



Management Discussion and Analysis of the
Financial Condition and Results of Operations for
the nine months period ended September 30, 2024

Gestamp Automoción, S.A.

November 5th, 2024

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1. LEGAL NOTICE IN RELATION TO THE PRESENTATION OF FINANCIAL AND OTHER INFORMATION

1.1. Financial information and operational data

Unless otherwise indicated, all financial information in this report has been prepared in accordance with IFRS applicable at the relevant date and is presented in Euros. IFRS differs in certain significant respects from generally accepted accounting principles in the US.

In this sense, certain information presented in this report has not been prepared in accordance with IFRS or any other accounting standards and also contains alternative performance measures ("APM") as defined in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority (ESMA) on October 5, 2015¹. 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 In this regard, a breakdown of the explanations, definitions and reconciliations of the APMs used in this report can be found, as applicable, in Note 4.6. of the Notes to the Consolidated Financial Statements of the Gestamp Group as of December 31, 2023, in the relevant results presentation and also in this report, all of them available both on Gestamp's corporate website (<https://gestamp.com/Investors-Shareholders/Economic-Financial-information>) and on the website of the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (www.cnmv.es).

1.2. Industry data

In this report, we may rely on and refer to information regarding our business and the market in which we operate and compete in. We have obtained this information from various third party sources, including providers of industry data, discussions with our customers and our own internal estimates. We cannot assure that any of this information is accurate or correctly reflects our position in the industry, and none of our internal surveys or information has been verified by any independent sources. We do not make any representation or warranty as to the accuracy or completeness of any such information set forth in this report.

1.3. Forward looking statements and other qualifications

The following discussion and analysis is based on and should be read in conjunction with our historical financials included elsewhere in this quarterly report. Certain capitalized terms used herein have the meaning set out in the offering memorandum for our senior secured notes due 2026.

The discussion includes forward looking statements, which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties, which could cause actual events or conditions to differ materially from those implied herein. Please be cautioned not to place undue reliance on these forward looking statements. These forward statements are made as of the date of this report and are not intended to give any assurance as to future results.

2. BUSINESS PERFORMANCE UPDATE

According to the International Monetary Fund (IMF World Economic Outlook (WEO) as of October 2024) global GDP growth will be at +3.2% YoY for 2024 (unchanged from the July 2024 WEO projections). The pace of the economy expansion remains stagnant and below historical average as there is still uncertainty arising from: i) geopolitical tensions from the war in Ukraine and the conflict in Gaza, with its inherent risk of higher global energy and oil prices; ii) the divergence in disinflation speed across major economies and its effect on monetary policies, and iii) the possibility of an intensification of protectionist policies that would exacerbate trade tensions. As for 2025, the IMF has revised its global GDP growth forecast slightly downwards to +3.2% (-0.1 percentage points lower than the July 2024 WEO projections at +3.3% YoY).

Within the auto sector, S&P Global Mobility (former IHS) forecasts production volumes for the year to decrease by -2.2% to 88.5 million vehicles (IHS geographies as of October 2024), below (-1.8%) the 90.0 million vehicles for 2024 estimated in February. Over the past nine months S&P Global Mobility has been making several cuts to its full-year volume projections and expects 2024 to be a transition year in terms of global light vehicle production following an extraordinary growth in 2023 and within a context of a progressive recovery of 2017 peak levels at 95.1 million vehicles. Market production volumes are now expected to be back at peak levels by 2028.

During the first nine months of 2024 the auto sector has seen a slight decrease in production volumes in Gestamp's footprint of -0.6% YoY (according to S&P Global Mobility as of October 2024). During the period, we have seen volumes decreasing in Western Europe (-3.1% YoY), Mercosur (-0.8% YoY) and Asia (-0.7% YoY). Contrary, Eastern Europe has been the strongest performing region in the period with a rise in volumes of +2.0% YoY, followed by NAFTA with an increase of +0.9% YoY. In the third quarter of 2024, production volumes in Gestamp's footprint have fallen by -2.8% YoY, with Mercosur being the only region with volume growth (+10.4% YoY). All other regions have recorded declines in the quarter: Eastern Europe (-5.7%), Asia (-3.8%), NAFTA (-2%), and Western Europe (-0.7%).

In this context, Gestamp has seen revenues in the first nine months decreasing by -1.6% YoY to €8,926.8 million, which includes a €435.3 million contribution from Gescrap. Auto revenues (excluding Gescrap) have decreased by -1.1% YoY mainly due to a tough comparable figure and the negative impact of the exchange rates. On a constant currency basis, this growth implies an outperformance to the market of 6.3 percentage points (against Gestamp's footprint – IHS data as of October 2024), or 6.7 percentage points on a weighted basis.

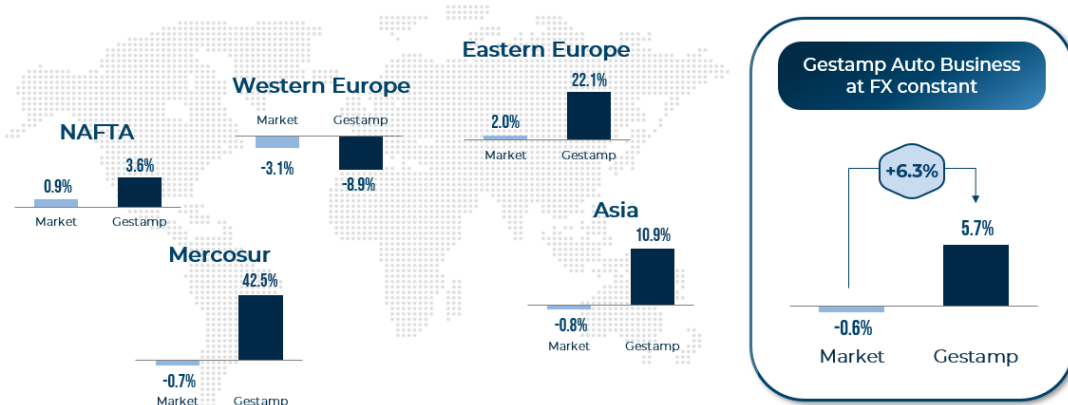
With regards to profitability, EBITDA in absolute terms decreased by -7.4% YoY in the nine months of 2024, reaching €935.5 million. In terms of EBITDA margin, the Auto Business has achieved a 10.6% (or 10.7% if we exclude the €16.8 million costs related to Phoenix Plan in 9M 2024), which is below our target for the full year due to: i) volumes volatility, ii) seasonality, iii) tough comparable figures, and iv) persistent inflationary pressures. As for Gescrap, EBITDA margin in the first nine months of 2024 has reached an 8.5%.

Looking at the short term and taking into account that the outlook remains extremely challenging due to: a) declines in production volumes; b) uncertainty and volatility in Europe given the slowdown in electric vehicle penetration and c) extraordinarily negative currency fluctuation, Gestamp has updated its 2024 guidance to reflect lower growth and, consequently, lower operating leverage and lower free cash flow generation. These new targets are as follows: i) revenues for the Auto business exceeding the growth of market

production volumes in the low single digit range with a slightly lower reported EBITDA margin compared to 2023; ii) for Gescrap, the Group expects similar revenues and EBITDA in 2024 compared to 2023; iii) positive free cash flow (defined as reduction of Net Debt excluding acquisitions and dividends) and iv) a net debt to EBITDA ratio in the 1.7x range.

Going forward, Gestamp’s main focus is to deliver on its long term targets for 2027 presented on the Capital Markets Day in June 2023, which are based on the following key pillars: i) growth ambition; ii) being a trusted partner to its clients; iii) using its technology and innovation capabilities to be differential; iv) keep improving the operational excellence, in order to v) grow in a profitable way; vi) maintain a disciplined balance sheet profile; and vii) lead the circular economy in the automotive sector.

9M 2024 Gestamp Auto Business Revenue Growth at FX Constant⁽¹⁾ vs. Market Production Growth in Gestamp Footprint



Outperformance of +6.7 p.p. on a weighted basis⁽²⁾ at FX constant in 9M 2024

1. Gestamp’s organic growth (excluding Gescrap) at FX constant used for comparability with production volumes, Production volumes in Gestamp’s footprint, as of October 2024. Include content supplied by S&P Global Mobility Copyright © [IH-S_LV_Production_Bodystyle_Global_2024M10]. All rights reserved. Western Europe data includes Morocco in line with our reporting
 2. Market and Gestamp weighted growth measured with 9M 2023 geographical weights as a base

3. FINANCIAL PERFORMANCE FOR THE PERIOD

	Third Quarter			YTD September 30,		
	2023	2024	% Change	2023	2024	% Change
Consolidated Income Statement Data	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Operating income	2,856.0	2,828.5	-1.0%	9,221.9	9,084.6	-1.5%
Revenue	2,798.5	2,787.3	-0.4%	9,071.6	8,926.8	-1.6%
Other operating income	39.9	33.8	-15.3%	112.9	115.0	1.9%
Changes in inventories	17.6	7.4	-58.0%	37.4	42.8	14.4%
Operating expenses	-2,545.0	-2,534.9	-0.4%	-8,211.1	-8,149.1	-0.8%
Raw materials and other consumables	-1,793.0	-1,728.9	-3.6%	-5,833.4	-5,633.3	-3.4%
Personnel expenses	-420.1	-455.9	8.5%	-1,347.4	-1,461.0	8.4%
Other operating expenses	-331.9	-350.1	5.5%	-1,030.3	-1,054.8	2.4%
EBITDA	311.0	293.6	-5.6%	1,010.8	935.5	-7.4%
Depreciation, amortization and impairment losses	-168.6	-173.4	2.8%	-504.1	-530.1	5.2%
Operating profit	142.4	120.2	-15.6%	506.7	405.4	-20.0%
Finance income	6.3	6.5	3.2%	17.7	18.2	2.8%
Finance expenses	-57.4	-54.5	-5.1%	-173.4	-164.8	-5.0%
Exchange gains (losses)	3.5	-20.9	-697.1%	-48.7	-33.8	-30.6%
Other	0.4	5.4	1250.0%	26.5	24.3	-8.3%
Profit from continuing operations	95.2	56.7	-40.4%	328.8	249.3	-24.2%
Income tax expense	-21.2	-15.4	-27.4%	-76.1	-59.7	-21.6%
Profit for the period	74.0	41.3	-44.2%	252.7	189.6	-25.0%
Profit (loss) attributable to non-controlling interests	-11.0	-20.4	85.5%	-27.4	-62.8	129.2%
Profit attributable to equity holders of the parent	63.0	20.9	-66.8%	225.3	126.8	-43.7%

3.1. Revenues

During the third quarter of 2024, revenues reached €2,787.3 million, of which Body-in-White and Chassis represented €2,323.4 million, Mechanisms €271.2 million, Gescrap €118.7 million and Tooling and others €74.0 million.

Revenues in the third quarter of 2024 decreased by €11.2 million or -0.4% to €2,787.3 million versus €2,798.5 million in the third quarter of 2023.

The level of activity, considered as the net value of revenue plus change in inventories less consumables, amounted to €1,065.8 million in the third quarter of 2024 compared to €1,023.1 million in the third quarter of 2023, an increase of €42.7 million or 4.2%.

3.2. Operating expenses

Raw materials and other consumables. Expenses related to raw materials and other consumables decreased by €64.1 million, or -3.6%, to €1,728.9 million in the third quarter of 2024, compared to €1,793.6 million for the same period of 2023. This decrease is in line with the decrease in revenues taking into account the specific weight of raw materials in total revenues.

Personnel expenses. Personnel expenses increased by €35.8 million, or 8.5% for the third quarter of 2024 to €455.9 million from €420.1 million for the same period in 2023 mainly affected by inflationary pressures in certain geographical areas.

Other operating expenses. Other operating expenses increased by €18.2 million, or 5.5%, to €350.1 million in the third quarter of 2024 from €331.9 million for the same period of 2023.

3.3. EBITDA

EBITDA for the third quarter of 2024 reached €293.6 million, representing a decrease of €17.5 million from €311.1 million for the same period in 2023 due to, as it has been mentioned above, volumes volatility, seasonality, tough comparable figures, and persistent inflationary pressures.

Depreciation, amortization and impairment losses. Depreciation expense increased by €4.8 million, or 2.8%, to €173.4 million in the third quarter of 2024 versus €168.6 million in the same period in 2023 mainly due to the provision corresponding to the assets that came into operation during the last quarter of fiscal year 2023.

3.4. Operating result

The operating result reached €120.2 million in the third quarter of 2024 versus €142.5 million for the same period in 2023, representing a decrease of €22.3 million. This decrease was mainly due to lower EBITDA and higher depreciation and amortization.

3.5. Financial result

Net financial expenses for the third quarter of 2024 decreased by €3.1 million, to €48.0 million versus €51.1 million for the same period in 2023.

3.6. Exchange differences

Exchange gains amounted to €20.9 million in the third quarter of 2024 versus gains of €3.5 million for the same period in 2023. Exchange gains in Q3 2024 were mainly recorded in Mexico and Turkey.

3.7. Income tax expense

The tax expense was €15.4 million in the third quarter of 2024, which implies a decrease of €5.7 million compared to €21.1 million expenses for the same period in 2023. Effective tax rate for the period was 27.2%.

3.8. Result attributable to non-controlling interests

Result attributable to non-controlling interests for the third quarter of 2024 implied a negative impact of €20.4 million. The gains attributable to non-controlling interests in the third quarter of 2024 is consistent with the result of gains in those operations in which the group has non-controlling interests.

4. FINANCIAL INFORMATION BY GEOGRAPHIC SEGMENT

4.1. Revenues & EBITDA

	Third Quarter			YTD September 30,		
	2023	2024	% Change	2023	2024	% Change
Revenues	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	963.9	953.8	-1.0%	3,456.1	3,157.5	-8.6%
Eastern Europe	387.8	390.0	0.6%	1,256.1	1,337.6	6.5%
NAFTA	596.8	569.6	-4.6%	1,802.6	1,863.6	3.4%
Mercosur	249.2	251.6	1.0%	722.3	674.1	-6.7%
Asia	469.0	503.7	7.4%	1,351.9	1,458.7	7.9%
Gescrap	131.8	118.6	-10.0%	482.6	435.3	-9.8%
Total	2,798.5	2,787.3	-0.4%	9,071.6	8,926.8	-1.6%

	Third Quarter			YTD September 30,		
	2023	2024	% Change	2023	2024	% Change
EBITDA	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	114.7	101.3	-11.7%	397.6	340.6	-14.3%
Eastern Europe	50.6	53.8	6.3%	177.1	171.7	-3.0%
NAFTA	42.0	26.3	-37.4%	135.5	100.2	-26.1%
Mercosur	27.5	28.4	3.3%	88.4	73.6	-16.7%
Asia	66.0	73.6	11.5%	176.1	212.4	20.6%
Gescrap	10.3	10.2	-1.0%	36.2	37.0	2.2%
Total	311.1	293.6	-5.6%	1,010.9	935.5	-7.5%

Western Europe

During the first nine months of the year, Auto revenues in Western Europe reached €3,157.5 million, a decrease of €298.6 million, or -8.6% (-8.9% at constant FX) versus 9M 2023. The decrease is partly explained by light vehicle production volumes decreasing in the region by -3.1% (S&P Global Mobility data as of October 2024 for Gestamp's footprint) together with the decrease in raw materials price. EBITDA reached 340.6 million in the region, a decrease of -€57.0 million, or -14.3% versus 9M 2023, with an EBITDA margin of 10.8%

In the quarter alone, revenues reached €953.8 million, a decrease of €10.1 million, or -1.0% (-1.3% at constant FX) versus Q3 2023.

EBITDA in the quarter fell to €101.3 million, implying a decrease of -€13.4 million, or -11.7% versus Q3 2023. This leads into an EBITDA margin of 10.6% in the third quarter of the year, below the 11.9% reported in Q3 2023.

Eastern Europe

During the first nine months of 2024, Auto revenues saw an increase of €81.5 million, or +6.5% (+22.1% at constant FX) versus the first nine months of 2023, reaching €1,337.6 million. EBITDA in Eastern Europe reached €171.7 million during the first nine months of 2024, resulting in a -3.0% drop or a decrease of -€5.4 million when compared to the same period of 2023, which implies a 12.8% EBITDA margin for the period.

Revenues in Q3 2024 increased by €2.2 million, or +0.6% (+1.5% at constant FX) versus the third quarter of 2023, reaching €390.0 million. The region experienced FX headwinds, mainly in Turkey which impacts negatively our results.

In the quarter, EBITDA reached €53.8 million, resulting in a +6.3% increase when compared to the third quarter of 2023. EBITDA margin has reached 13.8% in the quarter.

NAFTA

In 9M 2024, NAFTA reported revenues increase of €61.0 million, or +3.4% (+3.6% at constant FX) versus the same period of the previous year, reaching €1,863.6 million. EBITDA in NAFTA reached €100.2 million in 9M 2024, with a decrease of -26.1% or -€35.3 million when compared to 9M 2023 and an EBITDA margin of 5.4%.

Revenues in Q3 2024 decreased by -€27.2 million, or -4.6% (-0.5% at constant FX) when compared to Q3 2023, reaching €569.6 million.

During Q3 2024, EBITDA in the region reached €26.3 million, a decrease of -€15.7 million or -37.4% when compared to Q3 2023. In the third quarter of 2024, EBITDA margin in NAFTA reached a 4.6%.

Mercosur

Auto revenues in Mercosur amounted to €674.1 million in 9M 2024, a decrease of -€48.2 million or -6.7% (+42.5% at constant FX) from €722.3 million in 9M 2023. EBITDA fell to €73.6 million during the first nine months of 2024, a decrease of -€14.8 million from €88.4 million in the first nine months of 2023. EBITDA margin stood at 10.9% in the period.

During the third quarter, revenues in the region increased by €2.4 million, or +1.0% (+64.6% at constant FX) versus Q3 2023, reaching €251.6 million. FX headwinds in Argentina have negatively impacted our results.

EBITDA in Q3 2024 reached €28.4 million, an increase of €0.9 million versus the €27.5 million from the third quarter of 2023. EBITDA margin in the region reached an 11.3% in the quarter.

Asia

During the first nine months of 2024, revenues reached €1,458.7 million, an increase of €106.8 million, or +7.9% (+10.9% at constant FX) versus 9M 2023. In 9M 2024 EBITDA in Asia reached €212.4 million, a +20.6% increase or €36.3 million when compared to the €176.1 million reported in 9M 2023. EBITDA margin in the region was 14.6% in the period.

During Q3 2024, revenues reached €503.7 million, implying an increase of €34.7 million, or +7.4% (+7.9% at constant FX) versus the third quarter of 2023

EBITDA in the quarter at €73.6 million implied an increase of €7.6 million or +11.5% versus the €66.0 million seen in Q3 2023, leading to an EBITDA margin of 14.6%.

Gescrap

For the first nine months of the year, Gescrap reached €435.3 million revenues and €37.0 million EBITDA, with an EBITDA margin of 8.5%.

During the third quarter of 2024, Gescrap's revenues amounted to €118.6 million, a decrease of -€13.2 million, or -10.0%, compared to the third quarter of 2023.

EBITDA for the quarter fell slightly to €10.3m, a decrease of -€0.1million, or -1.0% compared to Q3 2023. This leads into an EBITDA margin of 8.7% in Q3 2023, above the 7.8% reported in Q3 2023.

5. INFORMATION ON CASH FLOW STATEMENT

	Third Quarter		YTD September 30,	
	2023	2024	2023	2024
CASH FLOWS FROM OPERATING ACTIVITIES	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Profit for the year before taxes and minority interest	95.1	56.7	328.8	249.3
Adjustments to profit	215.8	237.0	682.0	686.3
Depreciation and amortization of fixed assets	168.6	173.4	504.1	530.1
Financial income	-6.3	-6.5	-17.7	-18.2
Financial expenses	57.4	54.4	173.4	164.8
Total exchange rate differences	-3.5	20.9	48.7	33.8
Share of profits from associates - equity method	-0.6	-1.0	-1.0	-1.0
Change in fair value of financial instruments	-7.0	-7.3	-12.6	-7.3
Gains or losses on disposal of financial instruments	0.0	0.0	-6.6	0.0
Inflation result	7.2	3.1	-6.3	-15.9
TOTAL EBITDA	310.9	293.7	1,010.8	935.6
Other Adjustments to profit	-22.6	-3.1	-51.3	-17.3
Change in provisions	-7.7	-0.2	-24.9	-5.2
Grants released to income	-1.5	-1.5	-3.8	-6.1
Profit from disposal of fixed assets	-2.2	-0.2	-2.4	-0.9
Unrealized exchange rate differences	-4.0	-6.8	-33.4	-10.7
Other income and expenses	-7.2	5.6	13.2	5.6
Changes in working capital	-1.9	-112.3	-49.6	-141.1
(Increase)/Decrease in Inventories	-25.5	-11.7	-105.4	-153.3
(Increase)/Decrease in Trade and other receivables	0.8	-23.0	-181.9	-306.0
(Increase)/Decrease in Other current assets	4.2	18.5	-16.9	-48.0
Increase/(Decrease) in Trade and other payables	15.1	-61.5	256.1	362.9
Increase/(Decrease) in Other current liabilities	3.5	-34.6	-1.5	3.3
Other cash-flows from operating activities	-58.3	-67.0	-196.6	-205.7
Interest paid	-49.7	-46.8	-163.5	-159.1
Interest received	6.3	6.5	17.7	18.2
Proceeds (payments) of income tax	-14.9	-26.7	-50.8	-64.8
Cash flows from operating activities	228.1	111.3	713.3	571.5

	Third Quarter		YTD September 30,	
	2023	2024	2023	2024
CASH FLOWS FROM INVESTING ACTIVITIES	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Payments on investments	-281.2	-209.1	-742.0	-783.3
Group companies and associates	0.0	0.0	-8.6	0.0
Intangible assets	-12.3	-21.6	-96.9	-75.0
Property, plant and equipment	-210.3	-193.1	-577.9	-657.0
Other financial assets	-58.6	5.6	-58.6	-51.3
Proceeds from divestments	-5.0	5.8	16.2	12.8
Group companies and associates	0.0	0.0	0.0	0.0
Intangible assets	-3.6	-0.2	4.4	0.7
Property, plant and equipment	2.5	3.0	10.3	8.3
Other financial assets	-3.9	3.0	1.5	3.8
Grants, donations and legacies received	7.0	4.6	41.1	-8.8
Cash flows from investing activities	-279.2	-198.7	-684.7	-779.3
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds and payments on equity instruments	36.4	-42.1	-12.4	-73.6
Purchase of shares from non-controlling interests	-10.2	0.0	-37.3	-23.2
Contribution of funds from non-controlling interests	11.6	0.6	2.0	1.5
Change in non-controlling interests	-9.6	0.3	-9.6	1.4
Own shares	-3.4	-5.7	-3.7	-9.9
Other equity movements	48.0	-37.3	36.2	-43.4
Proceeds and payments on financial liabilities	-107.1	83.3	-671.4	146.7
Proceeds from	63.1	355.9	1,339.5	690.0
Bonds and other securitites to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	68.1	-8.7	1,343.7	308.8
Net increase of credit lines and commercial discount	0.0	365.1	0.0	382.8
Borrowings from Group companies and associates	-5.0	0.0	-4.2	-1.6
Other borrowings	0.0	-0.5	0.0	0.0
Repayment of	-170.2	-272.6	-2,010.9	-543.3
Bonds and other securitites to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	-44.2	-241.6	-1,657.6	-445.5
Net decrease of credit lines and commercial discount	-121.1	-30.0	-341.3	-96.8
Borrowings from Group companies and associates	0.0	0.0	0.0	0.0
Other borrowings	-4.9	-1.0	-12.0	-1.0
Payments on dividends and other equity instruments	-51.3	-77.2	-97.7	-122.3
Dividends	-51.3	-77.2	-97.7	-122.3
Cash flows from financing activities	-122.0	-36.0	-781.5	-49.2
Effect of changes in exchange rates	7.7	-17.0	-15.1	-7.1
Cash in assets held for sale	0.0	0.0	0.0	0.0
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS	-165.4	-140.4	-768.0	-264.1

5.1. Cash flow from operating activities

Cash flow from operating activities in the third quarter of 2024 reached €111.3 million, a decrease of €116.8 million from €228.1 million for the same period of 2023. This decrease was mainly due to the decrease in working capital of €110.4 million compared to the same period of 2023 and a decrease in EBITDA by €17.2 million compared to the performance in the third quarter of 2023.

5.2. Working capital

Working capital represented a cash outflow of €112.3 million during the third quarter of 2024 versus a cash outflow of €1.9 million in the third quarter of 2023.

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 as well as accounts receivable with the Public Treasury for payments on account of taxes or tax refunds, inventories comprised primarily of raw materials (primarily steel), and other current assets.

Our accounts payable to suppliers and other accounts payable correspond to the amounts payable for the purchase of raw materials and services, amounts payable to the Treasury for taxes and payments to our employees for accrued remuneration. Historically, we have financed our working capital needs through the funds generated by our operations, as well as loans from financial entities and funds from other sources of financing.

5.3. Cash flow used in investing activities

Cash flow used in investing activities during the third quarter of 2024 decreased by €80.5 million to €198.7 million from €279.2 million for the same quarter of 2023. The investments in the third quarter of 2024 were mainly focused on projects in NAFTA, China, Spain and Germany.

5.4. Cash flow from financing activities

Cash flow used by financing activities during the third quarter of 2024 amounted to €36 million. During the third quarter of 2024, €77.2 million in dividends were paid out compared to €51.3 million during the same quarter of 2023.

6. INVESTMENTS IN FIXED ASSETS

	Third Quarter		YTD September 30,	
	2023	2024	2023	2024
Capital expenditures	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Intangible assets	18.2	26.7	81.9	81.3
Tangible assets	187.7	185.6	538.1	516.5
Total (excl IFRS 16)	205.9	212.3	620.0	597.8
- Effect IFRS 16	17.8	3.9	28.7	53.2
Total	223.7	216.2	648.7	651.0

Investments in fixed assets during the third quarter of 2024 amounted to €216.2 million compared to the €223.7 million for the third quarter of 2023. This represents a 7.8% of our revenues. Investments in fixed assets consist mainly of property, plant and equipment.

Intangible capital expenditures during the third quarter of 2024 amounted to €26.7 million and includes expenditure on intangible assets such as research and development costs.

Contractual obligations

Our contractual obligations provide for payments primarily in accordance with our outstanding financial debt, including financial obligations arising from senior secured bonds, but excluding financial derivatives.

	As of September 30, 2024			
	Total	Less than 1 year	1 - 5 years	More than 5 years
Contractual obligations	<i>(Millions of Euros)</i>			
Interest bearing loans and borrowings	3,031.7	813.8	2,217.9	0.0
Financial leases and operating leasing	442.1	65.1	193.5	183.5
Borrowings from associated companies	17.1	2.3	7.7	7.1
Other financial debts	47.0	0.0	33.0	14.0
Total Financial Debts	3,537.9	881.2	2,452.1	204.6
Non interest bearing loans	4.3	0.0	3.4	0.9
Current non-trade liabilities	131.6	85.3	46.3	0.0
Total Contractual Obligations	3,673.8	966.5	2,501.8	205.5

7. INFORMATION ON CONSOLIDATED BALANCE SHEET

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

	September 30, 2023	December 31, 2023	September 30, 2024
Consolidated Balance Sheet Data:		<i>(Millions of Euros)</i>	
Non-current assets	6,088.0	6,153.0	6,208.0
Intangible assets	561.8	570.0	562.4
Property, plant and equipment	4,801.6	4,875.4	4,961.8
Financial assets	207.4	135.5	93.6
Deferred tax assets	517.2	572.1	590.2
Current assets	3,850.3	3,775.5	4,098.0
Assets held for sale	0.0	0.0	0.0
Inventories	617.1	547.0	670.5
Assets from contract with customers	653.3	576.2	791.0
Trade and other receivables	1,358.7	1,195.2	1,356.7
Other current assets	134.8	130.6	178.6
Financial assets	159.3	149.7	188.5
Cash and cash equivalent	927.1	1,176.8	912.7
Total assets	9,938.3	9,928.5	10,306.0
Consolidated Balance Sheet Data:		<i>(Millions of Euros)</i>	
Equity	2,865.3	2,861.4	2,827.3
Equity attributable to shareholders of the parent	2,266.7	2,201.1	2,152.1
Equity attributable to non-controlling interest	598.6	660.3	675.2
Non-current liabilities	3,385.5	3,438.0	3,350.6
Deferred income	72.9	94.9	79.9
Provisions	180.7	181.2	174.4
Non-trade liabilities	2,787.5	2,760.0	2,707.3
Deferred tax liabilities	329.4	387.6	375.2
Other non-current liabilities	15.0	14.3	13.8
Current liabilities	3,687.5	3,629.1	4,128.1
Non-trade liabilities	766.4	895.2	966.5
Trade and other payables	2,888.7	2,710.3	3,137.1
Provisions	25.6	19.1	16.6
Other current liabilities	6.8	4.5	7.9
Total equity and liabilities	9,938.3	9,928.5	10,306.0

7.1. Liquidity

Available Liquidity

Available liquidity consists of cash and cash equivalents and undrawn lines of credit, as shown in our consolidated financial statements, without adjusting non-controlling interests or accessibility restrictions due to the rules applicable to the Group's subsidiaries.

As of September 30, 2024, the Group's liquidity position amounted to €1,907.1 million and included: Cash and other liquid assets amounting to €912.7 million, current financial investments for €188.5 million (including loans granted, portfolio of current securities and other current financial investments), available and undrawn credit lines amounting to €305.9 million and Revolving Credit Facility amounting to €500.0 million.

In addition, the debt maturities for the next 12 months as of September 30, 2024 amounted to €881.2 million (€816.1 million from loans and other loans and financial debts with associates and the rest corresponding to financial leases) and, in the third quarter of 2024, the net cash flow used in investment activities (not including purchases and income between companies) amounted to €198.7 million, while the net cash flow from operating activities amounted to €111.3 million.

Liquidity Risk Management

The Group manages liquidity risk by seeking the availability of cash to cover its cash needs and the maturity of the debt for a period of 12 months, thus avoiding the need to raise funds under unfavorable conditions to cover short-term needs. This liquidity risk management over the next 12 months is complemented by an analysis of the Group's debt maturity profile, seeking an adequate average maturity and, therefore, refinancing short-term maturities in advance, especially the first two years following. As of September 30, 2024, the average maturity of the Group's net financial debt was 3.3 years (estimated considering the use of cash and credit lines with a maturity of more than 12 months to repay the short-term debt).

Our main source of liquidity is our operating cash flow, which is analyzed above. Our ability to generate cash from our operations depends on our future operating performance, which in turn depends, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control.

We believe that the potential risks to our liquidity include: (i) a reduction in operating cash flows due to a lowering in operating profit from our operations, which could be caused by a downturn in our performance or in the industry as a whole ; (ii) the failure or delay of our customers to make payments owed to us; (iii) the failure to maintain low working capital requirements; and (iv) the need to fund expansion and other development capital expenditures.

In the event of lack of liquidity, we may be forced to reduce or delay our business activities and capital expenditures, sell our assets, or obtain additional debt or equity financing.

8. OTHER RELEVANT FINANCIAL DATA

	YTD September 30,	
	2023	2024
Other Financial Data	<i>(Millions of Euros)</i>	
EBITDA	1,010.8	935.5
Cash, cash equivalent and current financial assets	1,086.4	1,101.2
Total Financial Debt	3,321.7	3,537.9
Total Net Financial Debt	2,235.3	2,436.7

	YTD September 30,	
	2023	2024
Operating profit	506.7	405.4
<i>Adjusted for:</i>		
Depreciation, amortization and impairment losses	504.1	530.1
EBITDA	1,010.8	935.5

Cash, cash equivalents and current financial assets as of September 30, 2024 amounted to €1,101.2 million (including cash and equivalents of €912.7 million and current financial investments of €88.5 million).

Non-trade liabilities not considered financial debt as of September 30, 2024 are: €50.1 million in derivative financial instruments, €81.5 million of non-interest bearing short-term liabilities (of which €71.7 million correspond to suppliers of fixed assets and €3.0 million to interim dividend) and €4.3 million of non-interest bearing long-term liabilities.

Net financial debt as of September 30, 2024 amounted to €2,436.7 million. Net financial debt increased by €201.4 million during the last twelve months from €2,235.3 million in September 30, 2023.