

**REPORT REGARDING THE REMUNERATION POLICY OF
THE BOARD OF DIRECTORS IN THE FISCAL YEAR 2009 AND
ITS APPLICATION IN THE FISCAL YEAR 2008,
PREPARED BY THE BOARD OF DIRECTORS OF
"GAMESA CORPORACIÓN TECNOLÓGICA, S.A."**



1.- LEGAL FUNDAMENTALS

According to second paragraph of the Article 26.3 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., (hereafter Gamesa) *"the Board of Directors shall draw up a report on the remuneration policy for the current year on an annual basis. The report shall be placed at the shareholders' disposal in the form that the Board may deem appropriate for the announcement of the General Shareholders' Meeting."*

Following these rules, the Board of Directors of Gamesa in its meeting held on April 22nd, 2009, has prepared the present report.

2.- COMPETENT BODY FOR ESTABLISHING THE REMUNERATION, GLOBAL LIMIT AND PRINCIPLES

2.1.- COMPETENT BODIES FOR ESTABLISHING THE REMUNERATION OF THE BOARD OF DIRECTORS

As established in the Articles of Association and the Board of Directors Regulations of Gamesa, the Board of Directors is the competent body to approve the remuneration systems of the Directors, as well as the additional remuneration for the Executive Directors according to its executive duties, and its annual amount on proposal of the Appointments and Remuneration Committee. The competence of the Board of Directors has the legal limit of the remuneration based on the delivery of shares, or of option rights over them, which are referred to the value of those, which requires an agreement of the Shareholders' General Meeting.

2.2.- GLOBAL LIMIT TO THE REMUNERATION

The Articles of Association of Gamesa establish that the Company will allocate as an expense an amount up to 3% of the benefit of the fiscal year to be paid to the members of the Board of Directors.

At any case, the duties of allocating the necessary amounts to the legal reserve and other obligatory and a dividend of the four (4) per cent¹, shall be observed.

In the fiscal year 2008 the percentage of the consolidated benefit allocated to the remuneration of the Board of Directors was zero point eight per cent (0.8 %).

2.3.- MODERATION AND ADAPTATION TO THE POST PRINCIPLES

The Board of Directors shall endeavour that its remuneration is moderate in relation to the demands of the market. Likewise, the Articles of Association stipulate that the remuneration must not be equal for all the members of the Board of Directors. Consequently, the remuneration can be adapted to the assumed dedication and responsibility, but not compromising his independence at any moment.

¹ The proposal of the Board of Directors to the 2009 Shareholders' General Meeting is the distribution of a gross dividend per share of 0.20 euros which means a "pay out" of the twenty nine per cent.

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3.- REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS FOR THEIR ACTIVITY AS DIRECTORS

The remuneration of the members of the Board of Directors of Gamesa for their activity as Directors is an annual fixed remuneration for their membership of the Board of Directors and of the Audit and Compliance Committee and the Appointments and Remuneration Committee (hereafter, the Committees) and an allowance for attending the meetings of the Board of Directors and the meetings of the above-mentioned Committees.

The current structure of the remuneration system was approved by the Board of Directors, on proposal of the Appointments and Remuneration Committee, in the meeting held on July 23rd, 2008, taking effect on September of the previously mentioned year, modifying the previous structure which included as unique principal remuneration concept the assistance allowance.

3.1.- FIXED REMUNERATION

The members of the Board of Directors of Gamesa will receive a fixed annual amount for their membership and post in the Board of Directors and, if applicable, in any of the Committees.

3.2.- ATTENDANCE ALLOWANCES

The members of the Board of Directors of Gamesa will receive allowances for attending each meeting of the Board of Directors and of the Committees to which they effectively assist regardless of the number of meetings held and always taking into account the global limit to the remuneration of the Board of Directors.

3.3.- BYLAW ITEMS

They are made up of the respective premiums of the insurance policies of public liability signed by Gamesa for their Directors with one or several insurance companies.

3.4.- RISKS COVERAGE

They are made up of the cost of the respective premiums of the death or disability insurance policies signed by Gamesa for their Directors with one or several insurance companies.

3.5.- COMPENSATIONS FOR RESIGNATION BEFORE THE ENDING OF THE APPOINTMENT PERIOD

No compensations for resignation before the ending of the appointment period are foreseen.

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3.6.- APPLICATION OF THE REMUNERATION POLICY OF THE BOARD OF DIRECTORS IN THE FISCAL YEAR 2008

The application of the remuneration policy of the Board of Directors in the fiscal year 2008 subject to the regulations previously indicated and for the abovementioned concepts, is shown in the paragraph B.1.11 of the 2008 Annual Corporate Governance Report, approved by the Board of Directors on February 25, 2009, and in the Notes 17 of the Individual Annual Report and 30 of the Consolidated Annual Report that is integrated in the Annual Accounts of the fiscal year 2008, prepared by the Board of Directors in the same date previously indicated. Both documents are at available in the corporate website www.gamesacorp.com

The change of the remuneration structure occurred during the fiscal year 2008, on one hand incorporates as a new concept the fixed remuneration for membership and performance of the posts in the Board of Directors and in the Committees (of Audit and Compliance, and of Appointments and Remuneration) which tries to compensate the performance and responsibility of the post for each Director and in the other hand, maintains, although with a moderated amount, the attendance allowances. As a result of that the due amounts of the previous concepts reach a total of a million four thousand five hundred and twenty euros (1,004,520 €), which, in comparative terms, means, in relation to the fiscal year 2007 (987,000 €), an increase of one point seventy seven per cent (1.77 %)

As regards the rest of concepts the moderation of the remunerations has been maintained. As bylaw items the Public Liability Insurance of Directors and Managers (D&O) is included for a total amount of the premium of thousand seventy eight eight hundred eighty three euros (178,883 €) and the Life Insurance for an amount of twenty six thousand euros (26,000 €).

3.7.- APPLICATION OF THE REMUNERATION POLICY OF THE BOARD OF DIRECTORS IN THE FISCAL YEAR 2009

The Board of Directors of Gamesa, on proposal of the Appointments and Remuneration Committee, has approved the freeze, for the fiscal year 2009, of the fixed remuneration and of the attendance allowances of the meetings of the Board of Directors and of the Committees.

4.- PRESIDENT AND CEO REMUNERATION, AND OF THE REST OF EXECUTIVE DIRECTORS, IF APPLICABLE.

According to the Articles of Association and the Board of Directors Regulations of Gamesa, the remuneration of the Directors for the performance of his activity is independent to the remuneration that, with a general or singular character, is recognized to the members of the Board of Directors that fulfil executive duties or professional orders.

The basic principle of the remuneration policy of Gamesa is to establish an attractive remuneration structure for the first executive of the Company which will contribute to the fulfilment of the strategic targets of the Business Plans by the Board of Directors.

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4.1.- PRESIDENT AND CEO REMUNERATION

The remuneration that the President and CEO shall receive for the performance of his executive duties covers the following concepts:

4.1.1.- FIXED REMUNERATION

The fixed amount for his post has to be competitive in relation to other companies that are comparable in terms of market and size.

The amount of the fixed remuneration shall be maintained in comparable positions with the market, maintaining the premise that in ordinary circumstances, shall tend to represent an amount not higher than the 50% of the total remuneration, understanding as such the sum of the fixed remuneration plus the variable.

4.1.2.- VARIABLE REMUNERATION

The variable remuneration shall represent a relevant part of the total of remunerations and shall necessary be bound to the achievement of specific targets, which must be quantifiable and aligned with the corporate interest.

In particular, the variable remuneration shall not derive from the general evolution of the markets, from the activity sector or similar circumstances, but has to take into account the achievement of the established targets and the results of the company.

a) ANNUAL VARIABLE REMUNERATION²

The establishment of the annual variable remuneration has as a fundamental reference in basically financial indicators, key for the achievement of the strategic targets of the Company, as well as the position that the Company maintains in relation to his principals competitors in the sector.

The second essential criteria for the determination of the variable remuneration is the valuation of the individual professional performance of the Executive Director, which is made according to the achievement degree of the targets of each Area that he manages, taking into account his own individual assessment.

The sumo of all these criteria and components give, as a final result, an annual variation rank of the variable remuneration corresponding to the President-Executive Director that has been assessed.

² The remuneration Policy of Gamesa does not provide that the Executive President of the Company receives for his membership to the Board of Directors, for his leadership and supervision of the Collegiate Body, fixed remuneration or different allowances from the previous fixed remuneration.

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b) LONG TERM VARIABLE REMUNERATION

The Company considers as well the implementation of incentive programs bound to the achievement of mid or long term targets with the purpose of encouraging the retention and motivation of the President and CEO and an alienation with the maximization of the value of Gamesa in a sustainable way in time.

These schemes shall be able to include the deliveries of shares of Gamesa or of options over the abovementioned shares or remuneration rights bound to the value of those, when the Shareholders' General Meeting so approves, on proposal of the Board of Directors and with the prior report of the Appointments and Remuneration Committee.

4.1.3.- APPLICATION OF THE REMUNERATION POLICY OF THE PRESIDENT AND CEO IN THE FISCAL YEAR 2008

The application of the remuneration policy of the President and CEO during the fiscal year 2008 subject to the regulations previously indicated and for the abovementioned concepts, is shown in the paragraph B.1.11 of the 2008 Annual Corporate Governance Report, approved by the Board of Directors on February 25, 2009, and in the Notes 17 of the Individual Annual Report and 30 of the Consolidated Annual Report that is integrated in the Annual Accounts of the fiscal year 2008, prepared by the Board of Directors in the same date previously indicated. Both documents are available in the corporate website www.gamesacorp.com

4.1.4.-LONG TERM INCENTIVE 2006-2008

The Board of Directors of Gamesa approved, in its meeting held on March 28, 2007, an incentive program bound to the achievement of the strategic targets of the Business Plan 2006-2008.

The Board of Directors, on proposal of the Appointments and Remuneration Committee, has verified the achievement level, for the President and CEO, of the strategic targets, being its payment subject to the approval by the Shareholders' General Meeting of the financial statements of the year 2008.

4.1.5.- APPLICATION OF THE REMUNERATION POLICY OF THE PRESIDENT AND CEO IN THE FISCAL YEAR 2009

Fixed Remuneration and annual variable Remuneration

On initiative of the President and CEO, the Appointments and Remuneration Committee proposed and the Board of Directors approved the freeze of the fixed remuneration and maximum annual variable remuneration to receive, for the fiscal year 2009.

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Long Term Incentive Plan through the delivery of shares of Gamesa Corporación Tecnológica, S.A., bound to the Business Plan 2009-2011

The Board of Directors of Gamesa has approved to propose to the 2009 Shareholders' General Meeting, under the point number nine of the Agenda, the implementation of a Long Term Incentive Plan through the delivery of shares of the company (hereinafter, the "Plan") aimed to the Executive Directors, Senior Managers, Managers and employees of Gamesa Corporación Tecnológica, S.A. and, if applicable, of the dependent companies, bound to the achievement, by the end of the duration period of the program, of certain targets bound to the Business Plan 2009-2011.

The Plan is proposed to the Shareholders' Ordinary General Meeting under the following essential notes:

- a) The Plan is an incentive lasting for several years through the delivery of shares of the Company.
- b) The measuring Period has a unique duration period of three (3) years (2009-2011).
- c) The payment of the incentive will take place in the dates approved by the Board of Directors within the two years following the end of the measuring period, being able to establish a two years commitment of maintenance and retention.
- d) Its settlement is in shares of Gamesa Corporación Tecnológica, S.A., and has a maximum limit 2,189,699 shares, which represent approximately a 0.9% of the share capital, to be distributed between the total of beneficiaries, not being able any executive Director participating in the Plan, individually considered, to receive a number higher than 227,475 shares. That maximum number will be adjusted in the necessary proportion if during the validity of the Plan any decrease of the nominal value of the shares shall occur³.

4.1.6.- BASIC CONDITIONS OF THE CONTRACT OF THE PRESIDENT AND CEO

According to the Articles of Association and the Board of Directors Regulations this body, on proposal of the Appointments and Remuneration Committee, approves the essential conditions of the contract of the President and CEO of the Company, including the eventual rewards or compensations in the case of dismissal or resignation. Those conditions are, in general terms, the following:

- a) Applicable regulation.

The applicable regulation for the contract of the President and CEO will be the regulations of the contract of services rendering.

³ The current share capital of Gamesa is divided in two hundred forty three millions two hundred ninety nine thousand nine hundred and four (243,299,904) shares.

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b) Indefinite duration and compensations.

The contract of the President and CEO has an indefinite duration and includes economic compensations for the extinction of the relation with the Company, if the ending does not occur for the free willing of the President and CEO and if it is not a consequence of the not fulfilment of the duties.

c) Non concurrence.

The contract of the President and CEO establishes a non concurrence duty in relation with the companies and activities of similar nature of those of Gamesa during the validity of his relation with the company and for the period of time after this that to that effect shall be established

d) Confidentiality.

The President and CEO shall respect the confidentiality duty during the validity of the contract and after the relation has been extinguished.

4.2.- REMUNERATION OF THE MEMBER-SECRETARY-LEGAL ADVISER OF THE BOARD OF DIRECTORS

According to the Articles of Association and the Board of Directors Regulations, the remuneration that a Executive Director receives for his activity as member of the Board of Directors is independent and compatible with the remuneration that belongs to the professional services rendered that are entrusted by the Company, those as the running of the Secretariat of the Board of Directors, relations with the supervisory body for issued companies and the performance of legal adviser functions to the Board of Directors. On the contrary, the remuneration policy of the Board of Directors does not include the payment of a Variable Remuneration being limited this variable remuneration to the President and CEO of the Company.

4.2.1.- APPLICATION OF THE REMUNERATION POLICY OF THE MEMBER-SECRETARY-LEGAL ADVISER OF THE BOARD OF DIRECTORS IN THE FISCAL YEAR 2008

The application of the remuneration policy of the Member-Secretary-Legal Adviser during the fiscal year 2008 subject to the regulations previously indicated and for the abovementioned concepts, is shown in the paragraph B.1.11 of the 2008 Annual Corporate Governance Report, approved by the Board of Directors on February 25, 2009, and in the Notes 17 of the Individual Annual Report and 30 of the Consolidated Annual Report that is integrated in the Annual Accounts of the fiscal year 2008, prepared by the Board of Directors in the same date previously indicated. Both documents are at available in the corporate website www.gamesacorp.com

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4.2.2.- APPLICATION OF THE REMUNERATION POLICY OF THE MEMBER-SECRETARY-LEGAL ADVISER OF THE BOARD OF DIRECTORS IN THE FISCAL YEAR 2009

On initiative of Member-Secretary-Legal Adviser, the Appointments and Remuneration Committee proposed and the Board of Directors approved the freeze of the annual fixed remuneration and the remuneration for the professional services contract, for the fiscal year 2009.

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