



Madrid, May 19, 2020

In accordance with the provisions of article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and article 226 of the Restated Text of the Securities Exchange Act (Ley del Mercado de Valores), Gestamp Automoción, S.A. (the “**Company**” or “**Gestamp**”) hereby informs of the following

INSIDE INFORMATION

As part of the inside information published on April 21, 2020 (official registry no. 169), the Company announced that the Board of Directors had resolved that, given the uncertain situation caused by the COVID-19 pandemic, it is not advisable to proceed with the complementary dividend distribution scheduled for July (additional to the interim dividend already paid last January).

Following the above-consideration, the Company announces that yesterday, the Board of Directors, in accordance with *Royal Decree-Law 8/2020 of 17 March, on urgent extraordinary measures to deal with the economic and social impact of COVID-19* (“**Royal Decree-Law 8/2020**”) and after the prior favorable report issued by the Audit Committee, agreed to replace the proposed appropriation of results for the financial year ended on December 31, 2019 included in the annual financial statements drawn up by the Board of Directors on February 27, 2020, proposing instead the following:

- the distribution of a final fixed gross dividend of EUR 31,611,861 (EUR 0.055 per share) which was already paid in full on 14 January 2020 as an interim dividend for the year 2019 and, therefore, now becomes a final dividend, and
- the remaining profits to “unrestricted reserves”.

The supporting report of the Board of Directors for the replacement of the proposed appropriation of results and the letter from the Company’s external auditor ratifying that the proposed appropriation of results would not have changed their opinion included in their audit report dated on February 27, 2020 if the aforementioned new proposal for appropriation of results had been known at the time of signing the audit report, are attached to this inside information communication.

The new proposed appropriation of results will be submitted for approval at the next Ordinary General Shareholders’ Meeting.

This decision is made in response to the exceptional situation caused by COVID-19. Hence, it is temporary in nature and does not imply any change with regards to the Dividend Policy approved on 17 December 2018, which will continue to be applied by the Company when circumstances allow.

Finally, in accordance with Royal Decree-Law 8/2020, the supporting report issued by the Board of Directors and the external auditor's letter are also published on the Company's website (www.gestamp.com).



SUPPORTING REPORT DRAFTED BY THE BOARD OF DIRECTORS OF GESTAMP AUTOMOCIÓN, S.A., IN RELATION TO THE REPLACEMENT OF THE PROPOSED APPROPRIATION OF RESULTS FOR 2019.

1.- BACKGROUND

On 14 March 2020, Spain declared a state of alarm pursuant to the terms of *Royal Decree 463/2020, of 14 March, whereby a state of alarm is decreed in response to the health crisis situation prompted by COVID-19*; this state of alarm was later extended on several occasions.

As a result of the aforementioned declaration of the state of alarm, the Government of Spain has proposed a series of extraordinary economic and social measures set forth in *Royal Decree-Law 8/2020, of 17 March, on extraordinary urgent measures to deal with the economic and social impact of COVID-19*, and subsequently amended by *Royal Decree 11/2020, of 31 March, whereby additional urgent social and economic measures are enacted to deal with COVID-19 (hereinafter, "Royal Decree-Law 8/2020")*, among others.

Among other measures, Royal Decree-Law 8/2020 authorises businesses to replace the proposed appropriation of results contained in the notes to their previously formulated financial statements when they call an ordinary general shareholders' meeting after the entry into force of the decree.

In this regard, the Board of Directors of Gestamp Automoción, S.A. (hereinafter, the "**Company**" or "**Gestamp**"), at its meeting on 20 April 2020, considered that, taking into account the current circumstances, it was not advisable to proceed with the complementary dividend payment scheduled for July. Therefore, at the meeting held today, it resolved to replace the proposed appropriation of results for 2019 formulated on 27 February 2020, subject to a report in favour from the Audit Committee.

2.- PURPOSE OF THIS REPORT

Pursuant to articles 40.6 and 41.3 of Royal Decree-Law 8/2020, the replacement of the proposed appropriation of results must be accompanied by a supporting report by the Board of Directors, which must be published on the Company's website and on the website of the Spanish National Securities Market Commission.

The purpose of this report is to comply with the provisions of said regulation, and it is formulated by the Company's Board of Directors to justify the replacement of the proposed appropriation of results for 2019 and submitted to the Company's General Ordinary Shareholders' Meeting.



3.- PROPOSED REPLACEMENT

At its meeting on 27 February 2020, the Company's Board of Directors formulated the following proposal for appropriation of results for the year ended 31 December 2019, which is also found in Note 3 to the Company's individual financial statements and in Note 17.4 of the notes to the consolidated financial statements of the Company and the Group for 2019:

	<i>Euros (€)</i>
To unrestricted reserves	90,912,647
To interim dividend	31,611,861
To complementary dividend	32,186,622
Total Profit of the Company	154,711,130

Pursuant to the terms of article 40.6 bis of Royal Decree-Law 8/2020, the Board of Directors, at its meeting on 18 May 2020, resolved to replace the proposal for appropriation of results above with the following proposal, subject to a report in favour from the Audit Committee:

	<i>Euros (€)</i>
To unrestricted reserves	123,099,269
To interim dividend	31,611,861
Total Profit of the Company	154,711,130

This replacement of the proposal appropriation of results for 2019 only affects Notes 3 and 17.4 of the notes to the individual and consolidated financial statements of Gestamp for 2019, respectively, so it is not necessary to restate them.

4.- RATIONALE OF THE PROPOSED REPLACEMENT

Having analysed the economic impact of the health crisis prompted by COVID-19 in Spain and in other countries where Gestamp operates, the Company's Board of Directors has concluded that, at the present time, the conditions needed to pay out the additional dividend are not present and that, therefore, the proposal for appropriation of results formulated on 27 February 2020 must be replaced.

In this regard, following the principle of prudence that is a cornerstone of its financial strategy, the Board of Directors bases this decision on the need to obtain as much liquidity as possible to face the possible challenges that may arise as a result of this health crisis.

However, given the exceptional nature of the situation caused by COVID-19, this decision shall be temporary in nature and will not imply a change in the Dividend Policy approved on 17 December 2018, which will be applied when circumstances allow.

Madrid, May 18, 2020

(Translation of the letter originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

May 18, 2020

GESTAMP AUTOMOCIÓN, S.A.
Polígono Industrial de Lebario s/n
48220 Abadiño (Vizcaya) Spain

To the Board of Directors of GESTAMP AUTOMOCIÓN, S.A.

Dear Sir/Madam:

At its meeting held on February 27, 2020, the Board of Directors of GESTAMP AUTOMOCIÓN, S.A. proposed the following appropriation of profit/(loss):

	Euros
Interim dividend	31.611.861
Dividend	32.186.622
Unrestricted reserves	90.912.647
Total	154.711.130

This proposal is included in note 3 of the stand-alone financial statements (note 17.4 to the consolidated financial statements) for the year ended December 31, 2019, which were authorized for issue by the Board of Directors in the abovementioned meeting, and on which we issued our audit reports on February 27, 2020, in which we expressed an unqualified opinion.

As explained in the accompanying documentation (see Annex), in its meeting held on May 18, 2020, the Board of Directors resolved to replace the proposed appropriation of profit/(loss) initially approved with:

	Euros
Interim dividends	31.611.861
Unrestricted reserves	123.099.269
Total	154.711.130

In this context, we confirm that, had we known the newly proposed appropriation at the date we signed our report, this decision would not have modified our audit opinion in the audit report we issued on February 27, 2020 on the financial statements of GESTAMP AUTOMOCIÓN, S.A. for the year ended December 31, 2019.

This letter refers exclusively to the decision to modify the proposed appropriation of profit/(loss) that will be submitted to the Board of Directors. Since we issued our audit report on February 27, 2020, we have not performed any audit procedures on other matters or on subsequent events that may have occurred as of that date.

This letter has been issued at the request of the Board of Directors of GESTAMP AUTOMOCIÓN, S.A. for the information of the Shareholders' Meeting of GESTAMP AUTOMOCIÓN, S.A. as required by article 40.6.bis of Royal Decree Law 8/2020 and may not be used for any other purpose.

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

Ramón Masip López
Partner