MANAGEMENT REPORT

1. EVOLUTION OF THE COMPANY DURING THE YEAR

COMPLIANCE WITH 2012 TARGETS[1] AND LAUNCH OF THE BUSINESS PLAN 2013-2015 ORIENTED TOWARDS PROFITABLE PERFORMANCE AND CREATION OF VALUE IN AN ENVIRONMENT OF LOWER GROWTH

In a complex financial environment and operating in a highly competitive market, Gamesa Corporación Tecnológica[2] ended 2012 with normalised financial results in line with the committed guidelines for the year: 2,119 MWe, a positive normalised EBIT for the group and wind turbines[3] and a net financial debt totalling EUR 495 million, after generating EUR 690 million in net free cash flow over the latest quarter of the year and EUR 216 million during the year. The Group's net profit has nevertheless been impacted by special items for a net total of EUR 600 million, which is the result of the alignment of the Company's balance sheet to the new market reality and to the business plan 2013-2015, a plan that was presented and implemented during the fourth quarter of 2012.

Main consolidated figures for[4] 2012

- **Sales:** EUR 2,844 million (-6.2% y/y)
- **Normalised EBIT:** EUR 5 million
- **Net recurring profit** EUR -59 million
- **Special items:** EUR 600 million (net amount)
- **Net profit:** EUR -659 million
- **Net Financial Debt:** EUR 495 million

Main Wind Turbine figures 2012

- **MWe sold:** 2,119 (-24.4% a/a)
- **Recurring EBIT margin:** 0.9%
- **Orders[5] signed in 4Q 2012:** 571 MW
- **Order book at 31/12/2012:** 1,657 MW

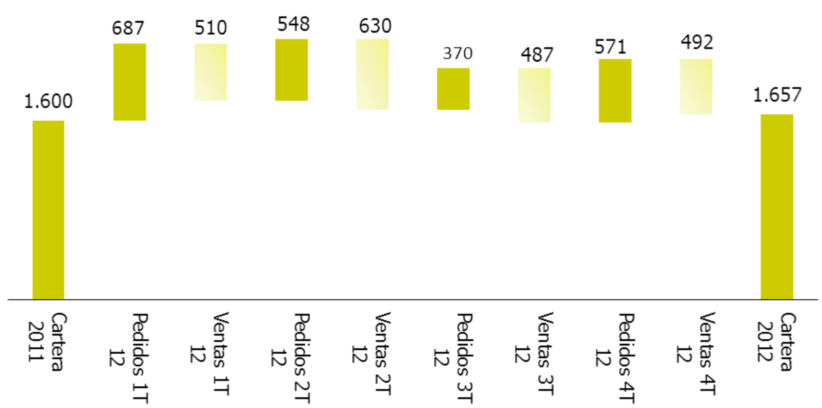
Group sales totalled EUR 2,844 million, 6.2% less than 2011 sales, **result of the strategy of aligning manufacturing to deliveries and collections in the wind turbine activity, in an environment of declining demand.** This slowdown is due to the weakness of developed economies and to regulatory changes and network limitations in emerging markets such as India and China. Wind turbines ended to the year with a sales volume of 2,119 MWe, 24% lower than the volume in 2011. To the contrary, the operations and maintenance segment grew, despite the weak economic environment, attaining sales totalling EURO 344 million, 23% higher than 2011 sales and ended 2012 at 19,111 MW under maintenance, 17% higher than the NW under maintenance in December 2011

[1] Targets excluding special items and before the discontinuation of operations by Gamesa Energia in the United States, which are now classified as assets held-for-sale.
[2] Gamesa Corporación Tecnológica Manufacturers wind turbines - referred to in the document as Wind Turbines - and develops, builds and sells wind energy plants-referred to in the document as Plants or Gamesa Energía.
[3] Wind turbines include the wind turbine manufacturing activity and the operations and maintenance services.
[4] Recurring or normalised consolidated figures (excluding restructuring expenses and with Gamesa Energia USA consolidated into the Group).
[5] Firm and irrevocable orders and confirmation of framework orders for deliveries in the year in progress and in future years.

(16,300 MW). As a result, **total sales of wind turbines fell by 13% year-on-year to EUR 2,492 million.**

In a complex market in which demand is expected to decline in 2013, **the commercial diversification strategy continues to give positive results** with the signature of firm contracts for delivery in 2013 and future years for a total of 571 MW during the fourth quarter of 2012, raising **the total number of orders received during the year totalling 2,176 MW.** This allows ending the year with a firm portfolio of 1,657 MW, 4% higher than the portfolio in December 2011 and with a **coverage of sales volume 2013 exceeding 50%**. In this connection, it should be noted that the Company's solid position in growth markets, especially in Latin America, which contributes 47% to the order volume received during the year and which is becoming the main growth motor for global demand for wind turbines over the next three years. This position has allowed the partial offset of the decline in orders from markets such as China, India and Europe, whose joint contribution reached 71% of total orders received in 2011.

Evolution of the order portfolio (MW)



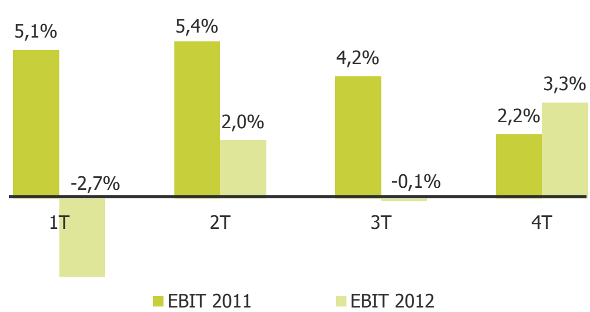
The geographic breakdown of sales of wind turbines in 2012 set out in the accompanying graph, also reflects the commercial diversification and positioning of the Company in Latin America.

Breakdown of MWe sold by geographic area (of total), 2012

Among sales activity in 2012, the signing of the **first contract for a multi-MW platform** is notable: four 4.5 MW G128 units for the Simo plant in Finland. This contract also gives rise to the Company's entry into the Finnish market, reinforcing Gamesa's commercial presence in the north of Europe. The sales contract includes a 10-year operations and maintenance (O&M) agreement, extendable for a further 5 years, and a framework agreement for the sale of an additional 117MW of G128-4.5MW. Part of this framework agreement will materialise in firm orders before the end of 2012 for 54MW to be delivered in 2013/2014.

The reduction of the wind turbine activity, together with continuous price pressures, and the cost of launching new 2 MW and multi-MW platforms have had **a clear impact on the Divisions profitability, which has lost 3% in recurring EBIT margin during the year. Wind turbines thus** ends the year with a **recurring EBIT of EUR 22 million, equivalent to a 0.9% margin.** However, the quarterly evolution shows a positive trend, reflecting the initial impact of the cost savings measures that were put into place over the course of the year. The EBIT margin in the fourth quarter of 2012 thus reached 3.3% of sales and exceeds the margin in the fourth quarter of 2011 by 1%, as may be seen in the accompanying graph.

Recurring EBIT margin evolution:

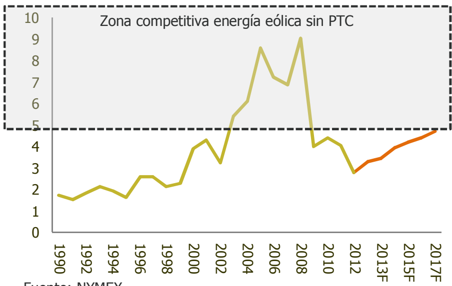


The profitability of Plants also suffered an impairment in the markets in which it operates, especially in the United States and countries in Southern Europe, **ending 2012 with recurring operating losses of EUR 48 million.** These losses arose despite the significant increase in the activity with deliveries of 694 MW in 2012, almost 4 times more than the deliveries in 2011. The deterioration of the market has been especially significant in the United States, a market without which Gamesa Energia would have generated a recurring EBIT of EUR 25 million in 2012.

This deterioration of the market conditions in the United States, due to low gas prices and regulatory volatility, has led Gamesa to interrupt its activity and sell its development business in that market and this activity is now classified as an asset held-for-sale with a carrying value of EUR 104 million. However, Gamesa maintains its wind turbine manufacturing and sales operations and O&M services in the United States.

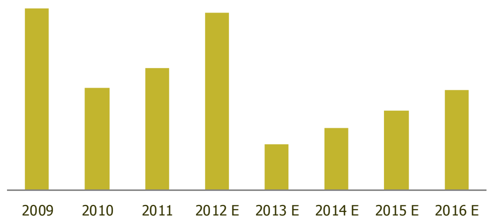
Evolution of gas prices in the future and the volatility of demand support the decision to abandon the promotion and development activity in the United States.

Evolución precios gas (USD MMBtus)



Fuente: NYMEX

Instalaciones anuales (MW)



Fuente: MAKE Market Report March 2012

As a result of the impact of the weakness and complexity of the market on the profits of Wind Turbines and Plants, **Gamesa Corporación Tecnológica ends 2012 with a normalised EBIT, before extraordinary items, of EUR 5 million,** significantly lower than the EBIT attained in 2011.

In order to regain the path towards profitability and the creation of value in a market with slower growth, and after the creation in the first half of 2012 of a **new management team with extensive industrial experience in the automobile sector,** Gamesa defines **a new business plan for the coming three years, BP 2013- 2015**. This plan started to be implemented during the fourth quarter of 2012, during which material advances were made in two areas of the plan: **financial deleveraging and resizing of the operating structure**.

As regards financial deleveraging, and in line with the commitments acquired, **Gamesa ends 2012 with net financial debt totalling EUR 495 million** after generating EUR 690 million **in net cash flow** in the fourth quarter, **EUR 216 million in 2012**, and complying with bank covenants.

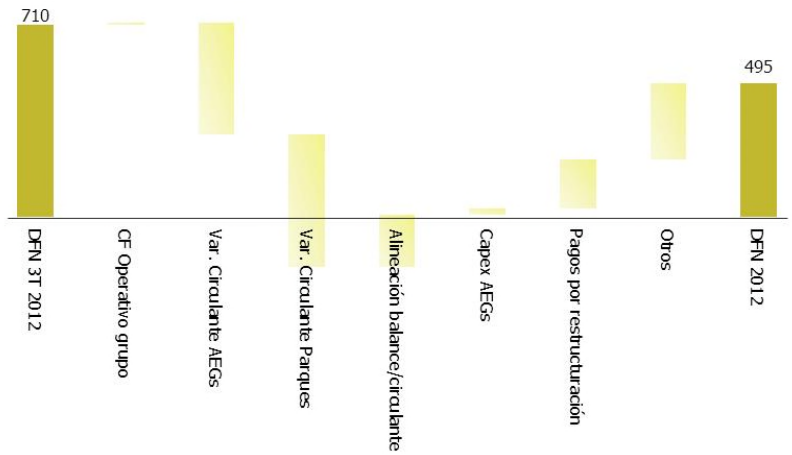
The strong cash generation is supported by a material reduction of working capital for both Wind Turbines and Plants and on investment controls, all in line with the operating strategy included in the new business plan.

Wind Turbines reduced its working capital as a ratio of sales by up to 12%, compared with the 24% at which 2011 ended and the 27% seen in the third quarter of 2012. This reduction was the result, among other things, of a level of installations (2,625 MW) and deliveries (2,495 MW) that exceeded the level of MWe sold. **The Plants unit** delivered 694 MW in 2012, compared with 177 MW delivered in 2011, and 440 MW were delivered during the fourth quarter of 2012, and **its working capital fell to EUR 188 million[6] compared with EUR 670 million in 2011 and EUR 784 million during the third quarter of 2012.**

As part of the strategy of focusing investments in accordance with the size of the business and the need to optimise the cost of energy to benefit customers, **Gamesa ended 2012 with investments is property, plant and equipment and intangible assets totalling EUR 190 million, 17% less than the investments made in 2011.** This investment plan includes the adaptation of the manufacturing capacity to the new 2 MW and 4.5 MW platforms, the development of an industrial presence in India and Brazil or the development of the first offshore prototype.

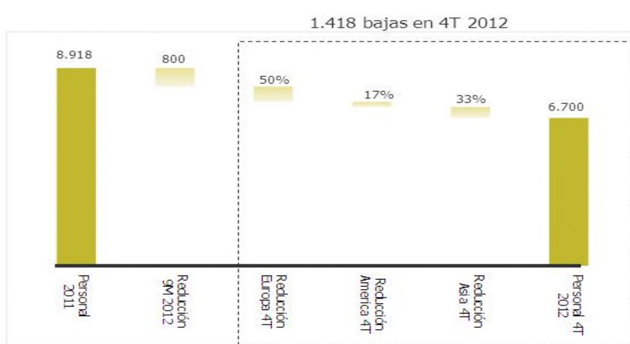
Expected development of the Group's NFD

[6] Working capital of Gamesa Energía before discontinuing operations in the United States. The share capital of Energía after discontinuing the plant promotion and sale activity in the United States totals EUR 158 million.



As part of the **resizing of the business' operating structure** in accordance with an efficient business model and a market with slower growth, Gamesa has implemented **measures to reduce costs, with a scope of 90% of the target established for 2013**. The agreements reached during the fourth quarter in all geographic areas to adapt the payroll and outside personnel to the new size of the business. These agreements lead to a reduction of 1,418 jobs in the fourth quarter and 2,218 in 2012, and these reductions are associated with gross annualised savings of EUR 98 million[7], and with a restructuring expense totalling EUR 24 million. In addition, the R&D resources have been concentrated in Spain and multidisciplinary teams have been created to integrate with technological and quality teams in manufacturing units, thereby improving their operating excellence.

Evolution of personnel 2012



Together with the reduction of personnel, **Gamesa has closed a total of 24 centres in 2012, 15% of all operating centres at the start of 2012,** affecting offices, regional operating and maintenance

[7] Gross annualised 12-month equivalent expense (including agency and internal personnel expenses associated with structure, fixed expenses, plants and variable expenses)

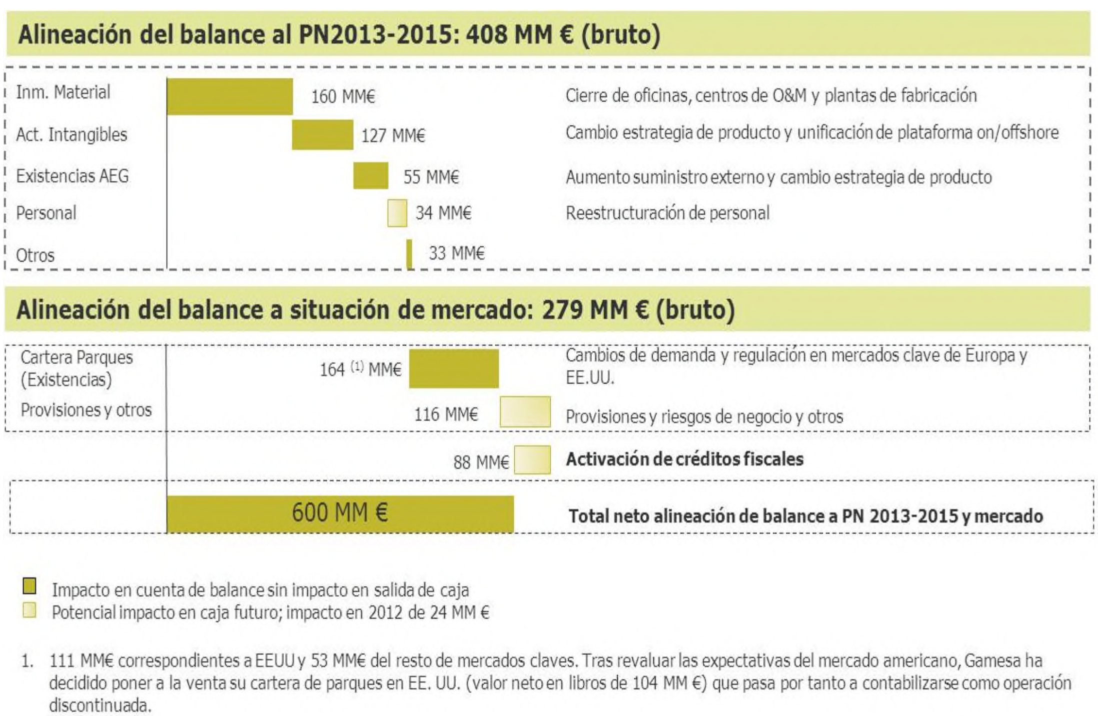
centres and manufacturing plants. The closing of these centres, which are listed below, will allow Gamesa to generate gross annualised savings of around EUR 5 million.

I. **6 Manufacturing centres**
   a. Tianjin blade plant (G5-850 KW) and 3 nacelle and sub-component assembly plants in Tianjin, Inner Mongolia and Jilin
   b. Closing of a tooling and nacelle manufacturing plant in Spain, concentration of the manufacture of nacelles for the 2 MW platform in Agreda

II. **4 regional O&M centres** in Spain

III. **14 offices,** of which**:**
   a. 11 in Europe, 7 of which are in Spain, and 1 in Japan
   b. 1 in China
   c. 1 in USA.

The launch of the BP 2013-2015, has also required **an adaptation of the Company's balance sheet to the new size of the organisation, the new operating model and product strategy, and also a market with slower growth.** This adaptation has translated into a series of balance sheet adjustments with a net total impact on the income statement of EUR 600 million. The breakdown, which is explained in the financial section, is set out below.



After the adjustment of the balance sheet, Gamesa maintains a solid equity position, with EUR 1,029 million and a NFD as a ratio of capital totalling 48%, similar to the position at the end of 2011 (43%), a position which, together with the existing lines of financing totalling EUR 2,200 million will allow the Company to organically implement the plan, without any need to carry out share capital increases.

Gamesa thus ended 2012 complying with the normalised targets indicated to the market - a sales volume of 2,119 MWe, positive Group and Wind Turbine EBIT and a NFD of EUR 495 million, 2.5x the Group's EBITDA -, **thereby complying with the bank covenants and setting the foundation for the implementation of the new BP 2013-2015.**

Wind Turbines

Main Factors

Gamesa's 2012 profits are a reflection of the complex environment affecting the wind energy sector, with a reduction of demand and price pressure in the markets that historically have had the highest potential for the development of wind energy.

Gamesa's Wind Turbine unit ended 2012 with:

- **2,119 MWe of Wind turbines sold**, above the guidance (2,000 MW) although 24% less than in 2011.
- A **recurring EBIT totalling EUR +22 million** (0.9% of sales), as a result of the lower volume (less absorption of fixed costs) and price pressure. The EBIT taking into consideration restructuring costs was EUR -498 million
- **and working capital was 12% of sales,** less than the figure seen in 2011 (24%) and market guidance (15-20%), as a result of a reduction of inventories, the management of receivables and payables and the impact of write-downs

Wind Turbine activity in 2012 breaks down as follows:

(MW)	**2011**	**2012**	**% Change**	**Status**
MW Delivered to customers	**3,092**	**2,495**	-19%	Transfer of ownership to customers, at the Farm or factory. Invoiced.

+ Change of MWe Available ExWorks	**-787**	**-185**	NA	Change in the inventory of Wind Turbines available for delivery to customers. Invoiced Exwork.
+ Change in MWe Extent of Completion	**497**	**-192**	NA	Change in the inventory of Wind Turbines not available for delivery to customers. Not Invoiced.
MWe sold	**2,802**	**2,119**	-24%	

The significant reduction in MW under degree of completion arrangements in 2012 is notable (-192 MW vs. 2011), as a result of an increased focus on the policy of aligning production to deliveries and to assembly and project launch milestones.

As Gamesa has been announcing, the Company has a solid diversification of sales:

- **Latin America and South America is presented as the region with the highest contribution to sales (32%),** becoming the primary growth motor for the activity (Mexico, Brazil, Nicaragua, Uruguay and Puerto Rico)

- **USA represents 20% of total sales in the period,** mainly associated with the sale agreement concluded by Gamesa Energía with Algonquin Power & Utilities Corp

- **Europe and the rest of the world contributes 27% to sales,** mainly driven by the deliveries during the second half of the year in Italy and the United Kingdom

- As Gamesa has been announcing, **the contribution made by China and India to sales in 2012 is impacted by the lengthening of the process for approving wind energy projects and to** changes in the energy incentives in India, accompanied by an increase in the cost of financing in that country. **China thus represents only 10% of sales, while India contributes 12%.**

Geographic breakdown of Wind Turbine MWe sold (%)	2011	2012
USA	14%	20%
China	23%	10%
India	19%	12%
Latin and South America	15%	32%
Europe and rest of the world	29%	27%
TOTAL	**100%**	**100%**

Furthermore, **Gamesa's 2.0 MW segment as a whole represents 88% of the MWe sold** in 2012 compared with 79% in 2011. Gamesa's 850 KW platform contributes 11% to the MWe sold.

Wind Turbine Results for 2012

Gamesa ends 2012 with **the following financial results with respect to the Wind Turbine activity:**

(Million euros)	**2011**	**2012**	*% Change*	**4Q 2012**
Sales	2,875	2,492	*-13%*	582
Recurring contribution margin	554	441	*-20%*	
Recurring contribution margin / Sales (%)	19.3%	17.7%		
Recurring EBITDA	340	206	*-39%*	68
Recurring EBITDA / Sales (%)	11.8%	8.3%		11.7%
EBITDA	340	174	*-49%*	46
EBITDA / Sales (%)	11.8%	7.0%		7.9%
Recurring EBIT	116	22	*-81%*	19
Recurring EBIT / Sales (%)	4.0%	0.9%		3.3%
EBIT	116	-498	*NA*	-483
EBIT / Sales (%)	4.0%	-20.0%		-83.0%
Net profit (loss)	61	-502	*NA*	-449
BP/Sales (%)	2.1%	-20.1%		-77.1%
Working Capital	701	288		288
% Sales	24%	12%	*-12pp*	12%
NFD	273	243		243
NFD/EBITDA	0.8x	1.4x	*+0.6x*	1.4x

Audited figures

Sales in 2012 underwent a -13% decline with respect to 2011, with an increase in average revenue per MW as a result of the geographic mix of sales, the growing weight of the Gamesa 2 MW platform, the launch of the G97-2 MW turbine and the wider scope of the projects with a higher weight of projects involving civil works. **The contribution of the Services Unit to sales was EUR 344 million compared with EUR 279 million in 2011.**

Gamesa ends 2012 with recurring operating results (EBIT) during the period totalling EUR 22 million. Compared with 2011, the EBIT fell as a result of less activity (less absorption of fixed

costs), price and cost pressure associated with the industrialisation of new products, partially offset by a reduction in fixed costs and productivity improvements. Considering the restructuring costs recognised in 2012, EBIT amounted to EUR -498 million. There has been a **progressive recovery of the recurring EBIT margin over the course of 2012**, and the ratio was 3.3% in 4Q in 2012 vs. 2.2% in 4Q 2011, as a result of the plan to reduce fixed costs launched through the Strategic Plan 2013-2015.

The provision for warranties (excluded special effects) remains at around 3.5% of wind turbine sales.

Gamesa ends 2012 with working capital at 12% of sales, which is lower than in 2011 (24%), **mainly as a result of the reduction of inventories (finished products, raw materials, services), the management of payments made and received during the period and the impact of the write-downs recorded in 4Q.**

In addition, **Gamesa continues to focus on strict control of its investments and the solidity of the Company's balance sheet.** Gamesa thus invested EUR 190 million, less than in the same period of 2011 (EUR 229 million)

Gamesa focuses investments in 2012:

- Investment in R&D associated with new products and platforms (G97–2.0 MW, G114–2.0 MW, Gamesa 4.5 MW and offshore)
- Blade plant in India for the Gamesa 850 KW and Gamesa 2 MW platforms.
- Adaptation of production capacity to the G97-2.0 MW.
- Investment associated with the manufacture of the Gamesa 4.5 MW platform.
- Implementation in Brazil

Thus, **Gamesa ends 2012 with net financial debt totalling EUR 243 MM in the Wind Turbine area**, which is EUR 322 million in 4Q, associated with the containment of the level of working capital and the investments recorded during the year.

Wind Farms

Main Factors

During 2012, Gamesa delivered 694 MW in Germany, France, Poland, Spain, USA and Mexico. In addition, the Plant Promotion and Sale Unit concluded new sales agreements for a total of 555 MW during the period in the United States, Mexico, France, Greece, Spain and Germany.

At December 2012 Gamesa's portfolio of wind energy plants totals 18,168 MW throughout the world.

Wind Farm portfolio under development (MW)	2011	2012	*% Growth*
Practically assured	3,953	3,252	*-18%*
Total portfolio	**23,891**	**18,168**	***-24%***

During the fourth quarter of 2012 promotions have been written-down, mainly in the United States and in Spain due to the regulatory changes approved in those countries. These write-downs, together with the 694 MW in deliveries, explain the change in the portfolio of energy plants during the year.

Gamesa maintains in its portfolio **400 MW in the final stages of construction and launch**, significantly less than the figure recorded in 2011 as a result of the new business model implemented by Gamesa Energía (no consumption of financing).

It should be noted that of the total MW with PEM (287 MW), **176 MW relate to assets for sale in the USA, 78 MW to plants in Europe + RoW (with more than 40% of the plants with the final customer) and 33 MW in R&D plants.**

Evolution of the Activity Profile (MW)	2011	2012	% Growth
MW under construction	370	113	*-69%*
MW launched	364	287	-21%
Total	**734**	**400**	**-45%**

Note: not including MW relating to the joint promotion agreements signed in China, in which Gamesa holds a minority interest, and India.

Results for wind energy plants in 2012

The results of the wind energy plant unit in 2012 reflect:

- **A high level of activity (694 MW delivered)**
- **The impact of the change in market conditions, especially in the United States and southern Europe in**
    - Profitability of sales agreements in 2012.
    - Non-recurring provisions valued at EUR 111 million.
    - Discontinuation of Gamesa Energía USA as a result of the low gas prices and regulatory volatility.

In this connection, the Wind Energy Plant Promotion and Sale unit ends 2012 with sales totalling EUR 996 million and recurring EBIT of EUR -48 million (considering Gamesa Energía USA as a continuing operation), and the losses derive from the deterioration of conditions mentioned above. Considering the restructuring costs, EBIT amounted to EUR -144 million.

Excluding the contribution of Gamesa Energía USA, the Wind Energy Plant Promotion and Sale unit recognised sales in 2012 totalling EUR 418 million and recurring EBIT of EUR 25 million.

The new operating model for Gamesa Energía without consumption of financing (using external financing vehicles and payment milestones that are similar to the sale of machinery) **has had a positive effect on the evolution of working capital and debt**. The Wind Energy Plant Promotion and Sale Unit ends 2012 with net financial debt of EUR 252 million, in line with the annual forecast and much lower than the debt recorded in 3Q 2011 (EUR 620 million) and at the end of 2011 (EUR 438 million)

(Million euros)	2011	2012	% Change	2012 Excl. USA
Sales	534	996	*+87%*	418
Recurring EBIT	26	-48	*-282%*	25
EBIT	26	-144	*-649%*	-5
Net profit (loss)	1	-189	*NA*	-189
NFD	438	252	*-186*	253

Audited figures

2012 results obtained by Gamesa Corporación Tecnológica

The main financial figures for the Consolidated Group are presented below and result from the contribution of the preceding unit.

(Million euros)	2011 (1)	2012 (1)	% Change	4Q 2012(1)	2012 Excl. Energy (3)
Sales	3,033	2,844	-6%	**551**	2,673
Recurring contribution margin	598	453	-24%		
Recurring MC / Sales (%)	19.7%	15.9%	-3.8pp		
Recurring EBITDA 2	364	197	-46%	**57**	234
Recurring EBITDA / Sales (%)	12.0%	6.9%	-5.1pp	**10.4%**	8.7%
EBITDA	364	144	-60%	**14**	201
EBITDA / Sales (%)	12.0%	5.1%	-6.9pp	**2.5%**	7.5%
Recurring EBIT (2)	131	5	-96%	**10**	47
Recurring EBIT / Sales (%)	4.3%	0.2%	-4.1%	**1.8%**	1.7%
EBIT	131	-631	NA	**-608**	-504
EBIT / Sales (%)	4.3%	-22.2%	-26.5pp	**-110.4%**	-18.8%
Recurring profit (2) (Loss)	51	-59	NA	**-10**	-59
Profit/(Loss)	51	-659	NA	**-592**	-659
NFD	710	495	-216	**495**	496

Audited figures

(1) The results obtained by Gamesa Corporación Tecnológica record the impact of the consolidation adjustment relating to the elimination of sales and the margin of the Wind Turbine Division from the Farm Division, whose sales agreements are in the final stages of negotiation at the end of the year.

(2) Recurring results exclude the impact of restructuring in 2012 (net value of EUR 600 million)

(3) The results obtained by Gamesa Corporación Tecnológica include the impact of the discontinuation of Gamesa Energía USA

Special items

In the context of a complex environment current affecting the world economy in general and the wind energy industry in particular, which gives rise to lower growth expectations, on 25 October **Gamesa presented a new Business Plan for the period 2013-2015.** Among other things, the aforementioned business plan contemplates the following measures, with an effect on the consolidated financial statements:

- **Rationalization of fixed expenses.** Lower fixed expense structure by reducing payroll which allows for a structural size that is in line with the market situation and eliminate inefficiencies, as well as the closing of offices and service centres.

- **Adaptation of the currently oversized production capacity to projected demand**, at least in the short and medium term, and to the new platforms and the new product range, in line with existing and projected demand in the market. This orientation could mean the closing of manufacturing centres after 2012, taking into account the evolution of demand and the local regulatory requirements.

- **Development of the "Make/Buy"** strategy applied to all components as a basis for the industrial proposal through which the external supply of capital intensive components (such as the blades) will accelerate.

- **Strategy of new manufacturing processes,** among which the process of manufacturing blades through fibreglass injection is notable.

- **Product strategy**, consisting of two basic platforms, to address the evolution of the 2 MW to 2.5MW and the 4.5MW to the 5.5MW platforms. The latter has common elements for "on-shore" and "off-shore" platforms.

- **New model to reduce inventories of work in progress and finished products and the optimisation of inventories of raw materials, as well as the inventory associated with Operations and Maintenance** as a result, among other things, of the change in the mix of sales towards higher added value services. There will be a definitive reduction in working capital that will make it possible to strengthen the balance sheet.

- **Discontinuation of the development and sale of wind energy plants in the United States** due to the regulatory uncertainty and volatility in that country, within the framework of the new strategic orientation of the Energy business model that gives rise to a focus on key markets and sales channels that do not consume financing.

- **Maximum utilization of the supply and manufacturing chains in Spain and China**, with a continuous focus on improving competitiveness in both operations and the assembly of nacelles in all key regions.

The objectives and action plans deriving from the above considerations have had an **impact on certain assets forming part of property, plant and equipment, intangible assets, inventories and other items.**

In addition, although not directly linked to the New Business Plan, in 2012 there have been **regulatory changes** (i.e. Spain) that have had an impact on the Group's assets and **certain events and projects in progress, which have required a series of provisions for guarantees and other risks**.

As a result, the Group presents impairment before tax effects in the consolidated income statement for 2012 totalling EUR 688[8] million, as follows:

EUR '000	Continuing	Discontinued	Total
Business plan			
Property, plant and equipment	(160)		(160)
Intangible assets	(127)		(127)
Inventories	(55)		(55)
Personnel	(33)	(1)	(34)
Provisions and other	(33)		(33)
Subtotal	***(407)***	***(1)***	(408)
Market situation			
Equity method	(25)		(25)
Plant portfolio (Inventories)	(28)	(111)	(139)
Provisions and other	(116)		(116)
Subtotal	***(168)***	***(111)***	(279)
Total	***(576)***	***(112)***	(688)

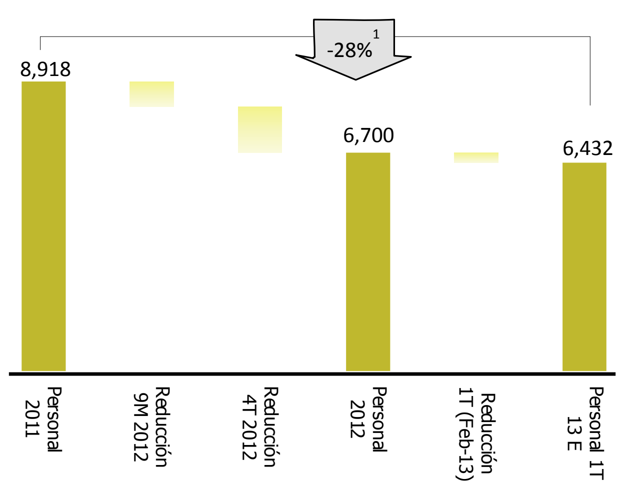
2. FORESEEABLE DEVELOPMENT

Outlook

During 2013 Gamesa will continue to work on all of the aspects established in its business plane, oriented towards attaining profitable performance in an environment of lower growth.

During the first quarter of 2013, Gamesa expects to complete the launch of the measures to adjust fixed costs oriented towards attaining a gross reduction of EUR 100 million in 2013 compared with the fixed costs in 2011 or EUR 386 million. During January and February 2013 Gamesa has continued with the measures to reduce the payroll and external personnel already planned and which have resulted in the termination of 278 employees, mainly at Gamesa USA. **Gamesa ended the month of February with 6,432 employees, 28% less than at the end of 2011.**

Evolution of internal and external personnel 2011-2013

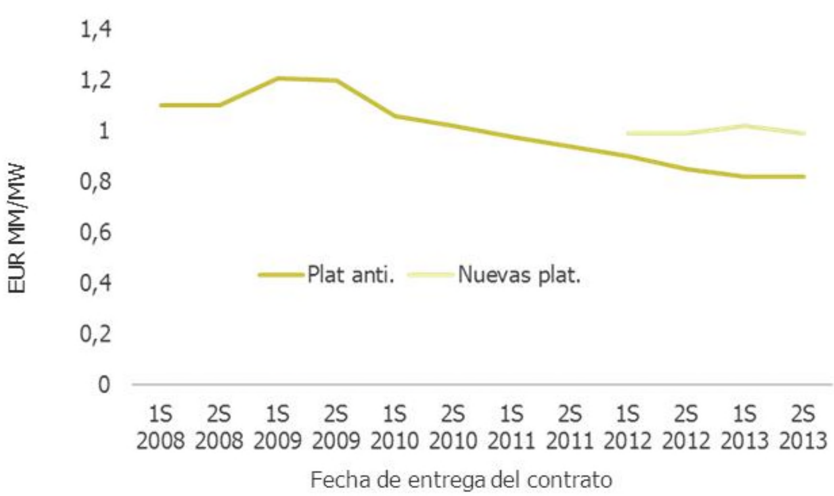


[8] Excluding EUR 88 m

9 additional centres were also closed and overheads were reduced by renegotiating leases and relocating to lower-cost premises. Gamesa also started to **optimise warehouses into a single logistics headquarters.**

The launch of 100% of the fixed cost reduction measures during the first quarter of 2013 should not, however, be understood to be a closed process. **The size of the structure in the future is subject to the evolution of market and demand conditions**, and it is possible to define new measures provided that they are necessary to recover the profitability established in the plan.

As part of the programme to optimise variable costs, which is key to attaining operating excellence, **Gamesa will focus its efforts on the supply chain and on internal manufacturing processes in 2013. The scope of the 2 MW platform cost improvement programme (9/15) exceeds initial expectations, which will help to offset the continues pressure on prices.** The latest Bloomberg New Energy Finance prices corroborates the opinion of Gamesa regarding a lack of visibility regarding the short and long-term development of demand and continuous pressure on prices. Compared with the index prepared in July 2012, prices fell by 4% and they are now 27% below the peak price attained in 2008. Similarly, the upward pressure momentarily applied to the new platforms seems to have become a slight decline for deliveries during the second half of 2013, as may be seen in the accompanying graph.



1. Fuente: Bloomberg New Energy Finance (BNEF) 11/02/20133

As part of the **supply chain,** Gamesa develops multi-pronged actions in order to decrease manufacturing/purchase costs for large components. Among these actions are **the exchange of technological and manufacturing knowledge with strategic suppliers** in order to reduce the internal and external manufacturing cost. Gamesa is also **diversifying its supplier base to low cost markets**, while maintaining its quality requirements. This is also allowing the group to not only directly reduce the cost of supplies, but also indirectly by **increasing the negotiating power** of the most established suppliers.

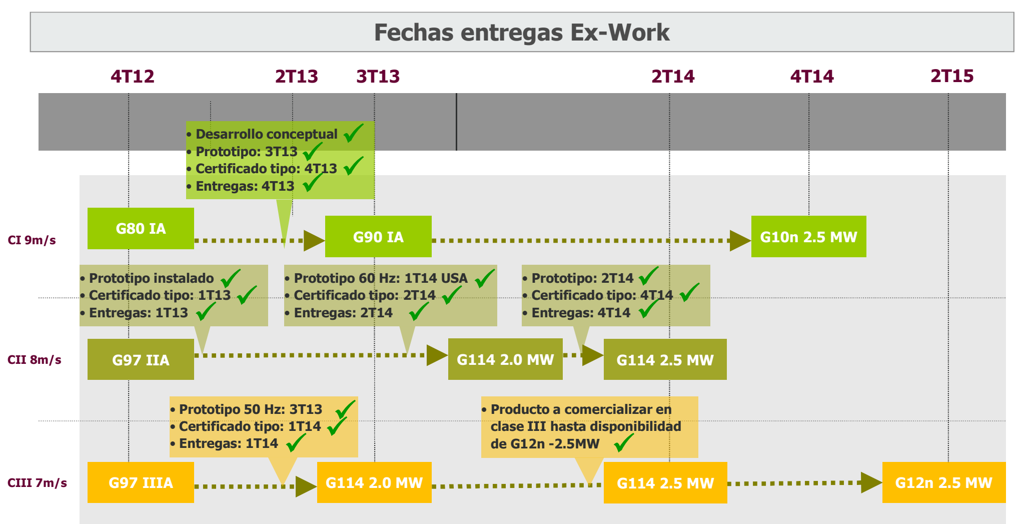
The **process of manufacturing blades using an injection process**, with estimated savings to be 25% in 2015, **has already been launched in India,** and the manufacture of the new products in Europe with planned delivery in 2013 and 2014 is being planned based on the new process.

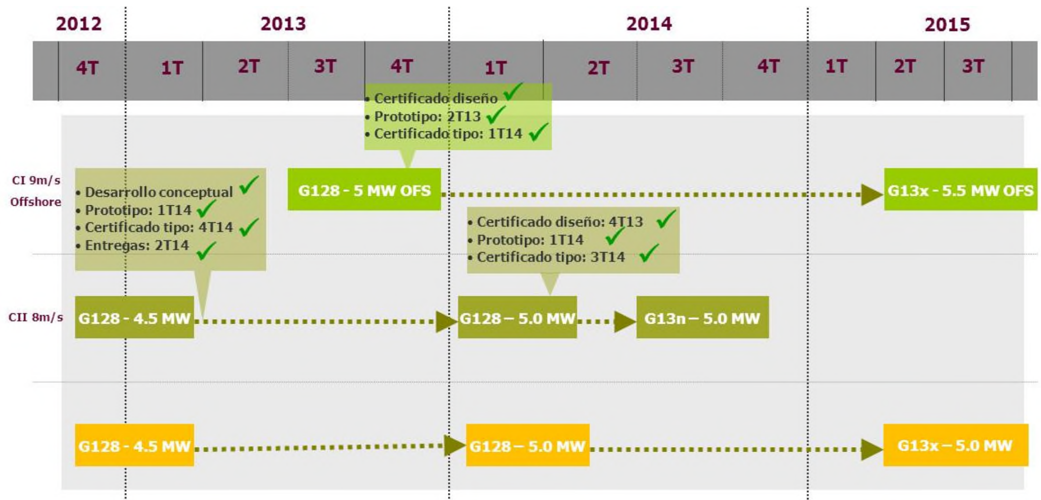
As part of the **design for manufacturing strategy, Gamesa has also developed a new tower design** that allows **a material reduction in the weight/cost of the tower by up to 10% -12% in 2015**.

Finally, new transport and tooling systems are being defined that are necessary to offset the higher cost of logistics due to commercial diversification and the increased complexity of the projects.

The second pillar of BP 2013-2015, after operating excellence, is to maintain a presence in the entire wind energy value chain, whose objective is to optimise the cost of energy through technological leadership, and this area has advanced as planned. In January, the **new business model for the wind energy plant promotion and development activity, obtained a principal of agreement for the development of 183 MW in Germany**, and this agreement is expected to be finalised in a firm contract over the coming months.

In the Wind Turbine division, the development of new products based on two platforms 2-2.5 and 5.5-5x is intended to provide a higher TIR/VAN to our customers and has also advanced as planned, as shown in the accompanying product map tables.





During the attainment of the objective to optimise our customer's cost of energy (better project TIR/VAN), the multi-MW 5-5.5 MW platform plays a fundamental role, especially in Northern Europe:

- Markets with space limitations,
- Markets in which initial development has been carried out for the Multi-MW platform.
- Refurbishing markets without network limitations,
- Markets in which higher towers are necessary (forest areas)

The evolution of the operating and maintenance service unit continues to be aligned with the business plan and the objective of increasing the contribution of added value products and higher margins whose benefits revert to both the customer and Gamesa. Although the post-warranty retention rate remains at 76%, there has been an improvement in the latest contracts, and the maintenance periods also increases. In this connection, the 264 MW maintenance contract in the United States or the sales contracts for the multi-MW platform contracts in December 2012 (72 MW in total) are notable, which include 10-year O&M contracts and a possible 5-year extension in the case of the multi-MW platform.

While the internal action covered by the plan develop in accordance with Company projections, **Gamesa maintains its perspectives for demand during the period, which is 12% lower than 2013**, as a result of the US market situation and a recovery in 2014.

Emerging markets became the motor of growth in demand for wind energy facilities in the period 2013-2015. It should be noted that the demand from these markets is not due to environmental commitments but rather to an energy need that the current generation systems do not cover or to the need to reduce dependence on a single resource. In this connection and as is shown in the accompanying table, the average 10% energy shortfall in India or the situation in Brazil, which is totally dependent on hydroelectric production (70% of the country's capacity) or in China, which is largely dependent on coal, should be noted. In addition, several of these countries have sufficiently strong wind resources to make wind energy more competitive, in many cases, than gas, as is the case in certain regions of Mexico and Brazil.

China: > 60% dependiente del carbón

- PIB TCAC 2012-2015[2]: 9,3% — Importador neto de energía[3]
- >60% dependiente de carbón
- 12 Plan Quinquenal: 104GW eólicos 2015 — 2020: 200 GW

India: 10% déficit eléctrico promedio

- PIB TCAC 2012-2015[2]: 8,3% — Importador neto de energía[3]
- **10% déficit medio de electricidad** — 40% población sin acceso a electricidad
- 12 Plan Quinquenal: 15 GW eólicos 2017 — Visión 2015: 25 GW eólicos

Brasil: 70% dependencia hidráulica

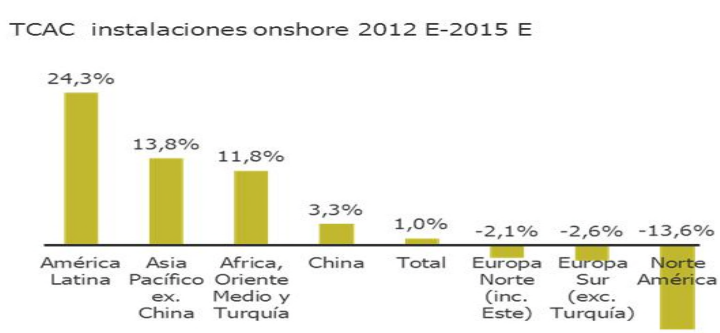
- PIB TCAC 2012-2015[2]: 4,9% — Importador neto de energía[3]
- 70% dependencia energía hidráulica
- Alto recurso eólico: **energía eólica competitiva sin subsidio**

México: Competitividad sin subsidios por el alto recurso eólico

- PIB TCAC 2012-2015[2]: 3,8% — Exportador neto de energía[3]
- 80% petróleo (56%) y gas
- Alto recurso eólico: **energía competitiva sin subsidio**

(1) IEA (Agencia Internacional de Energía) «World Energy Outlook 2011»
(2) Fuente: Base de datos FMI (USD a precios actuales)
(3) Fuente: Banco Mundial

Among these emerging companies, Latin America plays a leading role over the coming 3 years, with an expected compound growth rate of around 25%.



Fuente: MAKE Informe de mercado, marzo 2012

	2013 guidance
Volume (MWe)	1,800-2,000
Contribution Margin	17%-18%
EBIT Margin	3%-5%
Working capital AEGs as a percentage of sales	c.15%
Capex (MM €)	<150
DFN/EBITDA	<2.5X
Generation of net free cash flow	>0

In these markets, Gamesa enjoys a solid position, supported by three key elements:

1. **Local knowledge**: supported by
    a. Local human teams that operate autonomously and may provide quick and flexible responses to customer needs.
    b. Local supply chains and, in some cases, the presence of assembly or manufacturing that allows costs to be optimised.
2. **Knowledge of customer needs**, both local electrical companies and foreign groups that are present in emerging markets, such as Brazil and China, and industrial groups and IPPs, as is the case of Mexico and India
3. **Reliability:**
    a. Gamesa product
    b. Project execution: Knowledge of the network connection requirements, administrative regulations and local requirements, which allow on-time delivery to avoid customer penalties.

    Gamesa is among the top manufacturers in both Brazil, Mexico and India by volume of accumulated installations in December, a market share and position that is expected to be reinforced during 2012, based on the portfolio of firm projects and those under discussion.

    i. Mexico (1 with 46% of the market)
    ii. India (4 with 10% of the market)
    iii. Brazil (9% of installations in 2012)

This position, together with a diversified commercial presence has allowed Gamesa to end the year with a stable order book (+4 year-on-year) in a declining demand environment (-12% expected in 2013). This, and the solid advances made with respect to the fixed cost reduction measures and the improvement of variable costs, allow the targets established in the 2013 business plan to be confirmed, despite the complexity and uncertainty that characterises the market.

Conclusions

Gamesa ends 2012 with a **solid position to develop the actions set out in the Business Plan 2013-2015 without any need to seek additional financing**, with net financial debt of EUR 495 million, complying with the bank covenants and with access to EUR 2,200 million in financing.

The **plan is advancing in accordance with plans** from the launch in the fourth quarter of 2012, and the action that is necessary to attain EUR 100 million in fixed cost savings, 2013 vs. 2011. In December 2012 2,218 internal and external employees had left and in January and February 2013 a further 278 positions were eliminated, **resulting in a total internal and payroll reduction of 28% compared with that which existed at the start of 2012**. Together with a reduction in employees, 33 centres had been closed, consisting of offices, O&M centres and manufacturing plants, at the presentation date, and leases have been renegotiated and operations were located. Similarly, and as was announced during the presentation of the BP 2013-2015, R&D resources have been grouped together in Spain and multi-disciplinary teams have been created and are key to attaining operating excellence.

The **scope of improvements in the variable costs for the 2 MW platform exceeds initial projections, with the objective of obtaining a 5% annual improvement up to 2015**. This increased scope should allow Gamesa to maintain its objectives relating to improving the contribution margin established for 2015, despite the continued price pressure.

Together with the pillars of operating excellence, specified in the reduction of fixed costs and the optimisation of variable costs, an a solid balance sheet, demonstrated by the financial deleveraging, Gamesa has also advanced with respect to defined changes in its manner of operating throughout the wind energy value change with the launch of the new wind energy plant model, without consuming financing, the launch of new product 2-2.5 MW and 5-5.5 MW platforms and the emphasis on new value added O&M contracts.

Finally, it is important to note the importance of the commercial diversification strategy implemented in BP 2011-2013 and the Company's presence in emerging markets, especially in Latin America. These are the factors that have allowed **Gamesa to end 2012 with an order book covering 1,657 MW, 4% higher than the order book in December 2011**, despite the slowdown of demand and with **target sales volume for 2013 being covered by more than 50%. This coverage and the progress with respect to savings of fixed costs support the confidence regarding the attainment of the objectives established for the year, despite the complexity of the market.**

3. MAIN BUSINESS RISKS

Gamesa Group is exposed to certain financial risks that it manages by grouping together risk identification, measurement, concentration limitation and oversight systems. Gamesa's Corporate Division and the business units coordinate the management and limitation of financial risks through the policies approved at the highest executive level, in accordance with the established rules, policies and procedures. The identification, assessment and hedging of financial risks are the responsibility of each business unit.

The risk associated with changes in exchange rates assumed for Gamesa's transactions involve the purchase and sale of products and services relating to its activity that are denominated in various currencies.

To mitigate this risk, Gamesa has obtained financial hedging instruments from financial institutions.

4. USE OF FINANCIAL INSTRUMENTS

Gamesa Group uses financial hedges that allow it to mitigate risks involving exchange rates, interest rates, and equity volatility that could affect the Company's estimated results based on estimates of expected transactions in its various areas of activity.

5. SUBSEQUENT EVENTS

We refer to Note 37 of the Consolidated Notes to the Annual Accounts and Note 21 of the Notes to the Individual Annual Accounts.

6. RESEARCH AND DEVELOPMENT ACTIVITIES

Technological development is established within a multi-year framework that is rolled out in the Annual Technological Development Plan, in which activities and deliverables are established for each year in question and to which a budget is finally assigned.

In 2012 the main addition to "Research and Development Expenditure" under intangible assets was due to the development by Gamesa Innovation and Technology, S.L. of new wind turbine models and to the optimisation of the performance of their components amounting, in total for the entire Group, to approximately EUR 74,904 thousand (approximately EUR 68,112 thousand in 2011):

During 2012, and within the framework of the new Business Plan 2013-2015 (Note 1 of the Notes to the Consolidated accounts), there have been significant changes of a marked technological character, among other things, regarding the new strategic orientation for the evolution of the new products and platforms such as new manufacturing processes. This change, both in products and technology, gave rise to Gamesa having recorded EUR 127 million for impairment, recorded under the heading "Net asset impairment losses" in the accompanying consolidated income statement for 2012.

The aforementioned impairment fundamentally relates to those development expenses incurred to date and specifically to projects relating to a certain Multi-MW blade design and off-shore platforms up until the business plan (Note 9 of the Notes to the Consolidated Notes to the Accounts).

7. TREASURY SHARE OPERATIONS

At 31 December 2012 Gamesa maintains a total of 3,098,208 treasury shares representing 1.22% of share capital.
The total cost for these treasury shares totals EUR 7,157 thousand, each with a par value of EUR 2.310.

A more detailed explanation of transactions involving treasury shares is set out in Note 18 of the Notes to the Consolidated Financial Statements (Note 12.c of the Notes to the Individual Financial Statements).

8. CAPITAL STRUCTURE

THE CAPITAL STRUCTURE, INCLUDING SECURITIES TRADED ON A COMMUNITY REGULATED MARKET, INDICATING, WHERE APPROPRIATE, THE DIFFERENT CLASSES OF SHARES AND FOR EACH CLASS OF SHARES, THE RIGHTS AND OBLIGATIONS GRANTED AND PERCENTAGE OF CAPITAL REPRESENTED:

In accordance with Article 4 of the bylaws of Gamesa Corporación Tecnológica, S.A. as worded on 24 July 2012 due to the execution of the resolution adopted by shareholders on 29 June 2012 "*Share capital totals FORTY-THREE MILLION ONE HUNDRED FIFTY NINE THOUSAND SEVEN HUNDRED TWENTY ONE EURO and EIGHTY NINE CENTS (EUR 43,159,721.89), divided into TWO HUNDRED AND FIFTY THREE MILLION EIGHT HUNDRED AND EIGHTY THOUSAND SEVEN HUNDRED AND SEVENTEEN (253,880,717) ordinary shares with a par value of SEVENTEEN CENTS (EUR 0.17) each, numbered sequentially from one (1) to two hundred and fifty three million eight hundred eighty thousand seven hundred seventeen (253,880,717), all forming a single class and series.*"

SIGNIFICANT DIRECT AND INDIRECT SHAREHOLDINGS

According to public information in the possession of GAMESA CORPORACION TECNOLOGICA, S.A. the capital structure at 31 December 2012 is as follows:

Name of shareholder	Number of direct voting rights	Number of indirect voting rights (*)	% total voting rights
IBERDROLA, S.A.	49,980,788	0.000	19.687
BLACKROCK, INC.	0.000	12,258,161	4.828
DIMENSIONAL FUND ADVISORS LP	0.000	7,473,500	2.944

(*) Through:

Name of direct holder of the stake	Number of direct voting rights	% total voting rights
BLACKROCK INVESTMENT MANAGEMENT (UK) LIMITED	12,258,161	4.828

9. RESTRICTIONS ON THE TRANSFER OF SHARES

There are no restrictions on the transfer of shares.

10. SIGNIFICANT DIRECT AND INDIRECT SHAREHOLDINGS

See point 8.

11. RESTRICTIONS ON VOTING RIGHTS

There are no restrictions of any kind on voting rights.

12. SHAREHOLDER AGREEMENTS

Gamesa Corporación Tecnológica, S.A. is not aware of the existence of any shareholder agreements.

13. REGULATIONS APPLICABLE TO THE APPOINTMENT AND REPLACEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS AND AMENDMENT OF THE CORPORATE BY LAWS

Pursuant to the provisions of article 32 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Corporate By-laws, as amended by Shareholders at a General Meeting held on 29 June 2012, the members of the Board of Directors are *"appointed by the General Meeting"* and *"should a vacancy arise during the term of office of a Director, the Board may appoint a shareholder to fill the vacancy until the first General Meeting is held",* always in compliance with the provisions of the Spanish Capital Companies Act and the Corporate Bylaws.

Pursuant to articles 19.5. b) and 23.2 of the Board of Directors Regulations, candidatures for the office of Director submitted by the Board of Directors for deliberation by the Shareholders General Meeting and the appointment decisions made by the said body pursuant to the interim powers conferred by law on the said body shall be preceded by the corresponding proposal by the Appointments and Remuneration Committee in the case of independent Directors, or by a report by the said Committee in the case of all other categories of Directors. Article 23.3 of the Board of Directors Regulations provides that *"where the Board of Directors should reject the proposal or the report of the Appointments and Remuneration Committee, it must state its reasons for this and record the said reasons in the minutes."*

Article 24 of the said Regulations provides that *"the Board of Directors and the Appointments and Remuneration Committee, within the scope of their powers, shall seek to ensure that the proposal and election of candidates corresponds to persons of renowned respectability, solvency, competence, and experience, and this rigour must apply even more strictly in the appointment of persons to the office of independent Director.*

In the case of Directors which are legal persons, the natural person who is to represent them in the exercise of the powers associated with the office of Director shall be subject to the same requirements of respectability, solvency, competence, and experience as stated in the previous paragraph, and the duties incumbent on Directors laid down in these Regulations shall be applicable to said representative personally".

Finally, article 19.5. ñ) of the Board of Directors Regulations makes it the responsibility of the Appointments and Remuneration Committee *"to ensure that when filling vacancies on the Board of Directors, the selection procedures used are not subject to any implicit bias resulting in any discrimination of any kind.*"

With regard to the re-election of Directors, article 25 of the Board of Directors Regulations provides that *"any proposals for the re-election of Directors that the Board of Directors may decide to submit before the Shareholders General Meeting must be subject to a formal evaluation process, which shall necessarily include a proposal or report issued by the Appointments and Remuneration Committee assessing the quality of the work and the dedication to the office shown by the proposed Directors during their previous mandate. For these purposes, the Directors that form part of the Nominations and Compensation Committee will be evaluated by the Committee and the members must abstain from being involved with any deliberations and votes that involve themselves. The Chairman, the Deputy Chairmen, and where appropriate, the Secretary and the Deputy Secretary of the Board of Directors who are re-elected as Directors following a resolution of the General Meeting shall continue to hold the offices they held previously within the Board of Directors, without needing to be re-elected, and without prejudice to the powers of revocation held by the Board of Directors in respect of said offices."*

The dismissal of Directors is governed by article 27 of the Board of Directors Regulations, which provides that *"Directors shall cease to hold office upon the expiry of the term for which they were appointed (without prejudice to the possibility of being re-elected), and upon a decision in this regard taken by the Shareholders General Meeting in accordance with the powers conferred on it by law and by the by-laws. Likewise, the Board of Directors may propose the dismissal of a Director to the Shareholders General Meeting"*.

The procedures and circumstances with regard to the dismissal shall be those laid down in the Spanish Capital Companies Act and in the Commercial Registry Regulations.

Pursuant to the provisions of Article 27 point two of the Board of Directors Regulations, *"Directors shall tender their resignation to the Board of Directors, and where the Board should consider it appropriate, shall step down-following a report by the Appointments and Remuneration Committee-in the following circumstances:*

a) In the case of Directors appointed to represent shareholder interests, where said Directors or the shareholders they represent should cease to hold a significant and stable shareholding in the Company, or where the said shareholders should revoke the representation conferred on the Director.

b) In the case of executive Directors, where the Board of Directors should consider this appropriate.

c) In the case of external Directors, where they should join the executive line of the Company or any of the Group companies.

d) In the case of independent Directors, where they should incur for any reason in any of the circumstances envisaged by Article 8 point two of the Regulations, which are incompatible with the status of independent Directors.

e) Where, for supervene in reason, they incur in any of the circumstances of disqualification or prohibition envisaged in the current regulations, the Corporate Bi-laws, or these Regulations.

f) Where they are charged with an alleged criminal offense, or are served with notice that they are to be tried for any of the offenses listed in the provisions relating to disqualification from holding the office of director envisaged in the Spanish Capital Companies Act, or are the subject of disciplinary proceedings for a serious or very serious offense commenced by the regulatory authorities.

g) Upon reaching the age of 70. The Director in question shall cease to hold office as from the first session of the Board of Directors held after the Shareholders General Meeting approving the annual accounts for the financial year in which the Director is to reach that age.

h) When they cease to hold the executive positions to which their appointment as a Director is associated.

i) Where they should receive a serious reprimand from the Audit and Compliant Committee, or should be punished for a serious or very serious offense by a public authority, for having infringed their duties as Directors.

j) When their remaining on the Board may jeopardise the Company's interests or when the reasons for which they were appointed no longer exist.

k) Where, for reasons attributable to the Directors in their capacity as such, serious harm has been caused to the Company's standing, or they should lose the commercial and special respectability necessary in order to be a Director of the Company."

Rules applicable to the amendment of the Corporate By-laws

The amendment of the Gamesa Corporación Tecnológica, S.A. Corporate By-laws is governed by the provisions of Articles 285 to 290 of the Spanish Capital Companies Act, without any requirement for reinforced majority beyond those provided for by Article 201 of that legal text.

Article 7 of the Shareholders General Meeting Regulations, as amended by shareholders at the General Meeting held on 29 June 2012, expressly includes the amendment of the Corporate By-laws as being within the powers of this body.

13. POWERS OF ATTORNEY OF THE MEMBERS OF THE BOARD OF DIRECTORS AND, IN PARTICULAR, THOSE RELATING TO THE POSSIBILITY OF ISSUING OR REPURCHASING SHARES

Power-of-attorney granted to Members of the Board of Directors

The Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., at the meeting held on 23 May 2012, unanimously agreed, following a favourable report by the Appointments and Remuneration Committee to appoint Mr. Ignacio Martín San Vicente as Executive Chairman of the Board of Directors and Managing Director, delegating all powers corresponding to the Board of Directors pursuant to law and to the Corporate By-laws to him, with the exception of those that may not be delegated pursuant to law or to the Corporate By-laws. Mr. Martín San Vicente accepted his appointment at the same act.

Powers relating to the possibility of issuing or repurchasing shares

At the date of the approval of this Report, the authorization granted by the Annual General Meeting held on 28 May 2010 remains in force, pursuant to which the Board of Directors has powers to acquire treasury shares. There follows below a verbatim transcription of the resolution approved by the Meeting under item 10 the Agenda.

“To expressly authorize the Board of Directors, with express powers of substitution, pursuant to the provisions of article 75 of the Spanish Companies Act, to proceed to the derivative acquisition of shares in Gamesa Corporación Tecnológica, Sociedad Anónima, subject to the following conditions:

a.- Acquisitions may be made directly by Gamesa Corporación Tecnológica, Sociedad Anónima, or indirectly through its controlled companies..
b.- Acquisitions of shares, which must be fully paid up and free from all charges and/or encumbrances, shall be made through sale and purchase transactions, exchanges, or any other method allowed by law.
c.- Acquisitions may be made, at any time, up to the maximum figure allowed by law.
d.- The minimum price for the shares will be their par value and the maximum price may not exceed ten percent (10%) of their listed price on the date of acquisition.
e.- A restricted reserve may be set up in the Company’s equity equivalent to the calculated value of the own shares in the assets. This reserve must be maintained for as long as the shares are not disposed of or amortized.
The shares acquired may be subsequently disposed of under such conditions as may be freely agreed.
g.- This authorization is granted for a maximum term of 5 years, and expressly renders of no effect the authorization granted by the Company’s Annual General Meeting on 29 May 2009, in that part left to run.

For the purposes of the provisions of paragraph two section 1 of article 75 of the Spanish Companies Act, to grant express authorization for the acquisition of shares in the Company by any of the controlled companies subject to the same conditions as under this agreement.

Finally and in relation to the provision of the last paragraph of section 1 of article 75 of the Spanish Companies Act, in the wording thereof given by Law 55/1999 of 29 December, it is stated that the shares acquired pursuant to this authorization may be used by the Company, inter alia, for the purpose of being allotted to employees or directors of the Company, either directly or as a result of the exercise of option rights or any other rights envisaged in the Incentive Plans of which they are the holders and/or beneficiaries pursuant to the provisions laid down by law, the by-laws, or the regulations."

14. SIGNIFICANT AGREEMENTS ENTERED INTO BY THE COMPANY AND WHICH COME INTO FORCE, ARE AMENDED, OR COME TO AN END IN THE EVENT OF A CHANGE OF CONTROL AT THE COMPANY AS A RESULT OF A TAKEOVER BID, AND THE EFFECTS THEREOF, EXCEPT WHERE THE DISCLOSURE THEREOF SHOULD BE SERIOUSLY PREJUDICIAL TO THE COMPANY. THIS EXCEPTION SHALL NOT APPLY WHERE THE COMPANY SHOULD BE UNDER A STATUTORY DUTY TO MAKE THIS INFORMATION PUBLIC.

Pursuant to the framework agreement dated 21 September 2011 (Relevant event 155308) between Iberdrola, S.A. and the subsidiary of Gamesa Corporación Tecnológica, S.A., Gamesa Eólica, S.L. Unipersonal, in the event of any change in control of Gamesa Corporación Tecnológica, S.A. would allow Iberdrola, S.A. to terminate the framework agreement without the parties having any claim against such termination.

15. ANY AGREEMENTS BETWEEN THE COMPANY AND ITS BOARD MEMBERS OR EMPLOYEES PROVIDING FOR COMPENSATION IF THEY RESIGN OR ARE MADE REDUNDANT WITHOUT VALID REASON OR IF THEIR EMPLOYMENT CEASES BECAUSE OF A TAKEOVER BID.

The Chairman and CEO and some of the members of the executive team at the Company have contractual agreements to receive financial compensation in the event of termination for reasons attributable to the Company and, in some cases, due to the occurrence of objective circumstances, such as a change in control. The financial compensation agreed for such termination consists, in general, of the payment of compensation up to a maximum of three years' salary, depending on personal and professional circumstances and the time at which the agreement was concluded.

In general with regard to non-managerial employees, in the event of the termination of their employment relationship, their contracts do not clearly financial compensation other than as required by current legislation.