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## **Gamesa Said to Plan Brazil Factory to Boost Shares**

Gamesa Corporacion Tecnologica SA, the Spanish turbine maker that's lost more than half its market value this year, is planning to build a factory in Brazil that will supply the world's fastest-growing market for wind energy, a person familiar with the company's plans said.

The company aims to make locally a significant number of the 129 turbines it will provide to Iberdrola SA for nine Brazilian wind parks planned by 2012, said the person, who asked not to be named because the plan isn't completed. The contract with Iberdrola is Gamesa's first in Latin America's largest economy. The factory could be expanded to supply others, the person said.

Investors have sold shares in wind turbine makers this year as the companies were forced to cut their sales forecasts after banks limited financing for new European wind parks and they lost contracts in China to local competitors there.

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Gamesa shares lost as much as 2.5 percent today and traded down 2.3 percent at 5.30 euros at 10:35 a.m. Spain's benchmark index, the Ibex 35, lost 1.2 percent and the 88-member WilderHill New Energy Index slipped 0.7 percent.

Gamesa, based in Zamudio, northern Spain, sees Brazil as a key source of growth as it looks to reverse a plunge in the company's share price, the person said. Brazil's investment in new turbines will increase by an average 40 percent a year through 2013, according to analysts at Bloomberg New Energy Finance in London.

Australia will be the second-fastest market, growing at 32 percent pace. China will increase 12 percent a year, and U.S. investment is seen slipping 3 percent annually, New Energy Finance estimated.

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Shares in Gamesa gained as much as 1.4 percent in Madrid trading after the news and closed at 5.417 euros, up 0.2 percent, leaving this year's decline at 53 percent.

The 88-member WilderHill New Energy Global Innovation Index fell 21 percent in the period, led by U.S. wind-energy developer and equipment maker Broadwind Energy Inc.'s 78 percent plunge.

Gamesa last month announced it will supply 102 megawatts of turbines to a wind park in Honduras over the next 18 months.

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