



Management Discussion and Analysis of the
Financial Condition and Results of Operations for
the nine months period ended September 30, 2022

Gestamp Automoción, S.A.

November 7, 2022

Index

1. LEGAL NOTICE IN RELATION TO THE PRESENTATION OF FINANCIAL AND OTHER INFORMATION	3
1.1. Financial information and operational data	3
1.2. Industry data	4
1.3. Forward looking statements and other qualifications	4
2. BUSINESS PERFORMANCE UPDATE	5
3. FINANCIAL PERFORMANCE FOR THE PERIOD	7
3.1. Revenues	7
3.2. Operating expenses	7
3.3. EBITDA	8
3.4. Operating result	8
3.5. Financial result	8
3.6. Exchange differences	8
3.7. Income tax expense	8
3.8. Result attributable to non-controlling interests	8
4. FINANCIAL INFORMATION BY GEOGRAPHIC SEGMENT	9
4.1. Revenues & EBITDA	9
5. INFORMATION ON CASH FLOW STATEMENT	11
5.1. Cash flow from operating activities	13
5.2. Working capital	13
5.3. Cash flow used in investing activities	13
5.4. Cash flow from financing activities	13
6. INVESTMENTS IN FIXED ASSETS	14
7. INFORMATION ON CONSOLIDATED BALANCE SHEET	15
7.1. Liquidity	16
8. OTHER RELEVANT FINANCIAL DATA	17

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 2026.

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

2. BUSINESS PERFORMANCE UPDATE

According to the International Monetary Fund (*IMF World Economic Outlook* as of October 2022) global GDP growth will be at 3.2% YoY for 2022 (unchanged from the July 2022 WEO projections) and at 2.7% YoY for 2023 (0.2% lower than the projections in July). As highlighted by the IMF, this is the lowest growth since 2001 with the exception of the 2008 financial crisis and the COVID-19 pandemic. World's growth is being negatively impacted by: i) highest inflation in several decades, ii) rising interest rates as central banks are implementing measures to reduce inflation pressure, iii) risk of potential gas shortage in Europe, and iv) supply chain issues due to COVID-19 lockdowns.

Within the auto sector, IHS forecasts production volumes for the year to grow by +6.0% YoY (IHS geographies as of October 2022), 130 bps above the +4.7% growth estimated in July. However, production volumes growth for 2023 is forecasted at +4.2% YoY, below the +8.0% growth IHS estimated as of July 2022. Production volumes are now expected to surpass those of 2019 only by 2025, which entails that the recovery of the auto sector is going to take longer than initially expected and the sector evolution over the next few years will largely depend on the evolution of the i) supply chain bottlenecks caused by the Russia-Ukraine conflict and the semiconductor supply shortage, and ii) tough macro conditions, including inflation, rising interest rates and geopolitical tensions.

In this context, and following a weaker first half of the year, the auto sector has experienced a positive third quarter of 2022 with a significant increase in production volumes in Gestamp's footprint of +26.8% YoY (according to IHS as of October 2022), or a +11.6% on a quarter-on-quarter (QoQ) basis. This strong growth has been well spread across all regions where Gestamp operates and is mainly due to a higher availability of semiconductors and other components, as the third quarter of 2021 was the most impacted by the semiconductors shortage crisis. As a result, production volumes in the first nine months of the year have increased by +6.7% YoY in Gestamp's footprint (according to IHS as of October 2022).

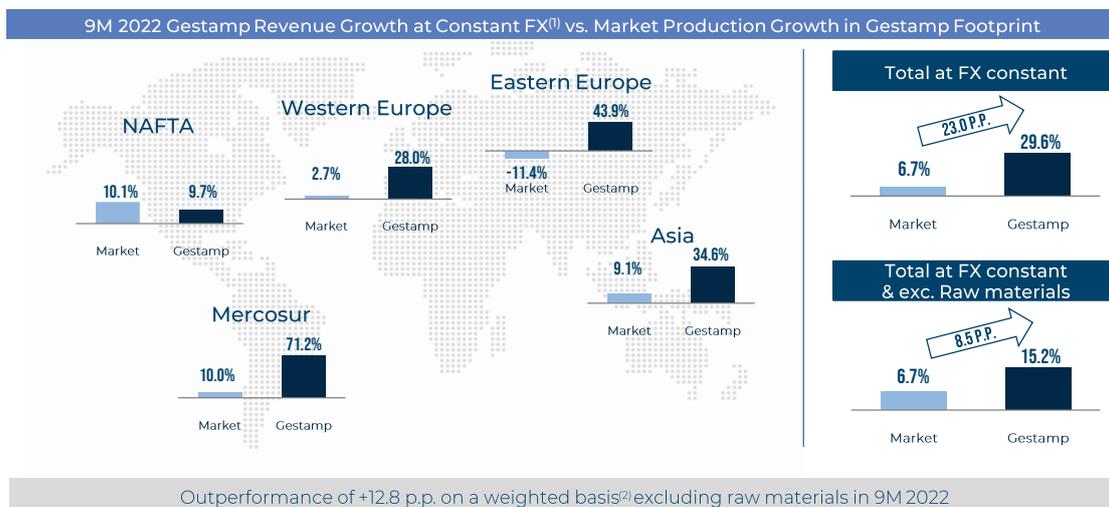
Given the strong market volumes, Gestamp has reached a +30.9% growth in revenues in the first nine months of 2022 (+56.8% YoY in Q3 2022) and outperformed the market on a constant currency basis by 23.0 percentage points (in Gestamp's footprint – IHS data as of October 2022). Revenues include the impact from the raw materials pass through during this period, with no EBITDA impact. Excluding the impact from raw materials price increases on our revenues we have outperformed the market by 8.5 percentage points, while on a weighted basis, the outperformance stood at 12.8 percentage points for the period.

Despite the strong production volumes in the market, the third quarter of 2022 continues to be impacted by high inflation levels, a trend that started to be seen already by the end of 2021 and that has been intensified with the Russia-Ukraine conflict.

Nevertheless, Gestamp has been able to increase its EBITDA in absolute terms in the first nine months of 2022 by +20.9% reaching €847 million. In terms of EBITDA margin, Gestamp has achieved a 12.4% (excluding the impact of raw materials at top line), which is 45 basis points above the 11.9% reported in the same period last year, again proving the step up in profitability achieved as a result of the reduction of our fix cost structure and the flexibility and efficiency measures implemented during 2020 and 2021.

The market context has not changed significantly since our last report in July and the short term continues to be marked by challenging macro conditions including high inflation levels and rising interest rates, together with uncertainties from the gas supply in Europe and the semiconductors shortage crisis that is not yet solved and needs further normalization.

In this context, and based on the current market volume expectations, the Company reiterates its FY 2022 guidance disclosed in its H1 2022 results presentation; implying i) revenue growth outperforming the market by mid-single digit, with additional growth of 10%-15% from raw materials, ii) absolute EBITDA growth of 13% to 15% and an EBITDA margin excluding raw materials in the range of 12.5% to 13.0%, iii) capex levels <9% of revenues (7% from initial guidance, and <2% from the strategic EV projects announced in July 2022), and iv) Free Cash Flow generation of more than €200 million.



1. Gestamp's growth at constant FX used for comparability with production volumes. Market production volume growth is based on countries in Gestamp's production footprint. (IHS data for 9M 2022 as of October 2022). Western Europe data includes Morocco in line with our reporting
 2. Market and Gestamp weighted growth measured with 9M 2021 geographical weights as a base (at constant FX and excluding raw materials)

3. FINANCIAL PERFORMANCE FOR THE PERIOD

	Third Quarter			YTD Septiembre 30,		
	2021	2022	% Change	2021	2022	% Change
Consolidated Income Statement Data	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Operating income	1,835.4	2,894.8	57.7%	6,017.1	7,981.5	32.6%
Revenue	1,803.1	2,826.6	56.8%	5,878.5	7,697.2	30.9%
Other operating income	27.1	46.3	70.8%	77.4	110.5	42.7%
Changes in inventories	5.2	21.8	317.1%	61.1	173.8	184.3%
Operating expenses	-1,632.9	-2,601.7	59.3%	-5,316.4	-7,134.2	34.2%
Raw materials and other consumables	-1,069.3	-1,880.9	75.9%	-3,515.8	-5,059.3	43.9%
Personnel expenses	-331.4	-401.6	21.2%	-1,062.2	-1,201.7	13.1%
Other operating expenses	-232.2	-319.3	37.5%	-738.4	-873.3	18.3%
EBITDA	202.5	293.1	44.7%	700.7	847.3	20.9%
Depreciation, amortization and impairment losses	-136.8	-157.4	15.1%	-427.1	-471.3	10.3%
Operating profit	65.7	135.7	106.6%	273.6	376.0	37.4%
Finance income	0.8	4.3	456.8%	6.6	11.3	71.1%
Finance expenses	-32.2	-42.6	32.1%	-110.8	-103.1	-7.0%
Exchange gains (losses)	1.2	3.4	199.9%	8.0	9.2	15.2%
Other	0.4	0.4	20.1%	2.3	-0.8	-135.7%
Profit from continuing operations	35.7	101.3	183.6%	179.6	292.6	62.9%
Income tax expense	-8.2	-22.0	166.8%	-41.3	-67.3	62.7%
Profit for the period	27.5	79.3	188.6%	138.2	225.3	63.0%
Profit (loss) attributable to non-controlling interests	-9.5	-13.4	41.1%	-37.4	-42.3	13.1%
Profit attributable to equity holders of the parent	18.0	65.9	266.9%	100.8	183.0	81.5%

3.1. Revenues

During the third quarter of 2022, revenues reached €2,826.6 million, of which Body-in-White and Chassis represented €2,448.3 million, Mechanisms €291.0 million, and Tooling and others €87.3 million.

Revenues in the third quarter of 2022 increased by €1,023.6 million or +56.8% to €2,826.6 million versus €1,803.1 million in the third quarter of 2021. This increase is due to the pass-through to customers of the increase in raw materials prices, as well as the positive YoY evolution of market volumes in Western Europe, Mercosur and Asia, and partially offset by the reduction in volumes in Russia.

3.2. Operating expenses

Raw materials and other consumables. Expenses related to raw materials and other consumables increased by €811.5 million, or +75.9%, to €1,880.9 million in the third quarter of 2022, compared to €1,069.3 million for the same period of 2021. This increase is mainly due to the increase in steel prices, which has been passed through to sales prices to our customers.

Personnel expenses. Personnel expenses increased by €70.2 million, or +21.2% for the third quarter of 2022 to €401.6 million from €331.4 million for the same period in 2021, as a result of the increase in the activity level and partly offset by our cost reduction and flexibility measures.

Other operating expenses. Other operating expenses increased by €87.1 million, or +37.5%, to €319.3 million in the third quarter of 2022 from €232.2 million for the same period of 2021, also explained by the increase in the activity level and partly offset by our cost reduction and flexibility measures.

3.3. EBITDA

EBITDA increased by €90.6 million for the third quarter of 2022 to €293.1 million from €202.5 million for the same period in 2021, reflecting the increase in activity level, and supported by the cost reduction and flexibility measures implemented by the Group.

Depreciation, amortization and impairment losses. Depreciation expense increased by €20.6 million, or +15.1%, to €157.4 million for the third quarter of 2022 versus €136.8 million in the same period in 2021.

3.4. Operating result

The operating result increased by €70.0 million to €135.7 million in the third quarter of 2022 versus €65.7 million for the same period in 2021, as a result of the higher EBITDA.

3.5. Financial result

Net financial expenses for the third quarter of 2022 increased by €6.8 million, or +21.7%, to €38.3 million versus €31.5 million for the same period in 2021. This increase is mainly due to the increase in the Euribor interest rate, which is the reference rate for most of our financing.

3.6. Exchange differences

Exchange gains amounted to €3.4 million in the third quarter of 2022 versus gains of €1.2 million in the third quarter of 2021. Exchange gains in Q3 2022 were mainly recorded in United States and Mexico.

3.7. Income tax expense

The tax expense was €22.0 million in the third quarter of 2022, which implies a difference of €13.7 million with the €8.2 million tax expense for the same period in 2021. Effective tax rate for the period was 21.7%.

3.8. Result attributable to non-controlling interests

Result attributable to non-controlling interests for the third quarter of 2022 implied a negative impact of €13.4 million. The gains attributable to non-controlling interests in the third quarter of 2022 is consistent with the performance of Profit Before Tax and is 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,		
	2021	2022	% Change	2021	2022	% Change
Revenues	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	644.7	1,088.5	68.8%	2,454.7	3,146.6	28.2%
Eastern Europe	296.2	379.8	28.2%	936.1	1,083.3	15.7%
NAFTA	474.0	617.2	30.2%	1,363.8	1,677.9	23.0%
Mercosur	120.8	265.8	120.0%	342.0	643.3	88.1%
Asia	267.4	475.4	77.8%	782.0	1,146.1	46.6%
Total	1,803.1	2,826.6	56.8%	5,878.5	7,697.2	30.9%

	Third Quarter			YTD September 30,		
	2021	2022	% Change	2021	2022	% Change
EBITDA	<i>(Millions of Euros)</i>			<i>(Millions of Euros)</i>		
Western Europe	57.4	100.0	74.2%	250.1	311.6	24.6%
Eastern Europe	52.8	53.6	1.4%	157.8	168.9	7.1%
NAFTA	46.3	45.2	-2.3%	151.3	134.7	-11.0%
Mercosur	14.3	32.4	126.7%	38.3	83.4	117.7%
Asia	31.6	61.8	95.4%	103.2	148.7	44.0%
Total	202.5	293.1	44.7%	700.7	847.3	20.9%

Western Europe

In the quarter, revenues reached €1,088.5 million, an increase of €443.8 million, or +68.8% (+69.0% at constant FX) versus Q3 2021. This increase in revenues has been well spread across all countries in the region mainly due to a soft comparison basis, as Q3 2021 was strongly impacted by the semiconductors shortage, and also partly explained by the pass-through to customers of the increase in the price of raw materials.

EBITDA in the quarter rose to €100.0 million, an increase of €42.6 million or +74.2% versus the Q3 2021 €57.4 million figure. This leads to an EBITDA margin of 9.2% in the third quarter.

During the first nine months of the year, revenues in Western Europe reached €3,146.6 million, an increase of €692.0 million, or +28.2% (+28.0% at constant FX) versus 9M 2021. EBITDA reached €311.6 million in the region, an increase of €61.5 million, or 24.6% versus 9M 2021, with an EBITDA margin of 9.9%.

Eastern Europe

Revenues in Q3 2022 increased by €83.6 million, or +28.2% (+65.2% at constant FX) versus the third quarter of 2021, reaching €379.8 million. Performance was positive across all countries in the region, except for Russia. The region experienced FX headwinds, mainly in Turkey which impacts negatively our reported results.

In the quarter, EBITDA reached €53.6 million, resulting in a +1.4% increase when compared to the third quarter of 2021. EBITDA margin in the quarter was 14.1%.

During the first nine months of 2022, revenues saw an increase of €147.2 million, or +15.7% (+43.9% at constant FX) versus the first nine months of 2021, reaching €1,083.3 million. EBITDA in Eastern Europe reached €168.9 million during the first nine months of 2022, resulting in a +7.1% rise or an increase of €11.1 million when compared to the first nine months of 2021. EBITDA margin reached a 15.6% in 9M 2022.

NAFTA

Revenues in Q3 2022 increased by €143.3 million, or +30.2% (+12.2% at constant FX) versus Q3 2021, reaching €617.2 million as a result of the pass-through to customers of the increase in the price of raw materials.

During Q3 2022, EBITDA in the region reached €45.2 million, a slight decrease of €1.1 million or -2.3% when compared to Q3 2021, which implies an EBITDA margin of 7.3% in the period.

In 9M 2022, NAFTA reported revenues increase of €314.1 million, or +23.0% (+9.7% at constant FX) versus 9M 2021, reaching €1,677.9 million. EBITDA in NAFTA reached €134.7 million in 9M 2022, with a decrease of -11.0% or -€16.7 million when compared to 9M 2021.

Mercosur

During the third quarter, revenues in the region increased by €145.0 million, or +120.0% (+102.9% at constant FX) versus Q3 2021, reaching €265.8 million. This positive performance in the quarter comes as a result of a strong production volumes recovery in the region with a 33.4% YoY growth (IHS data as of October 2022 for Gestamp's footprint) on higher semiconductors availability.

EBITDA in Q3 2022 reached €32.4 million, an increase of €18.1 million versus €14.3 million in the third quarter of 2021. EBITDA margin in the region improved to a 12.2% in the quarter.

Revenues in Mercosur reached €643.3 million in 9M 2022, an increase of €301.3 million or +88.1% (+71.2% at constant FX) from €342.0 million in 9M 2021. EBITDA rose to €83.4 million during the first nine months of 2022, an increase of €45.1 million from €38.3 million in the first nine months of 2021.

Asia

During Q3 2022, revenues reached €475.4 million, implying an increase of €208.0 million, or +77.8% (+62.4% at constant FX) versus Q3 2021, also due to the soft comparison basis in Q3 2021 due to semiconductors shortage.

EBITDA in the quarter at €61.8 million implied an increase of €30.2 million or +95.4% versus the €31.6 million seen in Q3 2021, leading to an EBITDA margin of 13.0%.

During the first nine months of 2022, revenues reached €1,146.1 million, an increase of €364.1 million, or +46.6% (+34.6% at constant FX) versus 9M 2021. In 9M 2022 EBITDA in Asia reached €148.7 million, a €45.5 million increase or +44.0% when compared to the €103.2 million reported in 9M 2021. EBITDA margin in the region was 13.0% during the first nine months of the year.

5. INFORMATION ON CASH FLOW STATEMENT

	Third Quarter		YTD September 30,	
	2021	2022	2021	2022
CASH FLOWS FROM OPERATING ACTIVITIES	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Profit for the year before taxes and minority interest	35.8	101.3	179.6	292.6
Adjustments to profit	166.8	191.8	521.1	554.7
Depreciation and amortization of fixed assets	136.8	157.4	427.1	471.3
Financial income	-0.8	-4.3	-6.6	-11.3
Financial expenses	32.2	42.6	110.8	103.1
Total exchange rate differences	-1.2	-3.4	-8.0	-9.2
Share of profits from associates - equity method	-0.3	-0.4	-0.8	-2.3
Change in fair value of financial instruments	0.0	0.0	0.0	0.0
Gains or losses on disposal of financial instruments	0.4	0.0	0.0	0.0
Inflation result	-0.4	0.0	-1.5	3.1
TOTAL EBITDA	202.5	293.1	700.7	847.3
Other Adjustments to profit	-10.1	-25.5	-33.2	-56.7
Change in provisions	-6.0	-1.7	-3.3	5.4
Grants released to income	-1.0	-1.2	-3.6	-3.4
Profit from disposal of fixed assets	-4.9	-0.9	-6.4	-1.1
Unrealized exchange rate differences	1.8	-21.8	-21.3	-54.5
Other income and expenses	-0.1	0.0	1.5	-3.1
Changes in working capital	26.8	10.6	-14.3	-26.6
(Increase)/Decrease in Inventories	-38.6	-67.5	-151.9	-288.1
(Increase)/Decrease in Trade and other receivables	86.1	-106.2	104.3	-493.8
(Increase)/Decrease in Other current assets	1.5	1.1	-8.1	-23.0
Increase/(Decrease) in Trade and other payables	-16.7	181.1	44.6	768.5
Increase/(Decrease) in Other current liabilities	-5.4	2.2	-3.2	9.9
Other cash-flows from operating activities	-42.2	-43.4	-135.7	-128.2
Interest paid	-25.9	-34.8	-107.7	-95.8
Interest received	0.8	4.3	6.6	11.3
Proceeds (payments) of income tax	-17.0	-12.8	-34.5	-43.7
Cash flows from operating activities	177.1	234.9	517.5	635.8

	Third Quarter		YTD September 30,	
	2021	2022	2021	2022
CASH FLOWS FROM INVESTING ACTIVITIES	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Payments on investments	-157.8	-222.7	-489.1	-637.2
Group companies and associates	0.0	0.0	0.0	0.0
Intangible assets	-19.6	-25.3	-57.4	-71.1
Property, plant and equipment	-130.6	-194.0	-419.3	-544.4
Other financial assets	-7.7	-3.4	-12.4	-21.6
Proceeds from divestments	7.6	5.0	15.1	24.4
Group companies and associates	0.0	0.0	0.0	0.0
Intangible assets	0.5	1.2	1.2	1.6
Property, plant and equipment	8.1	3.2	13.0	22.3
Other financial assets	-1.0	0.6	0.9	0.6
Grants, donations and legacies received	1.9	1.8	2.2	4.6
Cash flows from investing activities	-148.4	-216.0	-471.8	-608.2
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds and payments on equity instruments	-4.4	12.1	-53.4	-62.9
Purchase of shares from non-controlling interests	0.0	0.0	-25.7	-33.0
Contribution of funds from non-controlling interests	0.0	0.8	0.0	0.8
Change in non-controlling interests	-1.8	-1.1	-5.6	0.0
Own shares	-1.9	-0.9	-4.3	-0.8
Other equity movements	-0.7	13.4	-17.7	-29.8
Proceeds and payments on financial liabilities	-324.1	-40.0	-1,208.3	-12.5
Proceeds from	39.1	115.8	115.5	348.2
Bonds and other securities to trade	0.0	0.0	0.0	0.0
Interest-bearing loans and borrowings	37.5	165.7	112.0	330.0
Net increase of credit lines and commercial discount	0.0	-66.5	0.0	0.0
Borrowings from Group companies and associates	0.0	7.2	0.0	8.4
Other borrowings	1.6	9.4	3.5	9.9
Repayment of	-363.2	-155.9	-1,323.9	-360.8
Bonds and other securities to trade	0.0	0.0	-500.0	0.0
Interest-bearing loans and borrowings	-265.1	-119.8	-410.0	-268.7
Net decrease of credit lines and commercial discount	-101.0	-37.3	-413.8	-92.1
Borrowings from Group companies and associates	3.4	0.0	2.3	0.0
Other borrowings	-0.4	1.3	-2.4	0.0
Payments on dividends and other equity instruments	-3.7	-30.3	-4.0	-53.3
Dividends	-3.7	-30.3	-4.0	-53.3
Cash flows from financing activities	-332.2	-58.2	-1,265.7	-128.7
Effect of changes in exchange rates	-0.6	25.3	29.3	63.6
Cash in assets held for sale	0.0	0.0	0.0	0.0
NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS	-304.0	-14.0	-1,190.7	-37.5

5.1. Cash flow from operating activities

Cash flow from operating activities in the third quarter of 2022 increased by €57.8 million to a net amount of €234.9 million, from €177.1 million for the same period of 2021. This increase was primarily due to the increase in EBITDA by €90.6 million.

5.2. Working capital

Working capital represented a cash inflow of €10.6 million during the third quarter of 2022 versus a cash inflow of €26.8 million in the third quarter of 2021.

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 (mainly steel), and other current assets that include accounts receivable with the Public Treasury for payments on account of taxes or tax refunds.

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

5.3. Cash flow used in investing activities

Cash flow used in investing activities during the third quarter of 2022 increased by €67.5 million to €216.0 million from €148.4 million for the same quarter of 2021. The investments in the third quarter of 2022 were mainly focused on projects in United States, China, Turkey, Germany and Brazil.

5.4. Cash flow from financing activities

Cash flow used by financing activities during the third quarter of 2022 amounted to €58.2 million primarily due to the repayment of bilateral financing transactions of €155.9 million partially offset by the new bilateral financial operations of €115.8 million.

6. INVESTMENTS IN FIXED ASSETS

	Third Quarter		YTD September 30,	
	2021	2022	2021	2022
Capital expenditures	<i>(Millions of Euros)</i>		<i>(Millions of Euros)</i>	
Intangible assets	19.6	23.8	56.8	69.7
Tangible assets	101.0	153.6	275.6	453.3
- Growth Capex	46.8	100.3	109.7	287.4
- Recurrent Capex	54.1	53.3	165.9	165.9
Total (excl IFRS 16)	120.5	177.4	332.4	522.9
- Effect IFRS 16	0.3	26.8	7.1	57.6
Total	120.9	204.2	339.5	580.6

Investments in fixed assets during the third quarter of 2022 amounted to €204.2 million compared to the €120.9 million for the third quarter of 2021. This represents a 68.9% increase in capital expenditures. Investments in fixed assets consist mainly of property, plant and equipment.

Growth capital expenditure during the third quarter of 2022 has reached €100.3 million. Growth capex include greenfield projects, additional plant expansions, and new customer products / technologies.

Recurrent capex in the third quarter of 2022 has been €53.3 million. Recurrent capex includes investments in plant maintenance and business replacement.

Intangible capital expenditures during Q3 2022 amounted to €23.8 million and includes investments 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, 2022			
	Total	Less than 1 year	1 - 5 years	More than 5 years
Contractual obligations	<i>(Millions of Euros)</i>			
Interest bearing loans and borrowings	2,858.4	579.4	2,249.7	29.3
Financial leases and operating leasing	473.9	83.0	191.8	199.060
Borrowings from associated companies	136.3	5.0	120.1	11.2
Other financial debts	328.0	310.4	15.1	2.5
Total Financial Debts	3,796.5	977.8	2,576.7	242.1
Non interest bearing loans	22.4	0.0	14.4	8.0
Current non-trade liabilities	108.6	98.4	10.2	0.0
Total Contractual Obligations	3,927.5	1,076.2	2,601.3	250.1

7. INFORMATION ON CONSOLIDATED BALANCE SHEET

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

	September 30, 2021	December 31, 2021	September 30, 2022
Consolidated Balance Sheet Data:	<i>(Millions of Euros)</i>		
Non-current assets	5,341.0	5,383.9	5,955.0
Intangible assets	458.1	474.6	480.2
Property, plant and equipment	4,268.7	4,324.2	4,736.2
Financial assets	109.2	108.2	213.0
Deferred tax assets	505.0	476.8	525.5
Current assets	2,981.0	3,257.5	4,064.7
Assets held for sale	0.0	0.0	0.0
Inventories	449.2	449.7	564.1
Assets from contract with customers	504.3	372.2	588.1
Trade and other receivables	752.2	787.4	1,255.6
Other current assets	116.6	103.0	126.1
Financial assets	44.8	65.1	88.0
Cash and cash equivalent	1,113.9	1,480.2	1,442.8
Total assets	8,322.0	8,641.4	10,019.7

	September 30, 2021	December 31, 2021	September 30, 2022
Consolidated Balance Sheet Data:	<i>(Millions of Euros)</i>		
Equity	2,132.4	2,221.4	2,739.9
Equity attributable to shareholders of the parent	1,683.1	1,753.7	2,201.1
Equity attributable to non-controlling interest	449.3	467.7	538.8
Non-current liabilities	3,556.8	3,599.7	3,429.6
Deferred income	36.1	34.8	35.9
Provisions	178.9	181.1	163.4
Non-trade liabilities	3,018.2	3,054.3	2,851.3
Deferred tax liabilities	313.0	314.4	360.3
Other non-current liabilities	10.6	15.1	18.7
Current liabilities	2,632.8	2,820.3	3,850.1
Non-trade liabilities	739.3	949.0	1,076.2
Trade and other payables	1,829.8	1,836.3	2,702.6
Provisions	44.1	29.4	55.8
Other current liabilities	19.6	5.6	15.5
Total equity and liabilities	8,322.0	8,641.4	10,019.7

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, 2022, the Group's liquidity position amounted to €2,373.8 million and included: Cash and other liquid assets amounting to €1,442.8 million, current financial investments of €88.0 million (including loans granted, portfolio of current securities and other current financial investments), available and undrawn long-term credit lines (including Revolving Credit Facility) amounting to €400.0 million and available and undrawn short-term credit lines amounting to €443.0 million.

In addition, the debt maturities for the next 12 months as of September 30, 2022 amounted to €977.8 million (€584.4 million from loans and other loans and financial debts with associates, €393.4 million from debts owed to third parties at cost and the rest corresponding to financial leases) and, in the third quarter of 2022, the net cash flow used in investment activities (not including purchases and income between companies) amounted to €216.0 million, while net cash flow from operating activities amounted to €234.9 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, 2022, the average maturity of the Group's net financial debt was 3.63 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 September 30,	
	2021	2022
Other Financial Data	<i>(Millions of Euros)</i>	
EBITDA	700.7	847.3
Cash, cash equivalent and current financial assets	1,158.7	1,530.8
Total Financial Debt	3,615.7	3,796.5
Total Net Financial Debt	2,457.0	2,265.7

	YTD September 30,	
	2021	2022
Operating profit	273.6	376.0
<i>Adjusted for:</i>		
Depreciation, amortization and impairment losses	427.1	471.3
EBITDA	700.7	847.3

Cash, cash equivalents and current financial assets include cash and equivalents as of September 30, 2022 in the amount of €1,442.8 million and current financial investments of €88.0 million (including loans and accounts receivable, portfolio of current securities and other current financial assets). Net financial debt as of September 30, 2022 amounted to €2,265.8 million.

The following non-trade liabilities are not considered financial debt as of September 30, 2022: €10.2 million of derivative financial instruments, €98.4 million of non-interest bearing short-term liabilities (of which €89.6 million correspond to suppliers of fixed assets and €0.6 million to interim dividend) and €22.4 million of non-interest bearing long-term liabilities.