indra

Press release

INDRA IMPROVES ITS PROFITABILITY (+14.6%) AND ACCELERATES ITS REVENUE GROWTH (+19.4) IN 3Q22

- **9M22 Order intake up +21.0% vs 9M21, with double-digit growth both in Minsait and in Transport & Defence.**
- **Revenues in 9M22 grew +14.0% vs 9M21, mainly bolstered by Minsait (+19.0%). 3Q22 revenue growth accelerated to +19.4% vs 3Q21, with both divisions showing double-digit growth. FX contributed positively with €50m in 9M22 vs €-41m in 9M21.**
- **9M22 EBIT reached €204m, +19% increase year-on-year (excluding capital gain from the sale of San Fernando´s facilities), thanks to the improvement of the Operating Margin in both divisions compared to 9M21.**
- **T&D EBIT margin reached 11.3% and Minsait 5.8% in 9M22.**
- **Free Cash Flow in 9M22 was €54m vs €5m in 9M21, bringing Net Debt/EBITDA ratio down to 0.6x compared to 1.7x in September 2021.**

Madrid, November 2nd, 2022 – Ignacio Mataix, Chief Executive Officer of Indra:

"The highlights of the results for the first nine months of 2022 are the clear improvement in operating profitability, the acceleration in revenue growth, the sustained demand from our customers, which showed no signs of weakness in this last quarter despite the generally weaker macroeconomic outlook, and again the strong cash generation in the third quarter of the year.

The strength of the commercial activity is well reflected in the double-digit growth of our order intake and backlog, which translates into double-digit revenue growth for Indra as well.

Even more noteworthy is the improvement in profitability, reflected in the year-on-year growth of the operating margin, driven by revenue growth, the improved supply mix and efficiencies achieved, and despite the environment of strong wage inflation in the businesses and markets where we operate.

Finally, for another quarter this year, the positive cash generation stands out, which reached €54m in 9M22 and is the best in the last ten years for the first nine months of the year, reducing our financial leverage to 0.6x compared to 1.7x in September 2021.

With one quarter to go before the end of the 2022 financial year, these solid results allow us to reiterate all our annual targets for 2022, which we had already increased in our previous earnings communication, all against the backdrop of a generally worsening global macroeconomic environment."

Main Figures

Main Figures	9M22 (€m)	9M21 (€m)	Variation (%) Reported / Local currency	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported / Local currency
Net Order Intake	3,130	2,588	21.0 / 18.9	805	739	8.9 / 5.8
Revenues	2,694	2,363	14.0 / 11.9	890	745	19.4 / 16.4
Backlog	5,983	5,362	11.6 / 9.9	5,983	5,362	11.6 / 9.9
EBITDA	282	257	9.7 / 8.0	108	112	(3.0) / (4.8)
EBITDA Margin %	10.5%	10.9%	(0.4) pp	12.2%	15.0%	(2.8) pp
Operating Margin	243	201	20.7	93	76	22.6
Operating Margin %	9.0%	8.5%	0.5 pp	10.5%	10.2%	0.3 pp
EBIT	204	188	8.5 / 6.7	81	88	(7.4) / (9.3)
EBIT margin %	7.6%	8.0%	(0.4) pp	9.1%	11.8%	(2.7) pp
Net Profit	116	115	0.9	49	59	(16.7)
Net Debt Position	220	503	(56.2)	220	503	(56.2)
Free Cash Flow	54	5	NA	30	55	NA
Basic EPS (€)	0.656	0.651	1.5	NA	NA	NA

Transport and Defence (T&D)	9M22 (€m)	9M21 (€m)	Variation (%) Reported / Local currency	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported / Local currency
Revenues	865	826	4.7 / 3.7	272	242	12.3 / 10.7
EBITDA	128	120	6.6 / 6.0	49	57	(15.2) / (15.9)
EBITDA Margin %	14.8%	14.5%	0.3 pp	17.8%	23.6%	(5.8) pp
Operating Margin	105	98	7.6	40	42	(4.2)
Operating Margin %	12.2%	11.8%	0.4 pp	14.7%	17.2%	(2.5) pp
EBIT	98	96	2.4 / 1.8	37	49	(23.5) / (24.1)
EBIT margin %	11.3%	11.6%	(0.3) pp	13.7%	20.1%	(6.4) pp

Minsait	9M22 (€m)	9M21 (€m)	Variation (%) Reported / Local currency	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported / Local currency
Revenues	1,829	1,537	19.0 / 16.3	617	503	22.8 / 19.2
EBITDA	154	137	12.5 / 9.8	60	54	9.9 / 6.8
EBITDA Margin %	8.4%	8.9%	(0.5) pp	9.7%	10.8%	(1.1) pp
Operating Margin	137	103	33.1	53	34	55.2
Operating Margin %	7.5%	6.7%	0.8 pp	8.6%	6.8%	1.8 pp
EBIT	106	92	14.9 / 11.7	44	39	12.8 / 9.2
EBIT margin %	5.8%	6.0%	(0.2) pp	7.1%	7.7%	(0.6) pp

Indra acquired six companies of the IT business in 2021 (Flat 101, Managed Security Services, Consultoría Organizacional, Net Studio, The Overview Effect, Credimatic), with a contribution in sales of €29m in 9M22. These acquisitions had a contribution of €2m to 9M21 sales.

Indra acquired Simumak, a company specialized in simulation, on June 30th of 2022. Simumak is consolidated in the balance sheet and cash flows in 2022, and started to consolidate in the income statement as of July 1st of 2022, with a contribution of €2.5m in 9M22 sales.

Indra acquired Nexus, a Chilean company specialized in payment systems, on September 30th of 2022. Nexus is consolidated in the balance sheet and cash flows in 2022, and started to consolidate in the income statement as of October 1st of 2022.

Main Highlights

Backlog stood at €5,983m in 9M22, implying +12% growth in reported terms vs 9M21. Transport & Defence backlog amounted to €4,129m and increased by +11% in 9M22 vs 9M21, standing out Defence & Security, which amounted to €2,622m. For its part, Minsait backlog went up +13% in 9M22 vs 9M21 and totaled €1,853m. Backlog/Revenues LTM ratio stood at 1.61x in 9M22 vs 1.65x in 9M21.

Order intake in 9M22 registered +19% increase in local currency (+21% in reported terms):

- **Order intake in the Transport & Defence division in 9M22** was up +12% in local currency, backed by the growth reported in Transport & Traffic (+22% in local currency), due to the new contracts in Air Traffic with Enaire in Spain and with Avinor in Norway, as well as the contracts in Transport (collection systems contracts signed in Spain and communications systems in Peru). For its part, order intake in Defence & Security grew +5% in local currency due to the contract of the MK1 Radar of the Eurofighter project in Germany and Spain, as well as the contract for the modernization of the Tiger MKIII helicopters in Spain.

- **Order intake in the Minsait division in 9M22** increased +23% in local currency, backed by the double-digit growth showed in all its verticals. It stood out the growth showed in Public Administration & Healthcare (+50% in local currency), mainly helped by the order intake of the Elections project in Angola.

9M22 revenues grew +12% in local currency (+14% in reported terms) vs 9M21:

- **9M22 revenues in the T&D division** increased by +4% in local currency, pushed by the growth registered in Transport & Traffic (+6% in local currency, registering both Air Traffic and Transport that same growth), due to the higher activity with Enaire in Spain, T-Mobilitat and in several rail projects, as well as the Air Traffic European programs in Belgium and Norway. Additionally, Defence & Security sales up +2% in local currency, due to higher activity in Platforms (Naval Systems in Saudi Arabia) and in Security Systems (Kuwait project).

- **9M22 revenues in the Minsait division** increased by +16% in local currency (+19% in reported terms), with all the verticals registering strong growth, standing out the growth posted in Public Administration & Healthcare (+35% in local currency, driven by the higher contribution from the Elections business) and in Energy & Industry (+14% in local currency, thanks to the higher activity registered in Spain in the retail sector, Energy in Brazil and the Italian subsidiary).

3Q22 revenues went up +16% in local currency (+19% in reported terms):

- **3Q22 revenues in the T&D division** increased by +11% in local currency, pushed by the growth registered in Transport & Traffic (+14% in local currency), registering double-digit growth in both Transport (+15%, due to higher activity in America and AMEA) and Air Traffic (+13%, thanks to the general recovery in air traffic showed in all geographies). Likewise, Defence & Security reported +8% strong growth, mainly due to higher one-off activity from the Eurofighter project in the quarter.

- **3Q22 revenues in the Minsait division** accelerated to +19% growth in local currency, in a market environment where clients' demand remains strong. It stood out the strong growth posted in Public Administration & Healthcare (+42%, driven by the Elections project in Angola) and in Energy & Industry (+19%, thanks to the higher activity registered in America and Spain).

FX impact contributed positively with €50m in 9M22, mainly due to the appreciation of Latin American currencies (Colombian and Mexican peso, and Brazilian real). It also contributed positively with €22m in 3Q22.

Organic revenues in 9M22 increased +11% (excluding the inorganic contribution of the acquisitions and the FX impact). By divisions, Minsait showed +15% organic growth and Transport & Defence recorded +3% in 9M22. **Organic revenues in 3Q22** up +15% vs 3Q21. Minsait posted +17% growth and Transport & Defence increased +10%.

Minsait Digital revenues reached €475m (26% of Minsait sales) in 9M22, which implied +15% increase vs 9M21. Digital sales posted +13% growth in 3Q22 vs 3Q21.

9M22 reported EBITDA stood at €282m vs €257m in 9M21 (€240m in 9M21 excluding the capital gain from the sale of San Fernando de Henares' facilities), showing +10% growth in reported terms (+17% excluding the capital gain), equivalent to 10.5% EBITDA margin in 9M22 vs 10.9% in 9M21 (10.2% excluding the capital gain). **3Q22 EBITDA** stood at €108m vs €112m in 3Q21 (€95m excluding the capital gain), equivalent to 12.2% EBITDA margin in 3Q22 vs 15.0% in 3Q21 (12.7% excluding the capital gain).

Operating Margin improved to €243m in 9M22 vs €201m in 9M21 (equivalent to 9.0% operating margin in 9M22 vs 8.5% in 9M21), thanks to the operating leverage and the improvement in profitability in both divisions. **Operating margin in 3Q22** amounted to €93m vs €76m in 3Q21 (equivalent to 10.5% margin in 3Q22 vs 10.2% in 3Q21):

- **9M22 Operating Margin in the T&D division** reached €105m vs €98m in 9M21, equivalent to 12.2% margin vs 11.8% last year same period. **3Q22 Operating Margin** stood at €40m vs €42m in 3Q21, equivalent to 14.7% margin in 3Q22 vs 17.2% in 3Q21, margin which was extraordinarily high as the recognition of several important project milestones were concentrated in the third quarter of the previous year, as well as their associated profitability.

- **9M22 Operating Margin in Minsait** stood at €137m vs €103m in 9M21, equivalent to 7.5% operating margin in 9M22 vs 6.7% in 9M21. **3Q22 Operating Margin** reached €53m vs €34m in 3Q21, equivalent to 8.6% margin in 3Q22 vs 6.8% in 3Q21. This improvement was mainly due to the contribution of the Elections business.

Total workforce restructuring costs amounted to €-20m in 9M22 vs €-13m in 9M21.

9M22 reported EBIT was €204m vs €188m in 9M21 (€171m in 9M21 excluding the capital gain from the sale of San Fernando de Henares' facilities), growing +9% in reported terms (+19% excluding the capital gain), equivalent to 7.6% EBIT margin in 9M22 vs 8.0% in 9M21 (7.3% excluding the capital gain). This improvement was mainly explained by higher profitability in both divisions and despite the increase in amortisation of €9m and indemnities of €7m in 9M22 vs 9M21. **3Q22 reported EBIT** stood at €81m vs €88m in 3Q21 (€71m excluding the capital gain), equivalent to 9.1% EBIT margin in 3Q22 vs 11.8% in 3Q21 and vs 9.5% excluding the capital gain in 3Q21, similar profitability despite including higher indemnities (€7m) and amortisation costs (€3m) in 3Q22 vs 3Q21:

- **EBIT margin in the T&D division** stood at 11.3% in 9M22 vs 11.6% in 9M21 (10.8% excluding the capital gain), backed by the increase in profitability of Transport & Traffic. **3Q22 EBIT margin** decreased to 13.7% vs 20.1% in 3Q21 (17.4% excluding the capital gain), because the margin in the previous quarter was extraordinarily high for the reasons explained above, as well as higher indemnities (€3m) and amortisation (€3m) costs in 3Q22 vs 3Q21.
- **EBIT margin in Minsait** stood at 5.8% in 9M22 vs 6.0% in 9M21 (5.4% excluding the capital gain). This improvement was mainly explained by the contribution of the Elections business. **3Q22 EBIT margin** was 7.1% vs 7.7% in 3Q21 (5.7% excluding the capital gain), backed by the Elections project and despite higher indemnities (€4m) and amortisation (€0.4m) in 3Q22 vs 3Q21.

Net profit of the group stood at €116m vs €115m in 9M21 (€102m in 9M21 excluding the capital gain from the sale of San Fernando de Henares' facilities).

9M22 Free Cash Flow was €54m vs €5m last year same period (€15m excluding the €-32m cash out of the workforce transformation plan and the €+22m cash inflow from the sale of San Fernando de Henares' facilities).

Net Debt declined to €220m in September 2022 vs €503m in September 2021 and vs €240m in December 2021. Net Debt/EBITDA LTM ratio (excluding the impact of IFRS 16, the capital gain from the sale of San Fernando de Henares' facilities and the provision of the Real Estate Plan) stood at 0.6x in September 2022 vs 1.7x in September 2021 and vs 0.8x in December 2021.

Outlook 2022

- **Revenues in constant currency:** > €3,600m.
- **EBIT reported:** > €280m.
- **Free Cash Flow reported:** > €175m.

Human Resources

At the end of September 2022, total workforce amounted to 55,853 professionals implying an increase of +8.9% vs September 2021 (4,543 additional employees). This increase was concentrated in America (2,447 more employees) and in Spain (1,873 more employees). Compared to June 2022, in the quarter, total workforce increased +1.7% (920 more employees), because of Spain (471 more employees) and America (384 more employees).

Average headcount in 9M22 increased by +8.3% vs 9M21.

Final Workforce	9M22	%	9M21	%	Variation (%) vs 9M21
Spain	29,914	54	28,041	55	6.7
America	20,295	36	17,848	35	13.7
Europe	3,536	6	3,421	7	3.4
Asia, Middle East & Africa	2,108	4	2,000	4	5.4
Total	**55,853**	**100**	**51,310**	**100**	**8.9**

Average Workforce	9M22	%	9M21	%	Variation (%) vs 9M21
Spain	29,256	54	27,648	55	5.8
America	19,266	36	16,836	34	14.4
Europe	3,545	7	3,403	7	4.2
Asia, Middle East & Africa	2,030	4	2,051	4	(1.0)
Total	**54,097**	**100**	**49,939**	**100**	**8.3**

Other events over the period

On July 6th of 2022 the Board of Directors of Indra, implementing the commitment to carry out the necessary actions to restore the corporate governance structure, reported the following:

- The engagement of Korn Ferry as advisor of the Appointments, Remuneration and Corporate Governance Committee in the selection process of independent directors, whose appointments would be submitted to an Extraordinary General Shareholders Meeting.

- Propose to the said General Shareholders' Meeting to set the number of members of the Board of Directors at 14, with the purpose of having independent directors represent half of the Board members, as well as the elimination of the provision on the tiebreaking vote (quality vote) of the Chairman of the Board contained in article 24 of the Company's Bylaws.

On July 12th of 2022, the cash dividend agreed at the Annual General Shareholders Meeting of (€0.15 per share) was paid out.

On September 16th of 2022, the Company published a letter from its shareholder Amber Capital informing the Company that the Spanish Ministry Council had authorised the joint foreign investment of the companies Amber Capital UK, LLP (United Kingdom) and Amber Capital Italia SGR, S.P.A. (Italy), in Indra, up to a joint participation in shares, or other financial instruments with shares as underlying value, representing 9.99% of its share capital.

Once the selection process for independent directors had been concluded, on September 26th of 2022, the Board of Directors published the notice of the Extraordinary General Shareholders Meeting, which has been held, at first call, on October 28th of 2022, at 11:00 a.m. (CEST) to submit for approval the proposals for the appointment of six independent directors, one proprietary director representing SEPI's shareholding interests and the elimination of the provision on the tiebreaking vote (quality vote) of the Chairman of the Board contained in article 24 of the Company's Bylaws.

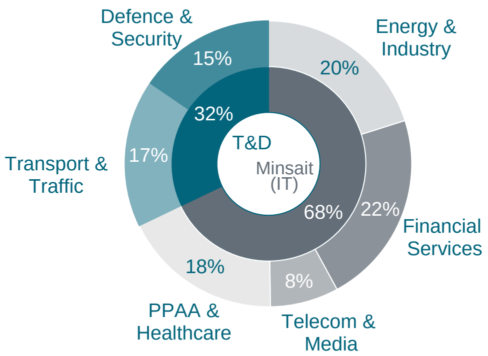
Events following the close of the period

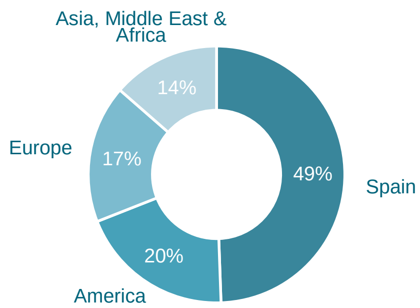
On October 27th of 2022, the Board of Directors of Indra acknowledged the resignation tendered by the director Mr. Ignacio Martín San Vicente with effect from the same day.

On October 28th of 2022, the Extraordinary General Shareholders Meeting was held on first call, with a quorum of 75.01% of the share capital in attendance, at which all the proposals submitted to the Meeting were approved by a large majority of votes in favour.

The composition of the Board of Directors resulting from these resolutions complies with the recommendations of the Good Governance Code of Listed Companies as regards independence, consolidates the division between the role of the non-executive chairman and the company's chief executive officer (CEO) and maintains the figure of the coordinating independent director.

Revenues by divisions and regions:





Revenues by Region	9M22 (€m)	9M21 (€m)	Variation (%) Reported	Variation (%) Local currency	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported	Variation (%) Local currency
Spain	1,332	1,217	9.5	9.4	423	385	9.9	9.9
America	528	427	23.6	13.6	189	144	30.9	18.1
Europe	469	444	5.4	5.3	152	139	9.6	9.4
Asia, Middle East & Africa	366	275	33.2	31.0	126	77	62.7	58.7
Total	**2,694**	**2,363**	**14.0**	**11.9**	**890**	**745**	**19.4**	**16.4**

All geographies reported sales growth in 9M22, highlighting the double-digit growth showed in AMEA (+31% in local currency; 14% of total sales) and America (+14% in local currency; 20% of total sales). For its part, Spain (+9%; 49% of total sales) and Europe (+5% in local currency; 17% of total sales) also showed solid growth.

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Transport & Defence (T&D)

T&D	9M22 (€m)	9M21 (€m)	Variation (%) Reported	Variation (%) Local currency	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported	Variation (%) Local currency
Net Order Intake	1,098	970	13.2	12.3	320	379	(15.7)	(17.3)
Revenues	865	826	4.7	3.7	272	242	12.3	10.7
- Defence & Security	416	409	1.9	1.7	141	130	8.5	8.2
- Transport & Traffic	449	418	7.5	5.7	131	112	16.7	13.7
- Transport	*247*	*228*	*8.1*	*5.7*	*68*	*57*	*19.0*	*14.7*
- Air Traffic	*202*	*189*	*6.8*	*5.7*	*63*	*55*	*14.3*	*12.6*
Book-to-bill	1.27	1.17	8.1		1.17	1.57	(24.9)	
Backlog / Revs LTM	3.19	3.10	2.9					

Transport & Defence revenues in 9M22 went up +4% in local currency. Transport & Traffic grew +6% in local currency and Defence & Security increased by +2% in local currency. 3Q22 sales up +11% in local currency, showing Transport & Traffic +14% and Defence & Security +8% growth.

Organic sales in Transport & Defence in 9M22 (excluding the inorganic contribution of the acquisitions and the FX impact) increased by +3%. For its part, organic sales in 3Q22 up +10%.

Order intake in 9M22 grew +12% in local currency, registering both Transport & Traffic (+22% in local currency) and Defence & Security (+5% in local currency) growth.

Backlog/Revenues LTM ratio stood at 3.19x vs 3.10x in 9M21. Book-to-bill ratio improved to 1.27x vs 1.17x in 9M21.

Defence & Security

- 9M22 Defence & Security sales increased +2% in local currency, mainly boosted by Platforms (Naval Systems in Saudi Arabia) and Security Systems (Kuwait project), which implies a positive performance taking into account the +16% growth of this vertical in 9M21 and the limited contribution from the FCAS project in 9M22. For its part, the Eurofighter project in 9M22 had a similar contribution to the same period last year.
- By geographies, 9M22 sales went up in all regions except for Europe, which in 9M21 had a significant contribution from the Air Defence Systems project in Lithuania.
- 3Q22 Defence & Security sales increased +8% in local currency, mainly pushed by higher one-off activity from the Eurofighter project in the quarter.
- The activity of the vertical in 9M22 was concentrated in Europe (c. 40% of sales) and Spain (c. 40% of sales), while AMEA contributed c. 20% of sales.
- Order intake in 9M22 up +5% in local currency, helped by the order intake registered in the MK1 Radar of the Eurofighter project in Germany and Spain, as well as the contract for the modernization of the Tiger MKIII helicopters in Spain. Two relevant contracts were signed in the 3Q21 (Lanza 3D Radars in Spain and Air Defence Systems in Rwanda).

Transport & Traffic

- 9M22 Transport & Traffic revenues went up +6% in local currency, registering both Air Traffic and Transport that same growth.
- Revenues in the Air Traffic segment in 9M22 increased +6% in local currency, thanks to the positive performance posted in Spain (higher activity with Enaire) and in the European programs (Belgium and Norway), despite the lower activity registered in AMEA (China, Australia and Bahrain). The distribution by region was: Europe (c. 40%), AMEA (c. 30%) and Spain (c. 25%).

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- In the Transport segment, sales in 9M22 grew by +6% in local currency, thanks to the higher activity showed in Spain (T-Mobilitat interurban project and higher activity in rail projects), which offset the difficult year-on-year comparison in AMEA, which saw the completion of the implementation phase of the Mecca-Medina high-speed train project in Saudi Arabia. The activity in this segment was distributed between Spain (c. 45%), AMEA (c. 30%) and America (c. 20%).
- 3Q22 Transport & Traffic sales went up +14% in local currency, showing both Transport (+15% in local currency), aided by higher activity in America (Mexico, Colombia and Peru) and in AMEA (Egypt and India), as well as in Air Traffic (+13% in local currency, due to increased activity in all geographies, both in Spain and in the European and international programs, linked to the general recovery in air traffic) strong growth.
- Region-wise, most of the activity of the vertical in 9M22 was concentrated in Spain (c. 35% of sales), AMEA (c. 30% of sales), and Europe (c. 20% of sales).
- Order intake in 9M22 increased +22% in local currency, bolstered by both Air Traffic (+23% in local currency, due to the contract with Avinor in Norway and new contracts with Enaire in Spain) and Transport (+21% in local currency, due to the collection systems contracts signed in Spain and communications systems at Lima's airport).

Minsait

Minsait	9M22 (€m)	9M21 (€m)	Variation (%) Reported	Variation (%) Local currency	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported	Variation (%) Local currency
Net Order Intake	2,032	1,618	25.6	22.8	485	360	34.8	30.1
Revenues	1,829	1,537	19.0	16.3	617	503	22.8	19.2
- Energy & Industry	542	462	17.3	14.1	183	149	22.9	18.7
- Financial Services	591	530	11.6	8.2	194	173	12.1	7.4
- Telecom & Media	208	186	12.1	9.1	69	61	12.4	8.3
- PPAA & Healthcare	488	359	35.9	35.0	172	120	43.2	42.2
Book-to-bill	1.11	1.05	5.5		0.79	0.72	9.8	
Backlog / Revs LTM	0.76	0.80	(4.2)					

Minsait sales in 9M22 grew by +16% in local currency, with all the verticals showing very positive performance. It is worth mentioning the strong growth posted in Public Administrations & Healthcare (+35% in local currency) and Energy & Industry (+14% in local currency). In the quarter, sales accelerated to +19% growth in local currency, standing out Public Administrations & Healthcare (+42%) and Energy & Industry (+19%).

Excluding the inorganic contribution of the acquisitions and the FX impact, Minsait sales in 9M22 would have grown +15%. For its part, organic sales in 3Q22 up +17%.

9M22 order intake in Minsait went up +23% in local currency vs 9M21, boosted by the solid growth showed in all verticals, among which stood out Public Administrations & Healthcare (+50% in local currency).

Backlog/Revenues LTM stood at 0.76x vs 0.80x in 9M21. Book-to-bill ratio improved and stood at 1.11x vs 1.05x in 9M21.

Digital sales amounted to €475m (which represents 26% of Minsait sales) in 9M22, implying an increase of +15% vs 9M21.

Minsait	9M22 (€m)	9M21 (€m)	Variation (%) Reported	3Q22 (€m)	3Q21 (€m)	Variation (%) Reported
Digital	475	413	15.0	152	135	12.6
Proprietary solutions	165	123	34.3	60	39	55.8
Implementation of third party solutions & Others	375	243	54.6	141	83	69.0
Technological and Process Outsourcing	820	764	7.3	266	248	7.5
Eliminations	(6)	(6)	N/A	(2)	(2)	N/A
Total	**1,829**	**1,537**	**19.0**	**617**	**503**	**22.8**

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Energy & Industry

- 9M22 Energy & Industry revenues increased +14% in local currency, with both segments posting double-digit growth, although the Industry segment showed a better relative performance thanks to the retail sector.
- The Energy segment represented approximately 60% of the vertical sales vs 40% the Industry segment.
- Revenues in 9M22 grew in all geographies. It is worth noting the positive performance showed in Spain (higher activity with the main company of the retail sector), America (Brazil in the Energy sector and Colombia in the Industry sector) and Europe (higher activity in the Italian subsidiary in both segments).
- 3Q22 Energy & Industry sales increased +19% in local currency, registering both Energy and Industry double-digit growth.
- By geographies, most of the activity was concentrated in Spain (c. 45% of sales), America (c. 30% of sales) and Europe (15% of sales).
- 9M22 order intake went up +15% in local currency, mainly boosted by the growth achieved in America (Brazil and USA in the Energy sector and Colombia in the Industry sector).

Financial Services

- 9M22 Financial Services sales increased by +8% in local currency. Both the banking and the insurance sectors posted growth.
- The Banking Sector (c. 85% of total sales) concentrated most of the activity of the vertical in 9M22 in respect to the Insurance Sector (c. 15% of total sales).
- Sales in 9M22 grew in all geographies. It is worth noting the double-digit growth achieved in America (mainly thanks to Peru, Mexico, Ecuador and Chile), while Spain continued to grow, although at a slower rate, due to increased activity with some of the most relevant banks.
- 3Q22 Financial Services sales went up +7% in local currency, mainly boosted by the growth registered in America.
- Region-wise, Spain (c. 65% of the sales) and America (c. 30% of the sales) concentrated most of the activity of the vertical in 9M22.
- Order intake in 9M22 increased by +10% in local currency, pushed by America (Ecuador, Chile, Mexico and Peru, mainly in the Payment Systems Processors business) and Spain (signing of relevant contracts with large clients).

Telecom & Media

- 9M22 Telecom & Media sales increased by +9% in local currency, due to the higher activity with the main operators in Telecom.
- The Telecom segment (c. 95% of total sales) concentrated most of the activity of the vertical in 9M22 with respect to the Media segment (c. 5% of total sales).
- The increase in Telecom & Media sales in 9M22 were bolstered by the growth posted in America (mainly in Colombia) and Spain (increased activity with the main operator).
- 3Q22 Telecom & Media sales increased +8% in local currency, mainly aided by the growth registered in America.

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- By geography, most of the vertical activity in 9M22 was concentrated in Spain (c. 50% of sales) and in America (c. 35% of sales).
- Order Intake in 9M22 went up +27% bolstered by Spain (renewal of relevant contracts with the main operator) and America (relevant contracts with the main operators in Colombia and Brazil).

Public Administrations & Healthcare

- 9M22 Sales in Public Administrations & Healthcare increased by +35% in local currency, being the company's vertical with the best performance in 9M22. Excluding the Elections business, sales would have grown +13% in reported terms.
- The Public Administrations segment (c. 60% of sales) concentrated the highest vertical activity with respect to Elections (c. 25% of sales) and Healthcare (c. 15% of sales).
- All geographies showed growth, standing out the increase registered in AMEA (Elections project in Angola), Spain (higher activity with the Public Administration) and Europe (Italian subsidiary).
- 3Q22 Public Administrations & Healthcare sales increased +42% in local currency, pushed by the growth registered in AMEA, Spain and Europe. Excluding the Elections business, sales would have grown +9% in the quarter in reported terms.
- By geography, most of the vertical activity in 9M22 was concentrated in Spain (c. 50% of sales) and AMEA (c. 20% of sales).
- Order intake in 9M22 grew by +50% in local currency, mainly backed by the Election business (project in Angola). Excluding such business, order intake would have grown +19%, showing Spain and America (Argentina and Brazil) strong growth.

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Appendices

Consolidated Income Statement

	9M22	9M21	Variation		3Q22	3Q21	Variation	
	€m	€m	€m	%	€m	€m	€m	%
Revenue	**2,694.4**	**2,362.9**	**331.5**	**14.0**	**889.5**	**745.2**	**144.3**	**19.4**
In-house work on non-current assets and other income	35.0	33.8	1.2	3.8	13.4	13.4	0.0	(0.4)
Materials used and other supplies and other operating expenses	(860.8)	(795.5)	(65.3)	8.2	(292.4)	(249.2)	(43.2)	17.3
Staff Costs	(1,583.7)	(1,368.0)	(215.7)	15.8	(501.9)	(422.2)	(79.7)	18.9
Other gains or losses on non-current assets and other results	(2.7)	24.1	(26.8)	NA	(0.3)	24.5	(24.8)	NA
Gross Operating Result (EBITDA)	**282.3**	**257.2**	**25.1**	**9.7**	**108.3**	**111.6**	**(3.3)**	**(3.0)**
Depreciation and amortisation charge	(78.0)	(69.0)	(9.0)	13.0	(27.0)	(23.8)	(3.2)	13.2
Operating Result (EBIT)	**204.3**	**188.2**	**16.1**	**8.5**	**81.3**	**87.8**	**(6.5)**	**(7.4)**
EBIT Margin	***7.6%***	***8.0%***	***(0.4) pp***	**0.0**	***9.1%***	***11.8%***	***(2.7) pp***	**(25.0)**
Financial Loss	**(29.3)**	**(29.5)**	**0.2**	**(0.9)**	**(5.4)**	**(9.1)**	**3.7**	**(40.1)**
Result of companies accounted for using the equity method	(0.1)	0.0	(0.1)	NA	(1.4)	(0.1)	(1.3)	NA
Profit (Loss) before tax	**174.9**	**158.7**	**16.2**	**10.2**	**74.5**	**78.6**	**(4.1)**	**(5.3)**
Income tax	(56.3)	(42.2)	(14.1)	33.6	(24.2)	(18.6)	(5.6)	30.0
Profit (Loss) for the year	**118.5**	**116.6**	**1.9**	**1.7**	**50.3**	**60.0**	**(9.7)**	**(16.2)**
Profit (Loss) attributable to non-controlling interests	(2.8)	(1.9)	(0.9)	46.4	(0.9)	(0.8)	(0.1)	20.8
Profit (Loss) attributable to the Parent	**115.7**	**114.6**	**1.1**	**0.9**	**49.4**	**59.3**	**(9.9)**	**(16.7)**

Earnings per Share (according to IFRS)	9M22	9M21	Variation (%)
Basic EPS (€)	0.656	0.651	1.5
Diluted EPS (€)	0.608	0.643	(4.7)

	9M22	9M21
Total number of shares	176,654,402	176,654,402
Weighted treasury stock	348,520	530,607
Total shares considered	176,305,882	176,123,795
Total diluted shares considered	193,169,179	193,213,138
Treasury stock in the end of the period	248,013	495,832

Figures not audited

Basic EPS *is calculated by dividing net profit by the average number of outstanding shares during the period less the average treasury shares of the period.*

Diluted EPS *is calculated by dividing net profit (adjusted by the impact of the €250m convertible bond issued in October 2016 with a conversion price of €14.629 (€14.479 from 8th July 2022 after the distribution of the cash dividend of €0.15 per share), as well as the redemption of €4.1m of this amount on October 7th of 2021 following the exercise of the put option by bondholders), by the average number of outstanding shares during the period less the average treasury shares of the period and adding the theoretical new shares to be issued once assuming full conversion of the bonds.*

The average number of shares *used in the calculation of the EPS and dilutive EPS for treasury shares, total number of shares and theoretical shares to be issued related to the convertible bonds, are calculated using daily balances.*

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- Revenues in reported terms grew by +14% in 9M22.
- Other income stood at €35m in 9M22, similar level than in 9M21 (€34m). Within this item, works for own non-current assets stood at €19m vs €23m in 9M21 and other grant income amounted to €12m vs €8m in 9M21.
- Materials used and other supplies and other operating expenses in 9M22 increased by +8% vs 9M21, mainly due to higher material purchases, higher subcontracting of staff and third parties, as well as higher operating costs (leases and royalties, travels, supplies, etc.), which were partially offset by a higher variation in inventories compared to the same period last year.
- Personnel expenses increased by +16% in 9M22 vs 9M21, as a consequence of the workforce increase linked to the higher activity in both divisions and to the acquisitions carried out, as well as by the salary inflation. Personnel expenses in 3Q22 went up +19%.
- 9M22 EBITDA stood at €282m vs €257m in 9M21 (€240m excluding the capital gain from the sale of San Fernando de Henares' facilities), which implied +10% growth in reported terms (+17% excluding the capital gain).
- 9M22 D&A stood at €78m, €9m more than in 9M21, in line with the increase of the Capex investment in 9M22.
- 9M22 EBIT stood at €204m vs €188m in 9M21 (€171m excluding the capital gain from the sale of San Fernando de Henares' facilities), growing +9% in reported terms (+19% excluding the capital gain).
- Financial results was €29m in 9M22 vs €30m in 9M21. The lower costs derived from the reduction in funding offset the increase in costs of the partial repurchase of €150m of the Senior bonds (initially issued for €300m) and other financial expenses. Gross debt borrowing cost was 1.9% for both 9M22 and 9M21 periods.
- Tax income stood at €56m in 9M22 vs €42m in 9M21, derived from higher profit before tax registered in the period and the accounting recognition of the impact of the inspection in Spain (€5m), completed in May. Tax rate was 32% (29% excluding the impact of the inspection) in 9M22 vs 27% in 9M21.
- Net profit of the group stood at €116m vs €115m in 9M21 (€102m excluding the capital gain from the sale of San Fernando de Henares' facilities).

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Consolidated Balance Sheet

	9M22 €m	2021 €m	Variation €m
Property, plant and equipment	85.1	78.1	7.0
Property investments	1.1	1.1	0.0
Assets for the rigth of use	81.7	98.8	(17.1)
Goodwill	957.8	921.4	36.4
Other Intangible assets	254.3	274.0	(19.7)
Investments using the equity method and other non-current financial assets	299.1	222.8	76.3
Deferred tax assets	163.6	182.5	(18.9)
Total non-current assets	**1,842.7**	**1,778.6**	**64.1**
Assets held for sale	11.6	9.8	1.8
Operating current assets	1,619.2	1,367.2	252.0
Other current assets	173.5	144.6	28.9
Cash and cash equivalents	752.4	1,235.0	(482.6)
Total current assets	**2,556.7**	**2,756.5**	**(199.8)**
TOTAL ASSETS	**4,399.5**	**4,535.1**	**(135.6)**
Share Capital and Reserves	957.2	825.0	132.2
Treasury shares	(2.0)	(4.9)	2.9
Equity attributable to parent company	**955.2**	**820.2**	**135.0**
Non-controlling interests	17.1	21.0	(3.9)
TOTAL EQUITY	**972.3**	**841.1**	**131.2**
Provisions for contingencies and charges	70.9	67.9	3.0
Bank borrowings and financial liabilities relating to issues of debt instruments and other marketable securities	946.3	1,436.0	(489.7)
Other non-current financial liabilities	399.7	386.4	13.3
Subsidies	20.1	27.4	(7.3)
Other non-current liabilities	0.5	0.4	0.1
Deferred tax liabilities	4.4	2.2	2.2
Total Non-current liabilities	**1,441.8**	**1,920.4**	**(478.6)**
Liabilities classified as held for sale	0.0	0.0	0.0
Current bank borrowings and financial liabilities relating to issues of debt instruments and other marketable securities	26.4	39.4	(13.0)
Other current financial liabilities	58.8	54.6	4.2
Operating current liabilities	1,467.9	1,329.1	138.8
Other current liabilities	432.2	350.5	81.7
Total Current liabilities	**1,985.4**	**1,773.6**	**211.8**
TOTAL EQUITY AND LIABILITIES	**4,399.5**	**4,535.1**	**(135.6)**
Current bank borrowings and financial liabilities relating to issues of debt instruments and other marketable securities	(26.4)	(39.4)	13.0
Bank borrowings and financial liabilities relating to issues of debt instruments and other marketable securities	(946.3)	(1,436.0)	489.7
Gross financial debt	(972.7)	(1,475.5)	502.8
Cash and cash equivalents	752.4	1,235.0	(482.6)
Net Debt	***(220.3)***	***(240.4)***	***20.1***

Figures not audited

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Consolidated Cash Flow statement

	9M22 €m	9M21 €m	Variation €m	3Q22 €m	3Q21 €m	Variation €m
Profit Before Tax	**174.9**	**158.7**	**16.2**	**74.5**	**78.6**	**(4.1)**
Adjusted for:						
- Depreciation and amortization charge	78.0	69.0	9.0	27.0	23.8	3.2
- Provisions, capital grants and others	0.6	(31.3)	31.9	11.5	(30.2)	41.7
- Result of companies accounted for using the equity method	0.1	(0.0)	0.1	1.4	0.1	1.3
- Financial loss	29.3	29.5	(0.2)	5.4	9.1	(3.7)
Dividends received	**0.0**	**1.1**	**(1.1)**	**0.0**	**0.5**	**(0.5)**
Profit (Loss) from operations before changes in working capital	**282.9**	**227.0**	**55.9**	**119.8**	**82.0**	**37.8**
Changes in trade receivables and other items	(98.9)	(162.0)	63.1	(97.5)	(2.4)	(95.1)
Changes in inventories	(153.3)	(22.1)	(131.2)	(62.8)	(15.5)	(47.3)
Changes in trade payables and other items	137.9	34.7	103.2	98.0	(3.9)	101.9
Cash flows from operating activities	**(114.3)**	**(149.4)**	**35.1**	**(62.3)**	**(21.8)**	**(40.5)**
Tangible (net)	(15.3)	13.0	(28.3)	(5.2)	19.3	(24.5)
Intangible (net)	(14.5)	(12.1)	(2.4)	(6.1)	(7.6)	1.5
Capex	**(29.8)**	**0.9**	**(30.7)**	**(11.3)**	**11.7**	**(23.0)**
Interest paid and received	**(22.2)**	**(27.4)**	**5.2**	**(0.1)**	**(2.3)**	**2.2**
Other financial liabilities variation (1)	**(24.1)**	**(24.8)**	**0.7**	**(7.6)**	**(8.2)**	**0.6**
Income tax paid	**(38.5)**	**(21.5)**	**(17.0)**	**(8.6)**	**(6.9)**	**(1.7)**
Free Cash Flow	**54.0**	**4.8**	**49.2**	**30.0**	**54.6**	**(24.6)**
Changes in other financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments/divestments	(27.4)	(19.6)	(7.8)	(17.9)	(3.9)	(14.0)
Dividends paid by companies to non-controlling shareholders	(5.0)	(1.2)	(3.8)	(0.6)	(0.1)	(0.5)
Dividends of the parent company	(26.5)	0.0	(26.5)	(26.5)	0.0	(26.5)
Shareholders contributions	0.0	0.0	0.0	0.0	0.0	0.0
Changes in treasury shares	0.2	(4.8)	5.0	(0.0)	0.2	(0.2)
Cash-flow provided/(used) in the period	**(4.6)**	**(20.7)**	**16.1**	**(15.0)**	**50.8**	**(65.8)**

Initial Net Debt	**(240.4)**
Cash-flow provided/(used) in the period	(4.6)
Foreign exchange differences and variation with no impact in cash	24.8
Final Net Debt	***(220.3)***

Cash & cash equivalents at the beginning of the period	**1,235.0**	**1,184.9**	**50.1**
Foreign exchange differences	22.2	0.6	21.6
Increase (decrease) in borrowings	(500.2)	(184.2)	(316.0)
Net change in cash and cash equivalents	(4.6)	(20.7)	16.1
Ending balance of cash and cash equivalents	**752.4**	**980.5**	**(228.1)**
Long term and current borrowings	**(972.7)**	**(1,483.2)**	**510.5**
Final Net Debt	***(220.3)***	***(502.7)***	***282.4***

(1) The IFRS 16 effect is included in "other financial liabilities variation"

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- Operating Cash Flow before net working capital reached €283m in 9M22 vs €227m in 9M21, due to the higher operating profitability.

- Cash flow from operating activities (working capital) was negative due to the seasonality of the first nine months of the year, as well as the strong sales growth recorded in the period, and stood at €-114m in 9M22 vs €-149m in 9M21. This improvement compared to 9M21 was explained by the enhacement of Accounts payable (€103m in 9M22 vs 9M21) and Accounts receivable (€63m in 9M22 vs 9M21), which offset the worse performance of Inventories (€-131m in 9M22 vs 9M21).

  Working Capital from S/T and L/T stood at €103m in September 2022, equivalent to 10 DoS vs 22 DoS in September 2021. This improvement in 12 DoS was mainly explained by the reduction of Accounts Receivable (improvement of 11 DoS).

Working Capital S/T and L/T (€m)	9M22	9M21	Variation
Inventories	523	456	67
Accounts Receivable	1,096	1,051	45
Operating Current Assets	**1,619**	**1,507**	**112**
Inventories L/T	53	59	(6)
Accounts Receivable L/T	13	3	10
Total Operating Assets	**1,685**	**1,569**	**116**
Preypayments from clients	820	805	15
Accounts Payable	648	567	81
Operating Current Liabilities	**1,468**	**1,373**	**95**
Preypayments from clients L/T	114	0	114
Total Operating Liabilities	**1,582**	**1,373**	**210**
Working Capital S/T and L/T	**103**	**196**	**(94)**

Working Capital S/T and L/T (DoS)	9M22	9M21	Variation
Inventories	56	58	(1)
Accounts Receivable	17	28	(11)
Accounts Payable	(64)	(64)	0
Total	**10**	**22**	**(12)**

- Non-recourse factoring lines remained stable at €187m.

- 9M22 CAPEX (net of subsidies) implied a cash outflow of €30m vs cash inflow of €1m in 9M21 (equivalent to a cash outflow of €21m excluding the collection of €22m from the first payment of the sale of San Fernando de Henares' facilities). This variation of €9m was mainly explained by the lower subsidies collections (€7m) in 9M22 vs 9M21.

- Financial Results payment in 9M22 was €22m vs €27m in 9M21, mainly due to lower payments on financing explained by lower gross debt volume in 9M22 than in 9M21, together with higher cash remuneration.

- Tax payment stood at €38m in 9M22 vs €22m in 9M21, due to the company's higher results and the €3m additional payment in Spain as a consequence of the tax inspection completed in May.

- 9M22 Free Cash Flow was €54m vs €5m last year same period (€15m excluding the €-32m cash outflow of the workforce transformation plan and the €+22m cash inflow from the sale of San Fernando de Henares' facilities).

- The Parent Company Dividend payment amounted to €26m in 9M22.

- The payment for Financial Investments, which mainly includes payments for acquired companies, amounted to €27m in 9M22 vs €20m in 9M21. In the quarter, it amounted to €18m, mainly due to the payment for the acquisition of Nexus (Chilean company specialised in payment systems), and the additional payment of Paradigma for the achievement of targets (earn-out).

- Net Debt declined to €220m in September 2022 vs €503m in September 2021 and vs €240m in December 2021. Net Debt/EBITDA LTM ratio (excluding the impact of IFRS 16, the capital gain from the sale of the facilities and the provision of the Real Estate Plan) stood at 0.6x in September 2022 vs 1.7x in September 2021 and vs 0.8x in December 2021.

Alternative Performance Measures (APMS)

Following the guidelines of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APMs), Group Management believes that certain APMs provide useful additional financial information that should be considered when assessing performance. In addition, Management uses these APMs when taking financial, operational and planning decisions, as well as in the assessment of Group performance. The Group presents the following APMs that it considers useful and appropriate for decision making by investors and which provide greater reliability with respect to the Group's performance.

Organic Revenues

Definition/Conciliation: revenues adjusted for the impact of exchange rates and changes in the consolidation scope due to acquisitions and divestitures. The exchange rate impact is adjusted by calculating income at the average exchange rate for the previous period. The change in the consolidation scope is adjusted by excluding the contribution of the acquisitions in both periods.

Explanation: this is an indicator that reflects the increase in sales excluding the impact of changes in the consolidation scope (acquisitions and divestitures) and the impact of currency exchange rates.

Coherence in the criteria applied: there is a change in the criteria applied compared to last year, in which the calculation was adjusted by considering acquisitions as if they had been consolidated in the previous period. For a better traceability and simplicity in its calculation, it is adjusted excluding the contribution of acquisitions in both periods, thus showing the underlying evolution of the company's revenues without the contribution of acquisitions.

Gross Operating Result (EBITDA):

Definition/Conciliation: EBITDA stands for earnings before interest, tax, depreciation and amortisation.

Explanation: metric that the Group uses to define its operating profitability, and widely used by investors when evaluating businesses.

The Group also uses the EBITDA Margin as a performance indicator, which is the ratio of EBITDA to sales in a given period. This indicator is interpreted as the Group's operating profit for every euro of sales.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Operating Result (EBIT):

Definition/Conciliation: It is defined in the consolidated income statement.

Explanation: EBIT (earnings before interest and tax) is a financial indicator that the Company uses to determine its productive performance and that investors use for company valuations.

The Group also uses the EBIT Margin as a performance indicator, which is the ratio of EBIT to sales in a given period. This indicator is interpreted as the Group's operating profit for every euro of sales.

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Coherence in the criteria applied: There is no change in the criteria applied compared to last year.

Operating Margin

Definition/Conciliation: Operating profit (EBIT) plus personnel reorganisation costs, impairment, business consolidation and acquisition costs, amortisation of intangible assets from acquisitions, share-based remuneration and possible penalties.

Explanation: a financial indicator that the Company uses to determine its productive performance before certain extraordinary costs and which investors use for valuations of IT businesses.

The Group also uses the Operating Margin (%) as a performance indicator, which is the ratio of the Operating Margin to sales in a given period.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Net Financial Debt:

Definition/Conciliation: amounts owed to credit institutions and bonds or other non-current marketable securities less cash and cash equivalents. Net borrowings is calculated by subtracting the balance under “Cash and cash equivalents” from the balances under the headings “Current and non-current bank borrowings” and “Financial liabilities due to the issuance of debentures and other current and non-current marketable securities” as these figure in the consolidated statements of financial position.

Explanation: this is a financial indicator that the Group uses to measure the company's leverage.

In this respect, the Group uses the Net Debt/EBITDA ratio as an indicator of its level of leverage and capacity to repay its financial debt. For this reason, the EBITDA figure used in the calculation of the ratio for interim periods is determined taking into account the equivalent annual EBITDA figure for the 12 months immediately prior to the date of calculation of the ratio.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Free Cash Flow:

Definition/Conciliation: these are the funds generated by the Group before dividend payments, net financial investments and other similar amounts, and investment in treasury shares (Note 2. Statement of Financial Position and Cash Flow Statement). It is calculated on the basis of profit before taxes in the consolidated cash flow statement: deducting grants, provisions and gains/losses on fixed assets and other items, adding depreciation and amortisation, adding the results of subsidiaries and other investees, adding financial results, adding dividends received, adding change in working capital, deducting payments for the acquisition of property, plant and equipment and intangible assets, deducting financial results and corporate income tax paid, adding or deducting other flows from financing activities and adding subsidies.

Explanation: this is the cash generated by the Group's own business operations that is available to the providers of funds (shareholders and financial creditors) once the Parent Company's investment needs have been met. It is an indicator that investors use for valuing companies.

Coherence in the criteria applied: There is no change in the criteria applied compared to last year.

Order Intake:

Definition/Conciliation: this is the volume of contracts successfully obtained over a period. The order intake figure should not be confused with the Revenue figure since the amount of a contract secured in a particular year (and which is accounted for as order intake in that year) may be spread over a number of years.

Explanation: as it reflects the amount of contracts obtained in a given year, the order intake figure is an indicator of the future performance of the Group's business.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

"Book to bill" Ratio:

Definition/Conciliation: the amount of the contracts successfully obtained over a period divided by the company's sales in the last twelve months.

Explanation: this is a financial indicator used by the Company to measure the amount of contracts obtained in relation to the Company's sales in the last twelve months.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Backlog:

Definition/Conciliation: this is the accumulated order intake less sales made plus/minus exchange rate and contract renegotiation adjustments, among others. It reflects the amount of a sale remaining until the termination of a project to complete the order intake figure.

Explanation: as it reflects the amount of contracts obtained pending implementation, this figure is an indicator of the future performance of the Group's business.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Backlog / Revenues in the Last Twelve Months

Definition/Conciliation: amount of the backlog less sales made plus/minus exchange rate and contract renegotiation adjustments, among others, and which represents the part of the sale pending until the finalisation of the project to complete the contract figure, divided by the company's sales in the last twelve months.

Explanation: a financial indicator used by the Company to measure the amount of contracts obtained pending execution in relation to its sales in the last twelve months.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Return on Capital Employed (ROCE)

Definition/Conciliation: profits before interest and after taxes, divided by the capital employed by the company.

Explanation: a financial indicator used by the Company to measure the efficiency with which it is using its capital to generate profits.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Working Capital (NWC)

Definition/Conciliation: the amount of current operating assets less current operating liabilities. It can also be calculated as the sum of accounts receivable plus inventories less trade debtors.

Explanation: a financial indicator used by the Company to measure the resources it has available to meet its current liabilities. Therefore, it measures the company's insolvency risk.

Coherence in the criteria applied: there is no change in the criteria applied compared to last year.

Glossary

AMEA: Asia, Middle East and Africa.

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ATM: Air Traffic Management.

BPO: Business Process Outsourcing.

Book-to-Bill: Order intake/Revenues ratio.

CAPEX: Capital Expenditure.

DoS: Days of Sales.

EBITDA: Earnings Before Interests, Taxes, Depreciations and Amortisations.

EBIT: Earnings Before Interests and Taxes.

EPS: Earnings Per Share.

IT: Information Technology

L/T: Long Term.

LTM: Last Twelve Months.

S/T: Short Term.

T&D: Transport & Defence.

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