1. INTRODUCTION

MEETING 2009 GUIDANCE

In spite of the weak macro economic and sector-wide environment of 2009, Indra has met the demanding objectives announced at the beginning of 2009:

- **Revenues** reached **2,513 M€, a 6% increase** compared to 2008, in line with our forecast of growing in the mid range of +5% / 7%.

- **Order intake grew by 5%, up to 2,697 M€,** a figure 7% higher than revenues, allowing order backlog to increase by 6% and thus largely meeting 2009 guidance.

- **EBIT margin reached 11.4%,** margin similar to the one achieved in 2008, and in the mid range of 11.3% / 11.5% announced at the beginning of 2009.

KEY FIGURES

Order intake growth, which reached 5% in 2009, was mainly driven by the evolution of **international** markets, which represented 38% of total order intake, **grew by 7%** in 2009. The **domestic** market, which has undergone a strong recovery in the last quarter of 2009, has also achieved positive performance, with an **increase** in order intake **of 3%.**

By segments, **Services'** order intake has posted the strongest performance, in line with the trend seen during the year, **growing by 13%.** Order intake in the **Solutions** segment has achieved a positive **growth of 2%,** despite both the higher level of multi-year contracts signed during the year 2008, and the delays observed in some sectors.

Revenues have grown by 6%, well above the sector's growth which in general terms has seen decline in sales in 2009. This positive evolution has been achieved on the back of the strong **11% increase in international markets** (36% of sales) and the positive performance of the **domestic market**, which **has grown by 3%** thanks to the strengthening and improving of its position and market share.

Revenues in **Services** have grown **9%** and **4% in Solutions**.

In terms of verticals, it is important to highlight the strong growth achieved in **Transport & Traffic**, (+15%), **Telecom & Media** (+11%), the positive performance of **Financial Services** (+7%), **PPAA & Healthcare** (5%), the slight deceleration of **Energy & Industry** (+2%), and the flattish performance of **Security & Defense**.

Order backlog reached €2,579 M€, achieving a 6% growth.

Indra's backlog provides **good visibility over 2010** revenues. Backlog at the end of the year incorporates 1,158 M€ of sales to be executed in 2010. This figure is 7% higher than the equivalent one in 2008.

EBIT reached 285 M€, increasing 6%.

In a year where the sector has carried out significant restructuring measures and faced strong price pressure, eroding 2009 profitability levels, Indra has managed to maintain its EBIT margin at 11.4%.

Net profit increased 7%, reaching 196 M€.

Operating Cash Flow stood at 338 M€, growing 9% versus the previous year.

Net working capital was equivalent to 80 days of annualised revenues, above the level reached in 2008 (76 days) and slightly better than the initial estimate of 85 days, due to the non-recurrent impact of early payment by some clients.

Indra finishes the year 2009 with a net **debt position of 135 M€ (0.4x Ebitda** and 10% below 2008), after the payment of 99 M€ worth of ordinary dividends.

GENERAL MARKET TRENDS AND 2010 GUIDANCE

On January 27th, Indra announced its annual growth and profitability targets for 2010, year in which we expect the general macroeconomic and sector-wide environment to remain characterised by strong lethargy and high levels of competitiveness, particularly in the Spanish market, especially in those segments with a large component of institutional demand.

In spite of this landscape and based on both the strength of the order backlog and the relevant commercial opportunities that have arisen, mainly in the international markets, Indra is confident to deliver growth, both in revenues and order intake. Once more, the international markets will be the company's main growth driver.

Obtaining high levels of profitability continues to be a key target for the company. In this sense, and in line with previous years, we will continue to apply the necessary actions to maintain a high level of operating efficiency. In view of the recent and expected performance of the different vertical and geographical markets, Indra expects to execute new actions that will generate extraordinary non recurrent charges of approximately €10-11m in 2010.

In this context, Indra has established for 2010 the following targets:

- Revenue growth in the range of +2% and +4%, with higher growth in international markets, and a flattish performance in the domestic one.
- Order intake will grow by more than 5%, and will be once again ahead of revenues of the year, resulting in order backlog increasing for a further year.
- Maintain EBIT margin (before the above mentioned extraordinary and non recurrent costs of €10-11m) at around 11.4%, a similar level reached and maintained in the last two years.

Given the company's performance over the current month of January and the backlog of orders that can be executed over the next 11 months of 2010, revenue coverage relative to 2010 guidance stands at 70%, in line with the ratio registered at the same period of 2008.

It is also essential for Indra to maintain a solid balance sheet and financial position in order to implement actions that strengthen its competitive position in the different markets in which it operates, while, at the same time, sustaining an attractive level of shareholders' remuneration. The Board of Directors expects to maintain in 2010 the same dividend policy applied in recent years (pay-out between 50% and 60%).

2. MAIN FIGURES

Main figures for the period are as follows:

INDRA	2009 (€M)	2008 (€M)	Variation (%)
Order Intake	2,697.4	2,579.3	*5*
Revenues	2,513.2	2,379.6	*6*
Backlog	2,578.9	2,428.3	*6*
Net Operating Profit (EBIT)	285.4	270.5	*6*
EBIT Margin	11.4%	11.4%	-
Atributable Profit	195.6	182.4	*7*
Net Cash/ (debt) Position	(134.6)	(149.1)	*(10)*

Earnings per Share (according to IFRS)	2009 (€M)	2008 (€M)	Variation (%)
Basic EPS	1.2144	1.1394	7
Diluted EPS	1.2144	1.1394	7

Basic EPS is calculated by dividing net profit for the period by the total number of outstanding shares less weighted treasury shares at the close of the period. Treasury shares and total shares are weighted in accordance with the number of days they have been on the company's balance sheet during the year.

	2009 (€M)	2008(€M)
Total number of shares	164,132,539	164,132,539
Weighted treasury stock	3,079,283	4,031,071
Total shares considered	161,053,256	160,101,468

At the close of December 2009, the company's weighted treasury shares stood at 3.079.283. The number of treasury shares at the end of the year stands at 866.640, equivalent to 0.53% of the company's total shares.

Diluted EPS is the same as basic EPS since the company has not issued convertible shares or any other similar financial instrument.