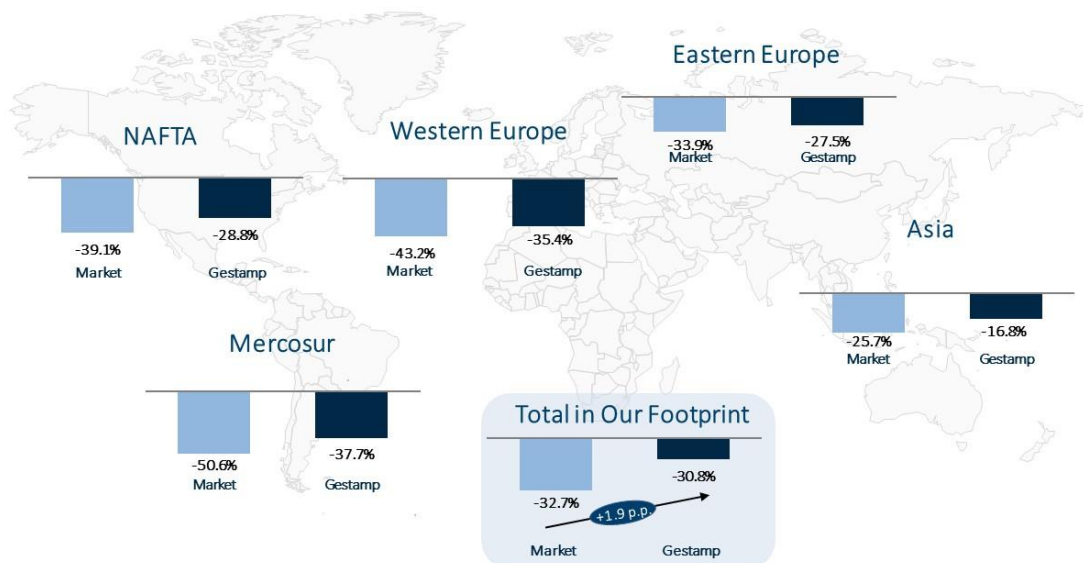
According to the International Monetary Fund, the COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecasted. The International Monetary Fund (*IMF World Economic Outlook as of June 2020*) revised its latest global GDP growth forecasts downwards to a 4.9% decline for 2020 (-1.9 percentage points lower than the April 2020 WEO projections). This trend is expected to revert and the global economy is projected to grow at +5.4% in 2021 (-0.4 percentage points lower than April 2020 WEO projections). As the IMF pointed out in the report, there is a higher-than-usual degree of uncertainty around their forecasts.

In this context, the auto sector experienced a challenging first half of 2020, especially impacted in Q2, with a production volume decline of -32.7% in Gestamp’s footprint (according to IHS as of July, 2020). All regions in which Gestamp is present experienced a double digit decline. Mercosur (-50.6%) and Western Europe (-43.2%) were the two regions with the strongest declines, followed by NAFTA (-39.1%) and Eastern Europe (-33.9%). As expected, Asia was the best performing region with a decline of -25.7%.

Current auto production volume expectations for the year remain uncertain with an expected decline of 21.9% for 2020 (IHS geographies as of July 2020). Gestamp continued with a strong execution of several measures in order to adapt to the current market environment. During the first half of the year, Gestamp managed its liquidity and its cost base in order to protect its cash generation position over time.

In this context, the first half of 2020 has been highly impacted by the COVID-19 pandemic with general shutdowns in all regions, excluding Asia, during the month of April and with a gradual pick-up of activity in May and June but still at low levels of capacity utilization. Gestamp slightly outperformed the market production volume growth on a constant currency basis by 1.9 percentage points (in Gestamp’s footprint – IHS data as of July 2020). Revenues in the first half of 2020 decreased by 32.5% (-30.8% at constant FX) vs. H1 2019.

Gestamp Revenue Growth at Constant FX vs. Market Production Growth in Gestamp Markets



Note: 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 H1 20 as of July 2020). Western Europe data includes Morocco in line with our reporting

### 3. FINANCIAL PERFORMANCE FOR THE PERIOD

	Second Quarter			YTD June 30,		
	2019	2020	% Change	2019	2020	% Change
<b>Consolidated Income Statement Data</b>	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Operating income	2,396.1	1,036.4	-56.7%	4,646.3	3,097.3	-33.3%
Revenue	2,343.6	1,034.0	-55.9%	4,513.2	3,045.3	-32.5%
Other operating income	59.8	52.0	-13.0%	100.5	88.1	-12.3%
Changes in inventories	-7.3	-49.6	579.5%	32.6	-36.1	-210.7%
Operating expenses	-2,261.2	-1,166.2	-48.4%	-4,401.8	-3,184.3	-27.7%
Raw materials and other consumables	-1,404.5	-617.0	-56.1%	-2,709.5	-1,816.5	-33.0%
Personnel expenses	-415.4	-260.4	-37.3%	-826.5	-664.9	-19.6%
Other operating expenses	-304.1	-135.7	-55.4%	-589.5	-400.0	-32.1%
Transformation Plan - Operating Expenses	0.0	-89.9		0.0	-89.9	
EBITDA	272.1	-66.6	-124.5%	520.8	126.0	-75.8%
Depreciation, amortization and impairment losses	-137.2	-153.1	11.6%	-276.3	-302.9	9.6%
Transformation Plan - Amortiz / Impairment	0.0	-13.3		0.0	-13.3	
Operating profit	134.9	-233.0	-272.7%	244.5	-190.2	-177.8%
Finance income	1.3	2.9	123.1%	3.0	4.2	40.0%
Finance expenses	-48.4	-42.1	-13.0%	-78.1	-81.2	4.0%
Exchange gains (losses)	9.1	-28.4	-412.1%	13.1	-34.2	-361.1%
Other	-0.3	-3.9	1200.0%	-10.7	-4.6	-57.0%
Profit from continuing operations	96.6	-304.5	-415.2%	171.8	-306.0	-278.1%
Income tax expense	-23.3	70.3	-401.7%	-42.3	70.6	-266.9%
Profit for the period	73.3	-234.2	-419.5%	129.5	-235.4	-281.8%
Profit (loss) attributable to non-controlling interests	-13.8	21.7	-257.2%	-29.3	36.9	-225.9%
<b>Profit attributable to equity holders of the parent</b>	<b>59.5</b>	<b>-212.5</b>	<b>-457.1%</b>	<b>100.2</b>	<b>-198.5</b>	<b>-298.1%</b>

During the first quarter of 2020, the COVID-19 virus spread worldwide and was declared a pandemic by the World Health Organization on March 11, 2020. In response, many governments imposed quarantine, severe travel restrictions, and other public safety measures, causing a major disruption to the economies of many countries. These measures have led to a high degree of economic slowdown, as a result projected light vehicle production volumes for 2020 and 2021 have been revised downwards by IHS with volumes down 22% and 12%, respectively, from pre-pandemic estimates in January 2020 to the most recent ones in July 2020.

This situation has led the Group to its 112 plants for an average of 8 weeks, significantly affecting the results for the second quarter of 2020. This circumstance has led to a 56% decrease in revenues in the second quarter of 2020 when compared to the same period in 2019, as well as the modification of the production volume forecasts for the coming months and years.

The Group is implementing a contingency plan to adapt to this situation by taking measures to improve its liquidity position, as well as labor flexibility, improving cost efficiency, managing working capital and reducing investments; and the final dividend planned for the third quarter of 2020 will not be paid.

Based on the new projections of the volumes of activity for the coming years, the Group has set up a transformation plan to adapt the organizational and industrial structures to the new situation and has recorded provisions for this purpose in these Consolidated Summary Financial Statements amounting to €89.9 million for operating costs (€2.9 million of costs already incurred and paid and €87.0 million set aside as a provision for other liabilities) and €13.3 million for asset impairment, which are presented separately in our Consolidated Income Statement.

### 3.1. Revenues

Revenues reached €1,034.0 million in the second quarter of 2020, of which Body-in-White and Chassis accounted for €797.5 million, Mechanisms €120.2 million, and Tooling and others €116.3 million, a decrease of €1,309.6 million or -55.9% versus €2,343.6 million for the same period in 2019.

Revenue performance in the quarter was heavily impacted by the unprecedented challenge of the COVID-19 pandemic, which has led to customer and Gestamp plant shutdowns across all regions.

### 3.2. Operating expenses

Despite a fast reaction of the group after these sudden stoppages in the different geographies and the implementation of drastic measures to adjust its cost base, the effect on cost reduction in the second quarter did not offset the reduction in gross margin due to the sharp decrease in sales.

Raw materials and other consumables. Expenses related to raw materials and other consumables decreased by €787.5 million, or -56.1%, to €617.0 million in the second quarter of 2020, compared to €1,404.5 million for the same period of 2019. This decrease is in line with the reduction in revenues.

Personnel expenses. Personnel expenses decreased by €155.0 million, or -37.3% for the second quarter of 2020 to €260.4 million from €415.4 million for the same period in 2019. The decrease was a result of the reduction in variable labor costs as a function of the reduction in revenues and to the measures adopted to reduce fixed labor costs.

Other operating expenses. Other operating expenses decreased by €168.4 million, or -55.4%, to €135.7 million in the second quarter of 2020 from €304.1 million for the same period of 2019. The decrease is consistent with the decrease in activity reflected in Revenue.

Transformation Plan. As mentioned above, as a result of the situation caused by COVID 19, costs of €2.9 million were incurred in the second quarter of 2020 and a provision of 87.0 million euro was also recognized.

### 3.3. EBITDA

EBITDA excluding costs related to the Transformation Plan reached €23.3 million in the second quarter of 2020, a drop of -91.4% or €248.8 million, from €272.1 million for the same period in 2019. For the year 2020, Gestamp was expecting to have positive Revenue growth and the cost structure was in accordance with that volume growth expectation. However, customers stopped working mainly during April and May due to the situation resulting from COVID-19, and this led to a general misalignment between costs and volumes despite the cost reduction and flexibility measures that have been implemented, implying a decrease in overall profitability levels across regions.

Depreciation, amortization and impairment losses. Depreciation expense increased by €15.9 million, or 11.6%, to €153.1 million versus €137.2 million in Q2 2019. The increase is the result of additional depreciation charges for investments made in specific client programs over



recent years. Despite the drastic decrease in activity due to the pandemic situation, the allocation to depreciation of fixed assets has been maintained.

Additionally, a provision has been made for the deterioration of fixed assets by amount of 13.3 million euros during the second quarter of 2020 derived from the pandemic situation.

### **3.4. Operating result**

The operating result excluding the costs of the Transformation Plan reached -€129.8 million euros in Q2 2020, a decrease of €264.7 million euros, or -196.2% versus €134.9 million for the same period in 2019. This decrease is due to a lower EBITDA impacted by COVID-19 and an increase in fixed asset depreciation as well as the additional allocation linked to COVID-19.

### **3.5. Financial result**

Net financial expenses for the second quarter of 2020 decreased by €7.9 million, or 16.8%, to €39.2 million versus €47.1 million for the same period in 2019. This decrease is primarily due to the effect of the conversion to euros of the financial results of those companies whose currency is not the euro and which have experienced a significant devaluation during the second quarter of 2020.

### **3.6. Exchange differences**

Exchange losses amounted to -€28.4 million in Q2 2020 versus gains of €9.1 million in Q2 2019. Exchange losses in the period were mainly recorded in Turkey, Brazil and Poland.

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

The income tax revenue was €70.3 million in the second quarter of 2020, which implies a difference of €93.6 million, from the €23.3 million of expense for the same period in 2019. The percentage of income tax expense with respect to the profit before tax is 23.1%, which is in line with the percentages obtained both in the first quarter of 2020 (20%) and in the financial year 2019 (20%).

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

Result attributable to non-controlling interests for the second quarter of 2020 were a loss, resulting in a positive impact of €21.7 million. This compares with a profit, a negative impact, of €13.8 million for the same period in 2019. The loss attributable to non-controlling interests in Q2 2020 is consistent with the performance of Profit Before Tax and is the result of losses in those operations in which the group has non-controlling interests.

## 4. FINANCIAL INFORMATION BY GEOGRAPHIC SEGMENT

### 4.1. Revenues & EBITDA

	Second Quarter			YTD June 30,		
	2019	2020	% Change	2019	2020	% Change
<b>Revenues</b>	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	1,063.9	437.1	-58.9%	2,060.8	1,331.9	-35.4%
Eastern Europe	373.2	164.9	-55.8%	695.5	478.4	-31.2%
Mercosur	156.2	17.4	-88.9%	295.5	142.6	-51.7%
North America	479.9	169.6	-64.7%	940.2	664.6	-29.3%
Asia	270.4	245.0	-9.4%	521.2	427.8	-17.9%
<b>Total</b>	<b>2,343.6</b>	<b>1,034.0</b>	<b>-55.9%</b>	<b>4,513.2</b>	<b>3,045.3</b>	<b>-32.5%</b>

	Second Quarter			YTD June 30,		
	2019	2020	% Change	2019	2020	% Change
<b>EBITDA (excl. Transf. Costs)</b>	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	103.3	-4.8	-104.6%	192.4	64.5	-66.5%
Eastern Europe	63.4	19.4	-69.4%	112.8	63.5	-43.7%
Mercosur	20.2	-12.4	-161.4%	36.1	-7.1	-119.7%
North America	54.3	-12.6	-123.2%	113.0	44.4	-60.7%
Asia	30.9	33.8	9.4%	66.5	50.7	-23.8%
<b>Total</b>	<b>272.1</b>	<b>23.3</b>	<b>-91.4%</b>	<b>520.8</b>	<b>215.9</b>	<b>-58.5%</b>

#### Western Europe

In the quarter, revenues reached €437.1 million, a decrease of €626.8 million, or -58.9% (-58.7% at constant FX) versus Q2 2019. Western Europe experienced a decrease in activity in the quarter with the market declining -66.6% vs. Q2 2019 (IHS data as of July 2020 for Gestamp's footprint). Spain, Portugal and Germany had a slightly better performance than the rest of the countries. Activity levels in June and July were at around 80% in comparison to the same months in 2019.

EBITDA in the quarter declined to -€4.8 million, a decrease of €108.1 million, or -104.6% (same decline at constant FX) versus Q2 2019. Operations in Western Europe have shown high resilience with an operating leverage of 17.2% in Q2 20 vs. Q2 19.

During the first half of the year, revenues in Western Europe reached €1,331.9 million in H1 2020, a decrease of €728.9 million, or -35.4% (same decline at constant FX) versus H1 2019. EBITDA reached €64.5 million in the region, a decrease of €127.9 million, or -66.5% (same decline at constant FX) versus H1 2019.

#### Eastern Europe

Revenues in Q2 2020 declined by €208.3 million, or -55.8% (-51.7% at constant FX) versus the second quarter of 2019, reaching €164.9 million. Eastern Europe experienced a decrease in activity in Q2 with the market declining -55.9% vs. Q2 2019 (IHS data as of July 2020 for Gestamp's footprint). Poland, Czech Republic and Russia had a slightly better performance than the rest of the countries. The region experienced strong FX headwinds, especially in Turkey. Activity levels in June and July were in line with the levels of 2019 for the same months.

In the quarter, EBITDA reached €19.4 million, resulting in 69.4% decline (-66.2% at constant FX) or a decrease of €44.0 million when compared to the second quarter of 2019. Operations

in the region have shown good flexibility with an operating leverage of 21.1% in Q2 20 vs. Q2 19.

During the first half of 2020, revenues experienced a decline of €217.1 million, or -31.2% (-27.5% at constant FX) versus the first half of 2019, reaching €478.4 million. EBITDA in Eastern Europe reached €63.5 million during the first half of 2020, resulting in 43.7% decline (-40.5% at constant FX) or a decrease of €49.3 million when compared to the first half of 2019.

### ***Mercosur***

During the second quarter, revenues in the region decreased by €138.8 million, or -88.9% (-78.6% at constant FX) versus Q2 2019, reaching €17.4 million. Mercosur was the region with the highest activity drop in Q2 due to the COVID-19 pandemic. Most of the OEM plants delayed their restart of operations to June. There was a significant BRL R\$ devaluation which impacted our results at all levels. Volumes were improving in Brazil reaching almost 80% in July (vs. almost 40% in June 2020 vs. 2019) whilst Argentina has shown a slower recovery path.

Despite current market environment, the performance in the region showed a good resilience level, particularly in Q2, with an operating leverage of 23.5% in Q2 20 vs. Q2 19. EBITDA in Q2 2020 reached -€12.4 million, a decrease of €32.6 million or -161.4% (-177.8% at constant FX) versus the second quarter of 2019.

Revenues in Mercosur reached €142.6 million in H1 2020, a decrease of €152.9 million or -51.7% (-37.7% at constant FX) from €295.5 million in H1 2019. EBITDA declined to -€7.1 million during the first six months of 2020, a decrease of €43.2 million or -119.7% (-128.2% at constant FX) from €36.1 million in the first six months of 2019.

### ***North America***

Revenues in Q2 2020 declined €310.3 million, or -64.7% (-61.8% at constant FX) versus Q2 2019, reaching €169.6 million. North America experienced a drop in activity levels in Q2 higher than the ones experienced in Europe. In Mexico, the restart after the shutdowns was delayed until late May. There was a strong recovery from activity in June, almost reaching levels of 80% in comparison to the same months in 2019. Activity levels improved during the month of July.

During the second quarter of 2020, EBITDA in the region declined to -€12.6 million, a decrease of -123.2% (-120.8% at constant FX) or €66.9 million when compared to Q2 2019. Operations in the region have shown good flexibility with an operating leverage of 21.6% in Q2 20 vs. Q2 19.

In North America, revenues decreased by €275.6 million, or -29.3% (-28.8% at constant FX) in H1 2020 versus H1 2019, reaching €664.6 million. EBITDA in North America reached €44.4 million in H1 2020, resulting in a decrease of -60.7% (-60.1% at constant FX) or €68.6 million when compared to H1 2019.

### **Asia**

During the second quarter of 2020, revenues reached €245.0 million, implying a decrease of €25.4 million, or -9.4% (-7.5% at constant FX) versus the second quarter of 2019. Asia experienced a moderate impact from COVID-19 in Q2 versus the rest of the world as the impact already occurred in Q1 20. There was a strong recovery of the activity levels in China in Q2 which was partially offset by a slow start of activity in India. Activity levels in July already reached 2019 levels in China and showed an improving trend in the remaining countries of the region.

Despite market volatility, the region had a strong operational performance vs. 2019, particularly in Q2, with an improvement in EBITDA margin. EBITDA in Asia reached €33.8 million in the second quarter of 2020, resulting in a 9.4% increase (11.1% at constant FX) or €2.9 million when compared to the second quarter of 2019.

Revenues reached €427.8 million during the first six months of 2020. This is a decrease of €93.4 million, or -17.9% (-16.8% at constant FX) versus the first six months of 2019. During the first half of 2020, EBITDA in Asia reached €50.7 million, resulting in a 23.8% decrease (-22.9% at constant FX) or €15.8 million when compared to the first half of 2019.

## 5. INFORMATION ON CASH FLOW STATEMENT

	Second Quarter		YTD June 30,	
	2019	2020	2019	2020
<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>96.6</b>	<b>-304.5</b>	<b>171.8</b>	<b>-306.0</b>
<b>Adjustments to profit</b>	<b>175.3</b>	<b>237.9</b>	<b>348.9</b>	<b>432.0</b>
Depreciation and amortization of fixed assets	137.2	166.4	276.3	316.2
Financial income	-1.4	-2.8	-3.1	-4.2
Financial expenses	48.4	42.2	78.1	81.3
Total exchange rate differences	-9.1	28.2	-13.2	34.1
Share of profits from associates - equity method	-2.2	0.1	-2.4	-0.4
Change in fair value of financial instruments	3.5	1.2	13.2	3.3
Inflation result	-1.1	2.6	-0.1	1.7
<b>TOTAL EBITDA</b>	<b>271.9</b>	<b>-66.6</b>	<b>520.7</b>	<b>126.0</b>
<b>Other Adjustments to profit</b>	<b>8.3</b>	<b>36.5</b>	<b>19.1</b>	<b>39.0</b>
Change in provisions	1.5	89.0	5.6	94.0
Grants released to income	-1.1	-1.1	-1.9	-2.2
Profit from disposal of fixed assets	-0.4	1.7	-0.3	0.9
Unrealized exchange rate differences	8.5	-50.5	16.9	-52.0
Other income and expenses	-0.2	-2.6	-1.2	-1.7
<b>Changes in working capital</b>	<b>-109.2</b>	<b>-55.5</b>	<b>-233.2</b>	<b>-46.1</b>
(Increase)/Decrease in Inventories	-33.9	84.2	-105.1	42.4
(Increase)/Decrease in Trade and other receivables	-7.9	106.3	-176.0	179.3
(Increase)/Decrease in Other current assets	-10.8	0.3	-17.8	-12.3
Increase/(Decrease) in Trade and other payables	-52.8	-244.9	71.1	-255.5
Increase/(Decrease) in Other current liabilities	-3.8	-1.4	-5.4	0.0
<b>Other cash-flows from operating activities</b>	<b>-84.3</b>	<b>-73.4</b>	<b>-103.2</b>	<b>-117.9</b>
Interest paid	-53.4	-46.8	-74.1	-77.4
Interest received	1.3	2.9	3.0	4.2
Proceeds (payments) of income tax	-32.2	-29.5	-32.1	-44.7
<b>Cash flows from operating activities</b>	<b>86.7</b>	<b>-159.0</b>	<b>203.4</b>	<b>1.0</b>

	Second Quarter		YTD June 30,	
	2019	2020	2019	2020
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
<b>Payments on investments</b>	<b>-222.1</b>	<b>-131.4</b>	<b>-454.6</b>	<b>-341.8</b>
Group companies and associates	-7.9	0.0	-7.9	0.0
Intangible assets	-30.9	-13.2	-60.7	-36.6
Property, plant and equipment	-183.3	-119.6	-386.0	-301.0
Other financial assets	0.0	1.4	0.0	-4.2
<b>Proceeds from divestments</b>	<b>8.7</b>	<b>53.9</b>	<b>24.3</b>	<b>59.3</b>
Group companies and associates	0.0	0.0	0.0	0.0
Intangible assets	0.7	-0.3	3.0	0.9
Property, plant and equipment	7.2	20.3	10.3	24.5
Other financial assets	0.8	33.9	11.0	33.9
<b>Grants, donations and legacies received</b>	<b>0.3</b>	<b>3.3</b>	<b>5.6</b>	<b>3.7</b>
<b>Cash flows from investing activities</b>	<b>-213.1</b>	<b>-74.2</b>	<b>-424.7</b>	<b>-278.8</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
<b>Proceeds and payments on equity instruments</b>	<b>19.3</b>	<b>39.8</b>	<b>11.2</b>	<b>18.4</b>
Change in non-controlling interests	-1.6	4.9	-3.4	5.4
Own shares	0.9	0.8	1.8	-0.8
Other equity movements	20.0	34.1	12.8	13.8
<b>Proceeds and payments on financial liabilities</b>	<b>76.0</b>	<b>779.6</b>	<b>126.2</b>	<b>1,102.4</b>
<b>Proceeds from</b>	<b>151.1</b>	<b>841.9</b>	<b>220.6</b>	<b>1,190.7</b>
Bonds and other securitites to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	91.2	459.5	145.2	801.1
Net increase of credit lines and commercial discount	58.1	380.9	72.5	385.5
Borrowings from Group companies and associates	0.0	0.0	0.0	2.0
Other borrowings	1.8	1.5	2.9	2.1
<b>Repayment of</b>	<b>-75.1</b>	<b>-62.3</b>	<b>-94.3</b>	<b>-88.3</b>
Bonds and other securitites to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	-70.0	-61.7	-72.5	-87.1
Net decrease of credit lines and commercial discount	0.0	0.0	0.0	0.0
Borrowings from Group companies and associates	-4.2	0.0	-20.9	0.0
Other borrowings	-0.9	-0.6	-0.9	-1.2
<b>Payments on dividends and other equity instruments</b>	<b>0.0</b>	<b>-7.0</b>	<b>-37.3</b>	<b>-38.6</b>
Dividends	0.0	-7.0	-37.3	-38.6
<b>Cash flows from financing activities</b>	<b>95.3</b>	<b>812.4</b>	<b>100.1</b>	<b>1,082.2</b>
<b>Effect of changes in exchange rates</b>	<b>0.6</b>	<b>22.2</b>	<b>-3.8</b>	<b>17.8</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>-30.5</b>	<b>601.4</b>	<b>-125.0</b>	<b>822.2</b>

### 5.1. Cash flow from operating activities

Cash flow from operating activities in the second quarter of 2020 decreased by €245.7 million to a net amount of -€159.0 million, from €86.7 million for the same period of 2019. This decrease was primarily due to the reduction in the Profit for the year before taxes and non-controlling interests plus adjustments to the result by €310.3 million, partially offset by an improvement in the management of the working capital (cash flow used of -€55.5 million in the 2Q of 2020 vs. cash flow used of -€109.2 million in the 2Q of 2019 implying an improvement of €53.7 million vs. the 1Q of 2019).

### 5.2. Working capital

Cash flow used for working capital of -€55.5 million during the 2Q of 2020 versus a cash flow used of -€109.2 million in the 2Q of 2019, implying an improvement of €53.7 million between the quarters.

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 they 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 second quarter of 2020 decreased by €138.9 million to -€74.2 million from €213.1 million euros for the same quarter of 2019. The investments in Q2 2020 were mainly focused on projects in North America, Brazil, Spain, China and Turkey.

### 5.4. Cash flow from financing activities

Cash flow from financing activities during the second quarter of 2020 amounted to €812.4 million (compared to €95.3 million for the second quarter of 2019), primarily due to a net increase in interest-bearing loans.

## 6. INVESTMENTS IN FIXED ASSETS

	Second Quarter		YTD June 30,	
	2019	2020	2019	2020
<b>Capital expenditures</b>	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Intangible assets	31.8	14.9	57.4	39.6
Tangible assets	184.7	96.4	359.1	217.4
- Growth Capex	94.6	40.0	182.9	101.3
- Recurrent Capex	90.1	56.4	176.2	116.1
<b>Total (excl IFRS 16)</b>	<b>216.5</b>	<b>111.3</b>	<b>416.5</b>	<b>257.0</b>
- Effect IFRS 16	0.2	-0.8	18.1	42.9
<b>Total</b>	<b>216.7</b>	<b>110.5</b>	<b>434.6</b>	<b>299.9</b>

Investments in fixed assets during the second quarter of 2020 amounted to approximately €111.3 million (€110.5 million including IFRS 16) compared to €216.5 million for the second quarter of 2019. This represents a 48.6% decrease in capital expenditures. Investments in fixed assets consist mainly of property, plant and equipment.

Growth capital expenditure has been reduced during the second quarter of 2020 to €40.0 million. Growth capex include greenfield projects, additional plant expansions, and new customer products / technologies.

Recurrent capex has moderated to levels of €56.4 million during Q2 2020. Recurrent capex includes investments in plant maintenance and business replacement and was in line with last year's trend.

Intangible capital expenditures during Q2 2020 amounted to €14.9 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 June 30, 2020			
	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	3,974.8	587.3	2,678.0	709.5
Financial leases and operating leasing (IFRS 16)	442.7	74.7	242.5	125.5
Borrowings from associated companies	135.7	7.6	113.3	14.8
Other financial debts	20.8	0.0	16.8	4.0
<b>Total Financial Debts</b>	<b>4,574.0</b>	<b>669.6</b>	<b>3,050.6</b>	<b>853.8</b>
Non interest bearing loans	12.5	0.0	11.3	1.2
Current non-trade liabilities	148.7	148.7		
<b>Total Contractual Obligations</b>	<b>4,735.2</b>	<b>818.3</b>	<b>3,061.9</b>	<b>855.0</b>



## 7. INFORMATION ON CONSOLIDATED BALANCE SHEET

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

	June 30, 2019	December 31, 2019	June 30, 2020
<b>Consolidated Balance Sheet Data:</b>	<i>(Millions of Euros)</i>		
<b>Non-current assets</b>	<b>5,368.1</b>	<b>5,572.8</b>	<b>5,442.0</b>
Intangible assets	468.0	479.8	469.1
Property, plant and equipment	4,473.5	4,579.8	4,383.7
Financial assets	77.0	71.3	71.8
Deferred tax assets	349.6	441.9	517.4
<b>Current assets</b>	<b>3,175.3</b>	<b>2,914.9</b>	<b>3,496.8</b>
Assets held for sale	0.0	0.0	0.0
Inventories	563.7	451.0	444.0
Assets from contract with customers	760.0	538.4	480.5
Trade and other receivables	1,144.6	1,067.5	912.2
Other current assets	127.7	110.9	123.2
Financial assets	87.8	88.5	56.1
Cash and cash equivalent	491.5	658.6	1,480.8
<b>Total assets</b>	<b>8,543.4</b>	<b>8,487.7</b>	<b>8,938.8</b>

	June 30, 2019	December 31, 2019	June 30, 2020
<b>Consolidated Balance Sheet Data:</b>	<i>(Millions of Euros)</i>		
<b>Equity</b>	<b>2,295.6</b>	<b>2,392.1</b>	<b>1,968.5</b>
Equity attributable to shareholders of the parent	1,830.4	1,902.7	1,542.1
Equity attributable to non-controlling interest	465.2	489.4	426.4
<b>Non-current liabilities</b>	<b>3,772.3</b>	<b>3,887.2</b>	<b>4,530.6</b>
Deferred income	26.3	23.7	25.2
Provisions	127.6	147.6	150.1
Non-trade liabilities	3,307.0	3,329.2	3,981.7
Deferred tax liabilities	294.1	369.5	357.5
Other non-current liabilities	17.3	17.2	16.1
<b>Current liabilities</b>	<b>2,475.5</b>	<b>2,208.4</b>	<b>2,439.7</b>
Non-trade liabilities	471.1	423.7	818.3
Trade and other payables	1,990.3	1,757.8	1,504.1
Provisions	11.8	16.5	107.0
Other current liabilities	2.3	10.4	10.3
<b>Total equity and liabilities</b>	<b>8,543.4</b>	<b>8,487.7</b>	<b>8,938.8</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 June 30, 2020, the Group's liquidity position amounted to €2,142.9 million and included: Cash and other liquid assets amounting to €1,480.8 million, Current financial investments by €56.1 million (including loans granted, portfolio of current securities and other current financial investments), available and undrawn long-term credit lines amounting to €284.0 million and available and undrawn short-term credit lines amounting to €322.0 million. This represents an improvement in our liquidity profile during the second quarter of 2020 amounting of €155.3 million to €2,142.9 million as of June 30, 2020, in comparison with €1,987.6 million as of March 31, 2020.

In addition, the debt maturities for the next 12 months from June 30, 2020 amounted to €669.6 million (€594.9 million from loans and other loans and financial debts with associates, and the rest corresponding to financial leases) and, in the second quarter of 2020, the net cash flow used in investment activities (not including purchases and income between companies) amounted to €74.2 million, while the flow of Net cash used for operating activities amounted to €159.0 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 June 30, 2020, the average maturity of the Group's net financial debt was 3.8 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 due 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 June 30,	
	2019	2020
<b>Other Financial Data</b>	<i>(Millions of Euros)</i>	
EBITDA	520.8	126.0
EBITDA excluding IFRS 16 and Transformation Plan	477.8	168.0
Cash, cash equivalent and current financial assets	579.3	1,536.9
Total Financial Debt	3,467.3	4,574.0
<b>Total Net Financial Debt</b>	<b>2,888.0</b>	<b>3,037.1</b>
<b>Net Financial Debt excluding IFRS 16</b>	<b>2,486.2</b>	<b>2,651.5</b>

	YTD June 30,	
	2019	2020
	<i>(Millions of Euros)</i>	
<b>Operating profit</b>	244.5	-190.2
<i>Adjusted for:</i>		
Depreciation, amortization and impairment losses	276.3	316.2
<b>EBITDA</b>	<b>520.8</b>	<b>126.0</b>
Transformation Plan - Operating Expenses	0.0	89.9
<b>EBITDA excluding Transformation Plan</b>	<b>520.8</b>	<b>215.9</b>

Cash, cash equivalents and current financial assets include cash and equivalents as of June 30, 2020 in the amount of €1,480.8 million and current financial investments of €56.1 million (including loans and accounts receivable, portfolio of current securities and other current financial assets). Net financial debt as of June 30, 2020 amounted to €3,037.1 million or €2,651.5 million excluding IFRS 16.

The following non-trade liabilities are not considered financial debt as of June 30, 2020: €64.7 million in derivative financial instruments, €148.7 million of non-interest bearing short-term liabilities (of which €117.5 million correspond to suppliers of fixed assets) and €12.5 million of non-interest bearing long-term liabilities.