

Gestamp 2021 Capital Markets Day

- Leading market position in BiW, Chassis and Mechanisms with best-in-class footprint, technological leadership and strengthened financial position
- Strategically positioned for the transition to electric & autonomous vehicles, offering auto manufacturers with lightweight solutions that enhance both range and safety
- Although the auto market remains challenging in the short-term, sustained mid-single digit market outperformance is expected
- Strong EBITDA generation reaching 13% of revenue in 2022, through various levers leading to profitability improvements
- Focus on positive free cash flow generation over 2021-2022, with strategic and controlled capex allocation policies, reaching above €200m in 2022
- Strengthening competitiveness through our R&D capabilities and Industry 4.0 initiatives which are a key differentiator at a time of accelerating industry transformation and complexity
- Strong commitment to become an industry leader across the ESG spectrum, with already substantial environmental and social impact driven by our lightweight solutions that enhance both feasibility of electrification and safety

Madrid, 15th June 2021.- Gestamp, the multinational company specialized in the design, development and manufacture of highly engineered metal components for the automotive industry, holds today its first Capital Markets Day aimed at providing an update on the market environment, its strategic positioning and the forward-looking financial targets.

Gestamp's Strategy

Leveraging on its expanded footprint and technological leadership, Gestamp has outperformed the market reaching most of the strategic objectives set in the IPO and continues to be a key strategic partner to worldwide leading OEMs.

The Group's success will continue to be based on its four proven strategic pillars: technological differentiation, operational excellence, global footprint, and financial robustness.

Automotive Market and Gestamp's Positioning

Following the 2020 collapse, the increasing EV and outsourcing trends are tailwinds for Gestamp to strengthen its unique positioning within OEMs, leveraging on its key growth pillars:

1. Technological and product leadership
2. Global footprint with local reach
3. Reliable strategic partner to OEMs

Gestamp's strong presence in the largely growing regions and segments, together with its leadership edge, should help sustain strong market outperformance over the coming years, having already secured 95% of targeted revenues up to 2022 through the orderbook.

Enhanced operational excellence

Previous years' constraints, following the high capex deployment and increased operational complexities due to ramp-ups have translated into margins below prospects.

In a backward-looking perspective, Gestamp has gained strong operational capabilities by readdressing the issues and is today a better prepared company to face future challenges. These learnings, together with a newly defined capex profile and an enhanced operational excellence, will further expand profitability and reinforce the future cash generation of the Group.

Strengthened financial profile and shareholder value

During 2020, despite the unprecedented market environment experienced during 2020 due to COVID-19, Gestamp has proven its resilient business model through the implementation of cost reduction measures and debt control.

For 2021, Gestamp reiterates the outlook and focus on increasing profitability and free cash flow generation. The Group expects revenues to outperform the global auto production market by mid-single digit. The continued focus on executing the Transformation Plan will allow the Group to reach an EBITDA margin above 12% by the end of 2021. Capex for 2021 is expected to be at c. 7% of revenues and net debt to be below €2bn, both excluding IFRS 16.

Going forward, up to 2022 Gestamp will continue enhancing the financial flexibility and shareholder value creation by:

- outperforming worldwide automotive production market by mid-single digit;
- achieving an EBITDA margin over 13%, through the increase in volumes, fixed cost reduction and operational stabilisation;
- growing net income +30% above 2019 level;
- maximizing existing generic capacity and moderating capex at around 7% of revenues (excluding IFRS 16 impacts);
- generating free cash flow above €200m; and
- reducing our leverage ratio below 1.8x net debt to EBITDA (excl. IFRS 16 impacts).

Mid-term Ambition

Beyond 2022, Gestamp will focus on new opportunities whilst keeping a prudent financial profile in order to maintain organic growth and be ready for any new inorganic opportunities arising.

- **R&D as the backbone for the relationships with OEMs**

Over the years, Gestamp's approach to R&D as a full-service supplier and strategic development partner of OEMs, has strengthened its positioning as an embedded provider of critical technology. The close collaboration with OEMs has led to over 300 co-development programs resulting in a constant delivery of solutions, especially regarding safety and lightweight. Looking forward, Gestamp has a clear roadmap towards advanced development and innovations, as electrification increases Gestamp's product portfolio.

- **From industry digitalization towards the Smart Factory**

In order to meet the market challenges in a rapidly changing environment, Gestamp has been working for years on the development of the digital factory and is now moving to a smart and connected model that seeks to increase the flexibility of its industrial facilities. The deep in-house knowledge of digital technologies applied to the industry is already resulting in performance improvements and efficiencies, and in the development of new concepts such as the flexi-manufacturing that will make Gestamp more competitive from both a return and capital allocation perspective. This will further improve the Group's already resilient risk profile.

- **Implementation of the ATENEA Plan**

Gestamp is working on consolidating its Operational Excellence in all its plants and facilitating the transition towards higher value-added corporate functions. The ATENEA Plan focuses on improving efficiency and effectiveness by working on the organization, processes, and systems.

- **ESG at the heart of Gestamp's strategy**

Gestamp's ESG policy is a key factor in its performance and excellence. Backed by regularly measured objectives that have already been acknowledged by the market, aims to engage all Group's stakeholders around three pillars: becoming a greener company, making a positive contribution to society, and achieving high levels of corporate governance.

About Gestamp

Gestamp is a multinational specialized in the design, development and manufacture of highly engineered metal components for top vehicle manufacturers. It develops products with an innovative design to produce lighter and safer vehicles, including EVs, which offer improved energy consumption and a reduced environmental impact. Its products cover the areas of body-in-white, chassis and mechanisms.

The company is present in 24 countries with more than 100 manufacturing plants, 13 R&D centers and a workforce of more than 40,000 employees worldwide. Its turnover was €7,456m in 2020. Gestamp is listed on the Spanish stock market under the GEST ticker.

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