



RESULTS 1H17

July 28th, 2017

CONFERENCE CALL DETAILS

**The Company will host a conference call for investors and analysts today at 10:00 (CET).
Please find below conference call telephone numbers:**

Spain: +34 917 900 884

UK: +44 (0) 203 147 4607

USA: +1 866 388 1927

Access to the live event:

**[http://event.onlineseminarsolutions.com/r.htm?e=1456555&s=1&k=019329D6785C20B7CFA98D1CE
FBE76B5](http://event.onlineseminarsolutions.com/r.htm?e=1456555&s=1&k=019329D6785C20B7CFA98D1CEFBE76B5)**

A recording of the conference call will be available for 30 days on the following telephone numbers:

Replay dial number:

Spain: +34 917 896 320

UK: +44 (0) 203 367 9460

US: +1 877 642 3018

Access code: 309702#

Conference call Webcast replay over the Internet:

**[http://event.onlineseminarsolutions.com/r.htm?e=1456555&s=1&k=019329D6785C20B7CFA98D1CE
FBE76B5](http://event.onlineseminarsolutions.com/r.htm?e=1456555&s=1&k=019329D6785C20B7CFA98D1CEFBE76B5)**

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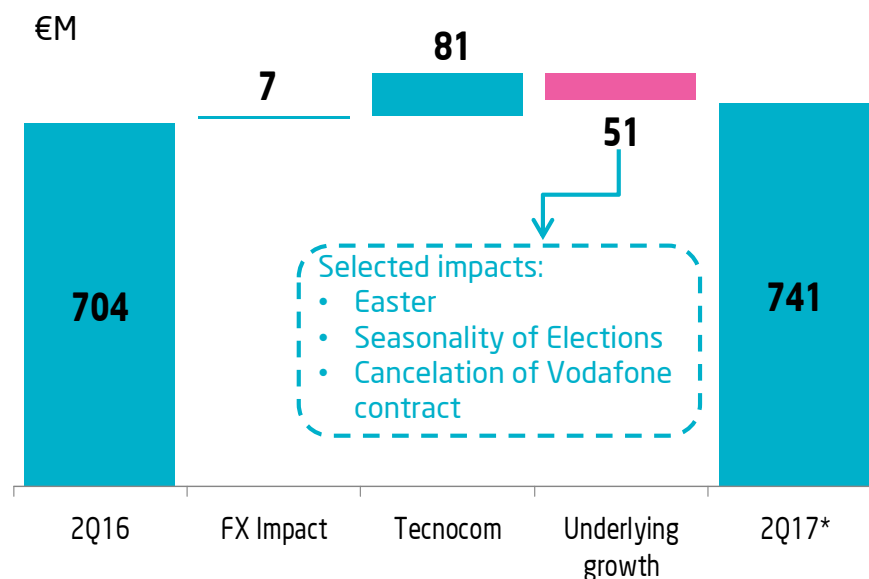
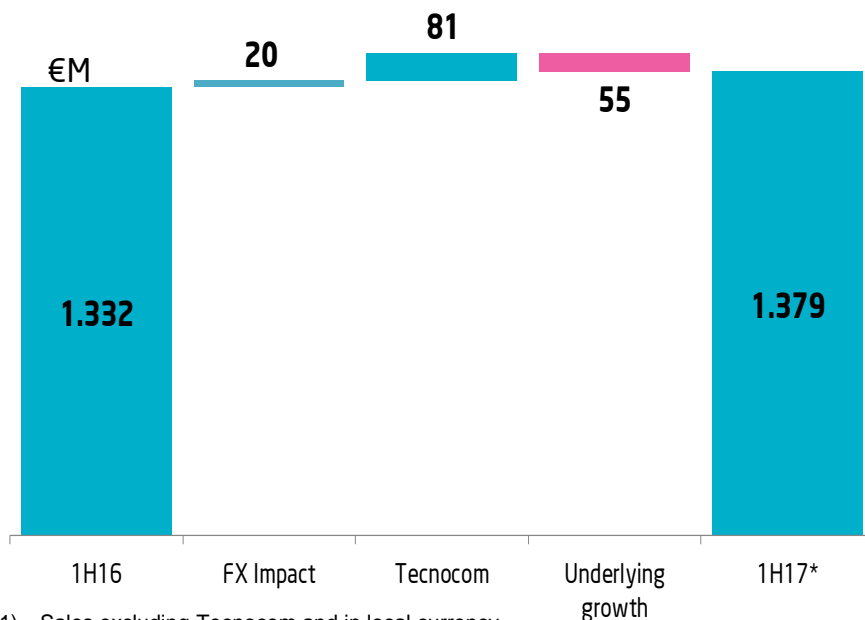
MAIN HEADLINES

- 1 1H17 Order Intake and Revenues up +4%, and EBITDA +7% due to Tecnocom's consolidation
- 2 1H17 Organic revenues (ExTecnocom) -4%. Turn around and speed up expected for 2H17, backed by Elections and some T&D businesses
- 3 EBIT margin of 5.6% in 1H17 vs 5.3% in 1H16, due to better margins in T&D
- 4 Solid performance of the cash flow generation (€-31m) taking into consideration the high volume of expected collections throughout the first months of 2017 advanced to 4Q16
- 5 Net Debt/EBITDA LTM up to 2.9x on Tecnocom consolidation. Ex-Tecnocom 1H17 Net Debt/EBITDA LTM would have remained stable (2.4x)
- 6 1H17 Net Income grew +23% totaling €38m
- 7 2017 guidance confirmed (Revenues, EBIT margin and FCF pre-working capital, pre-Tecnocom)
- 8 Tecnocom's integration evolving as expected (impact of €81m sales & €4m EBIT since April 18th). Synergies and restructuring costs targets confirmed

REVENUES GROWTH +4% IN REPORTED TERMS

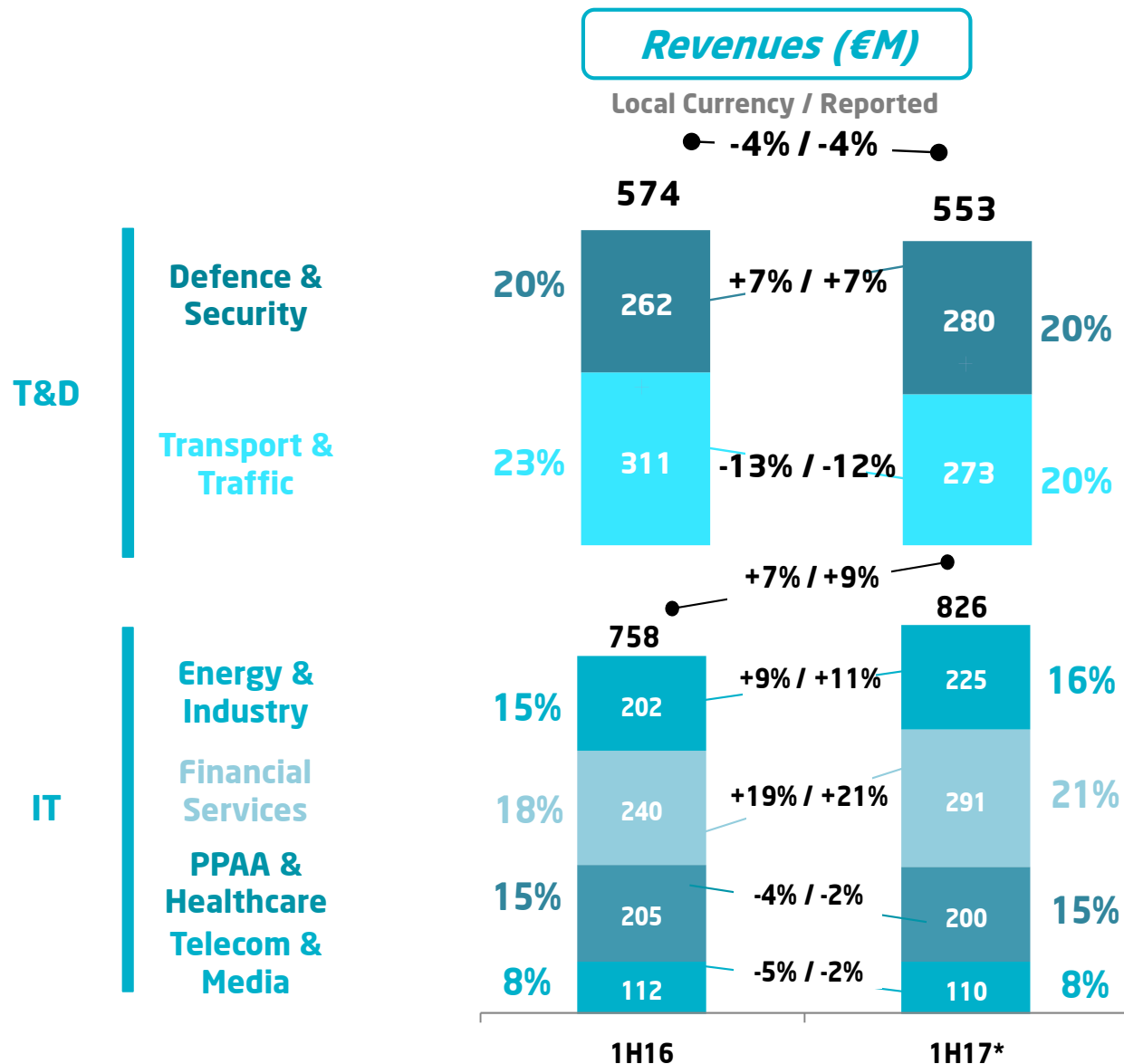
1H17	
Sales Reported Growth	+4%
Sales in Local Currency	+2%
Sales in Organic Terms (Ex-Tecnocom) ⁽¹⁾	-4%

2Q17	
Sales Reported Growth	+5%
Sales in Local Currency	+4%
Sales in Organic Terms (Ex-Tecnocom) ⁽¹⁾	-7%
Sales in Organic Terms (Ex-Easter) ⁽²⁾	-4%



(1) Sales excluding Tecnocom and in local currency
 (2) Sales excluding the impact of Easter (c. €25m) and in local currency
 (*) Displayed data includes Tecnocom consolidation since April 18th, 2017

REVENUES BY VERTICAL



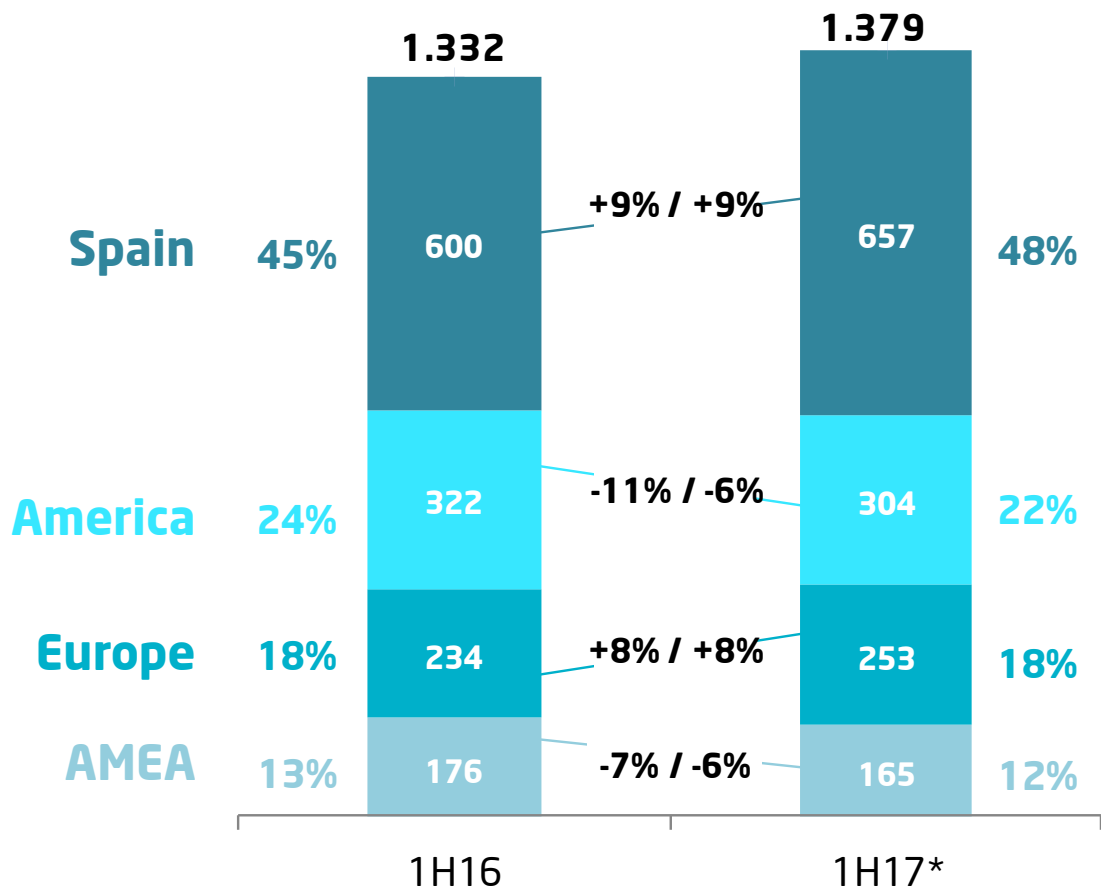
(*) Displayed data includes TecnoCom consolidation since April 18th, 2017

REVENUES BY REGION

Revenues (€M)

Local Currency / Reported

+2% / +4%

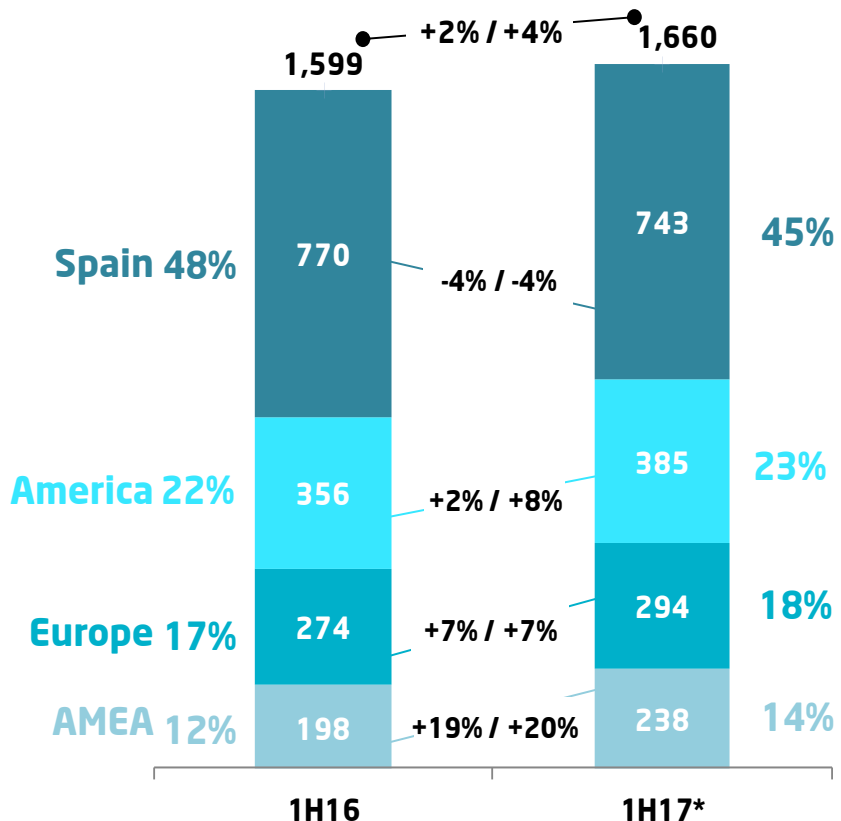


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ORDER INTAKE UP +4% IN REPORTED TERMS

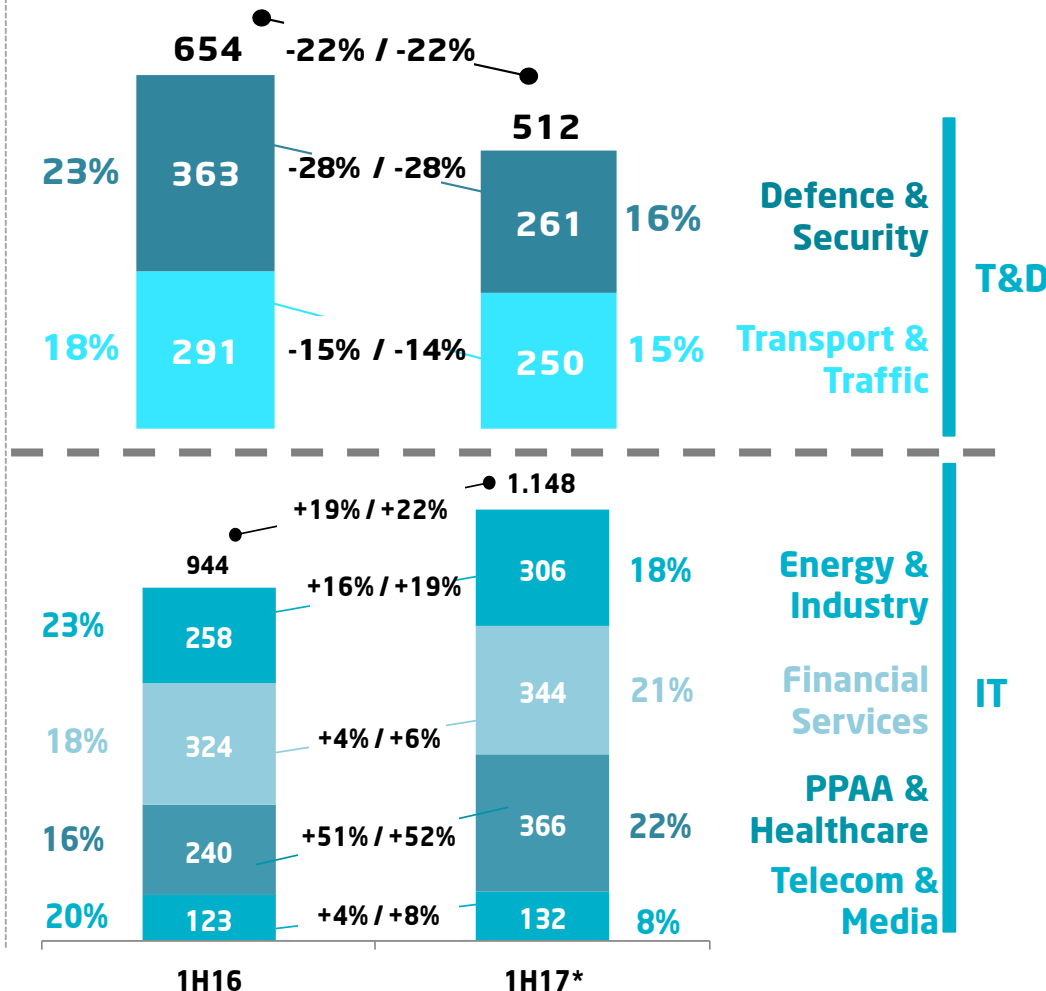
Order Intake by Region (€M)

Local Currency / Reported



Order Intake by Vertical (€M)

Local Currency / Reported



(*) Displayed data includes Tecnomcom consolidation since April 18th, 2017

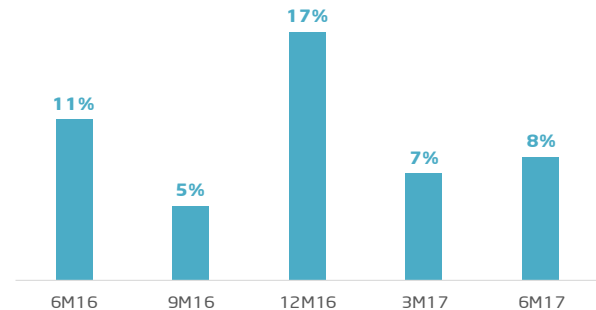
BRAZIL

(local currency)	1H16	1H17	Variation
Order Intake	436.2	473.0	+8%
Revenues	410.1	373.5	-9%
EBIT ^(*)	-15.2	-13.5	NA
EBIT Margin ^(*)	-3.7%	-3.6%	+0,1 pp

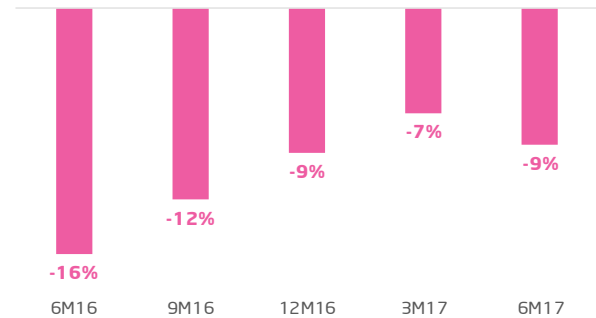
5 out of the 7 onerous projects already closed/finished

(*) EBIT includes contingencies

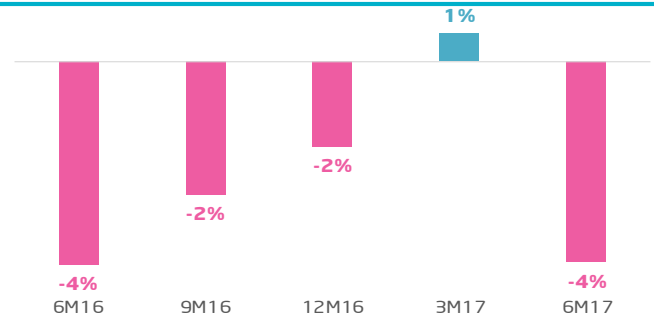
Order Intake Evolution (%)



Revenues Evolution (%)

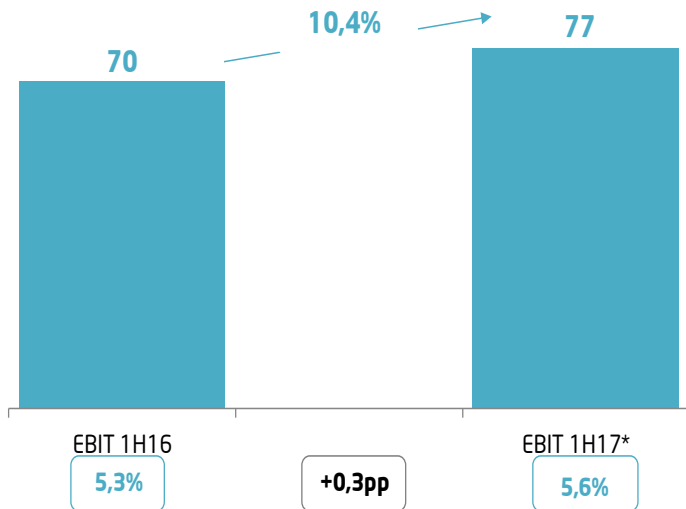


EBIT Margin Evolution (%)^(*)

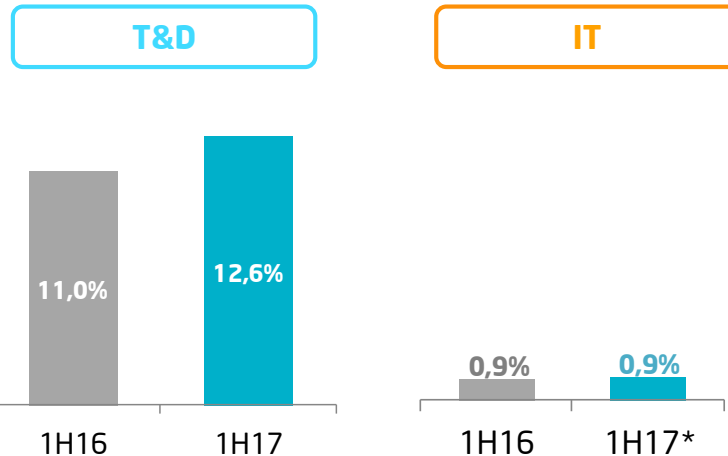


EBIT MARGIN EVOLUTION

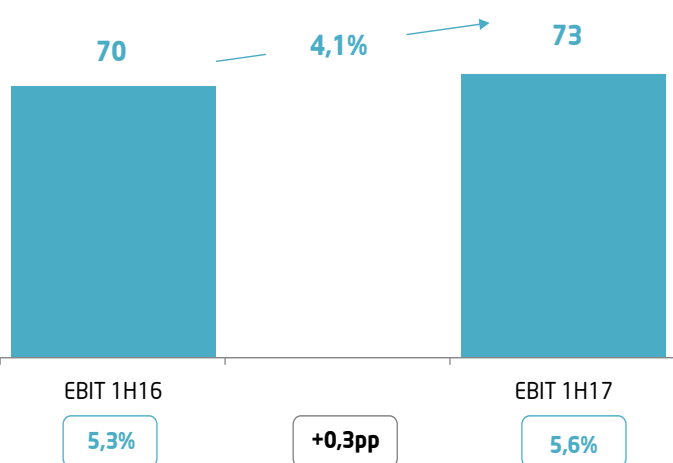
1H EBIT Margin Evolution



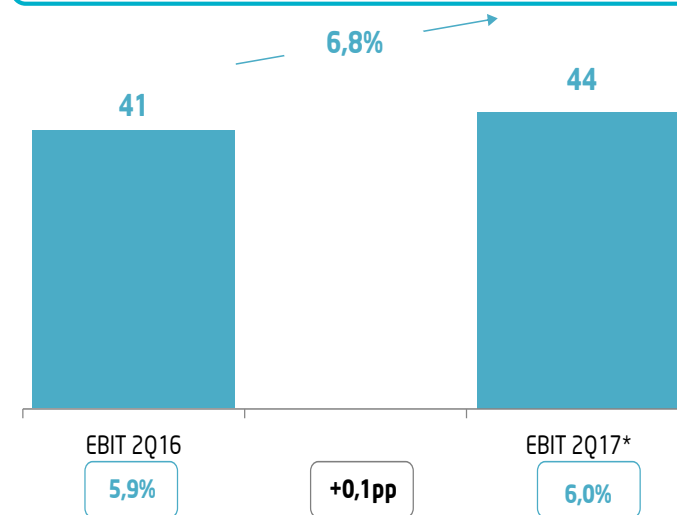
1H EBIT by Divisions



1H EBIT Margin Evolution Ex-Tecnocom



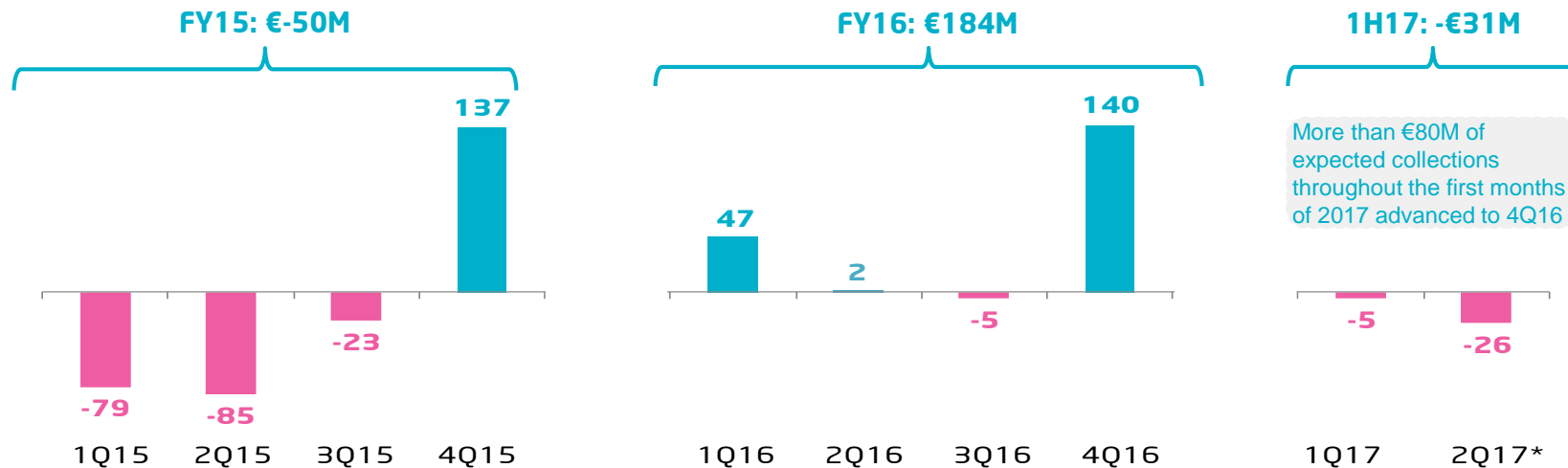
2Q EBIT Margin Evolution



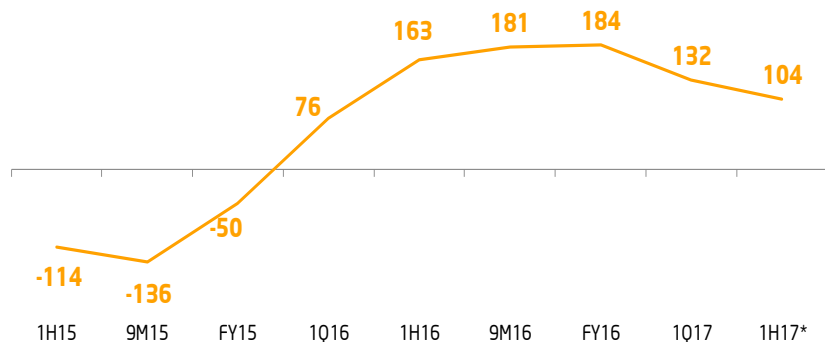
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STRONG OPERATING FCF GENERATION DUE TO OPERATING IMPROVEMENT

Quarterly FCF (€M)

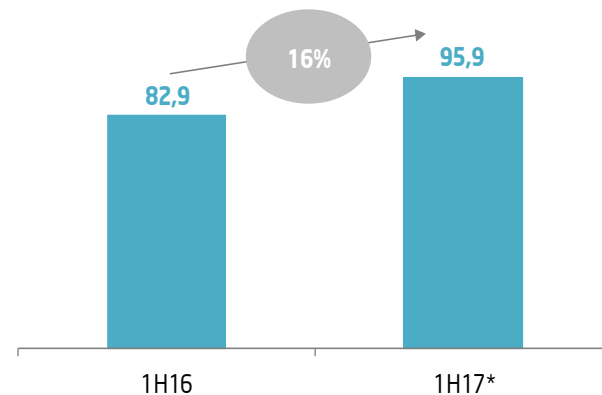


Accumulated FCF LTM (€M)



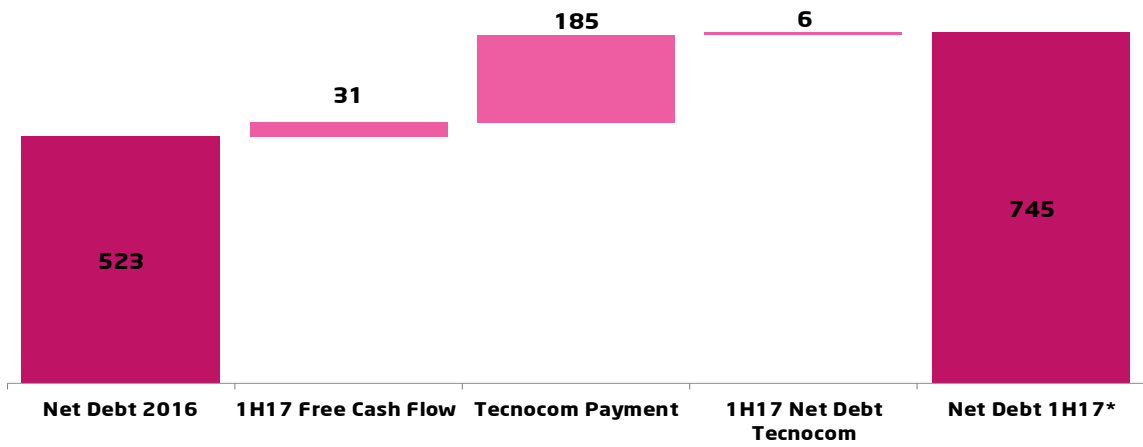
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OPERATING FCF BEFORE WC (€M)

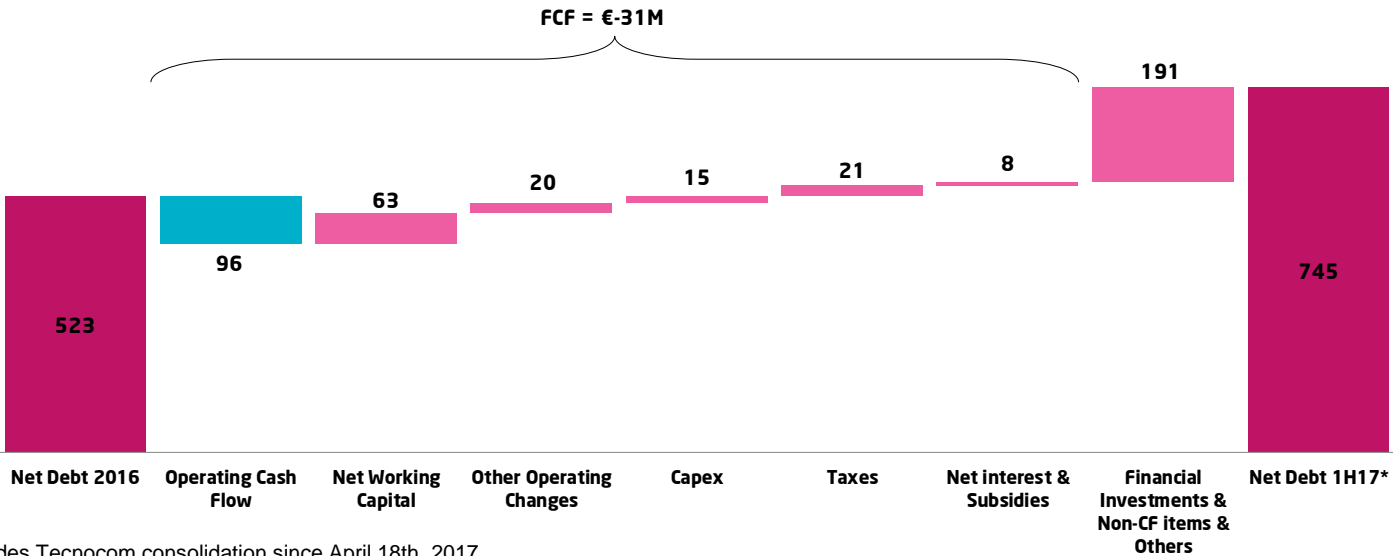


NET DEBT BRIDGE

Net Debt Bridge - TecnoCom's split(€M)

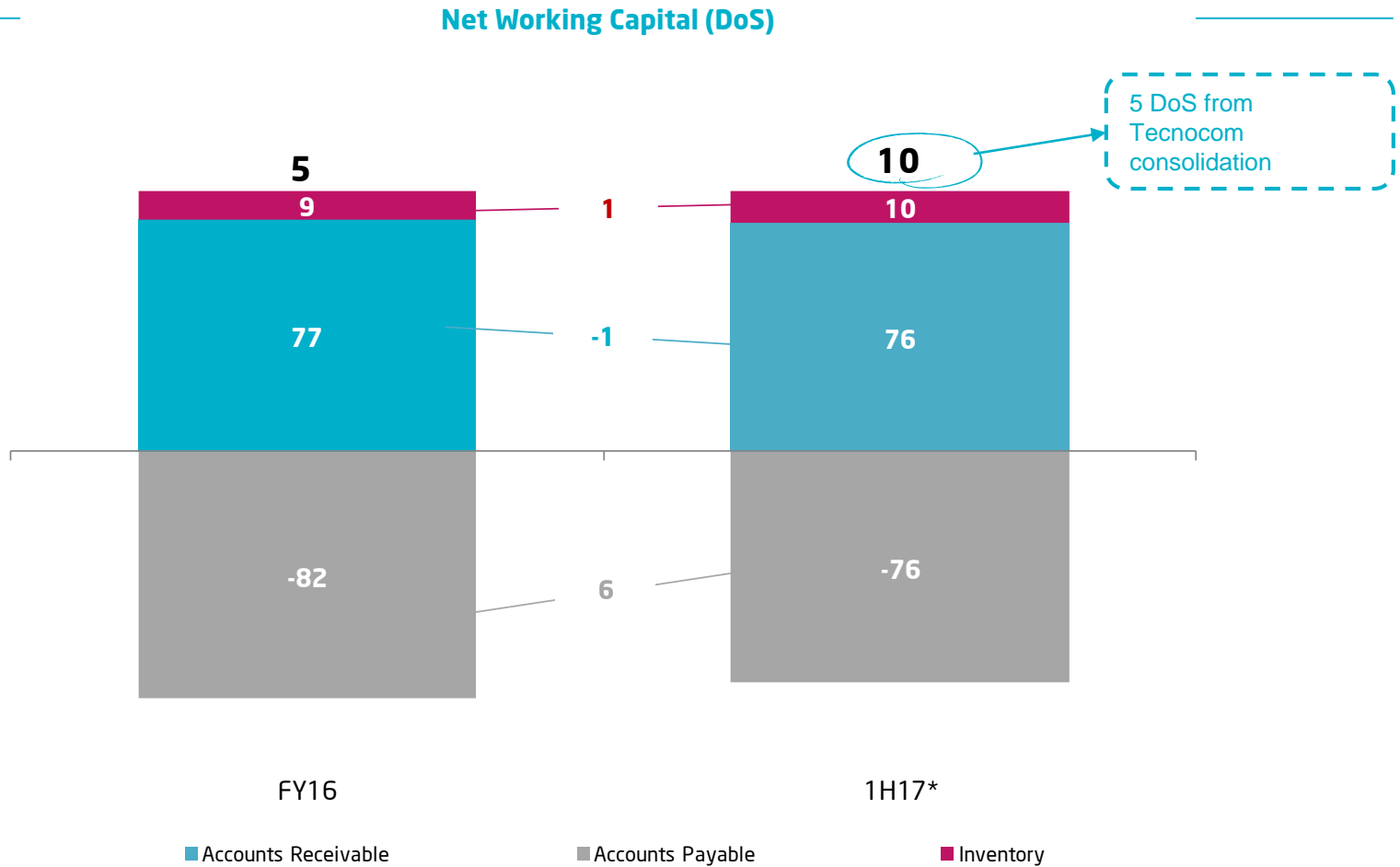


Net Debt Bridge - Cash Flow (€M)



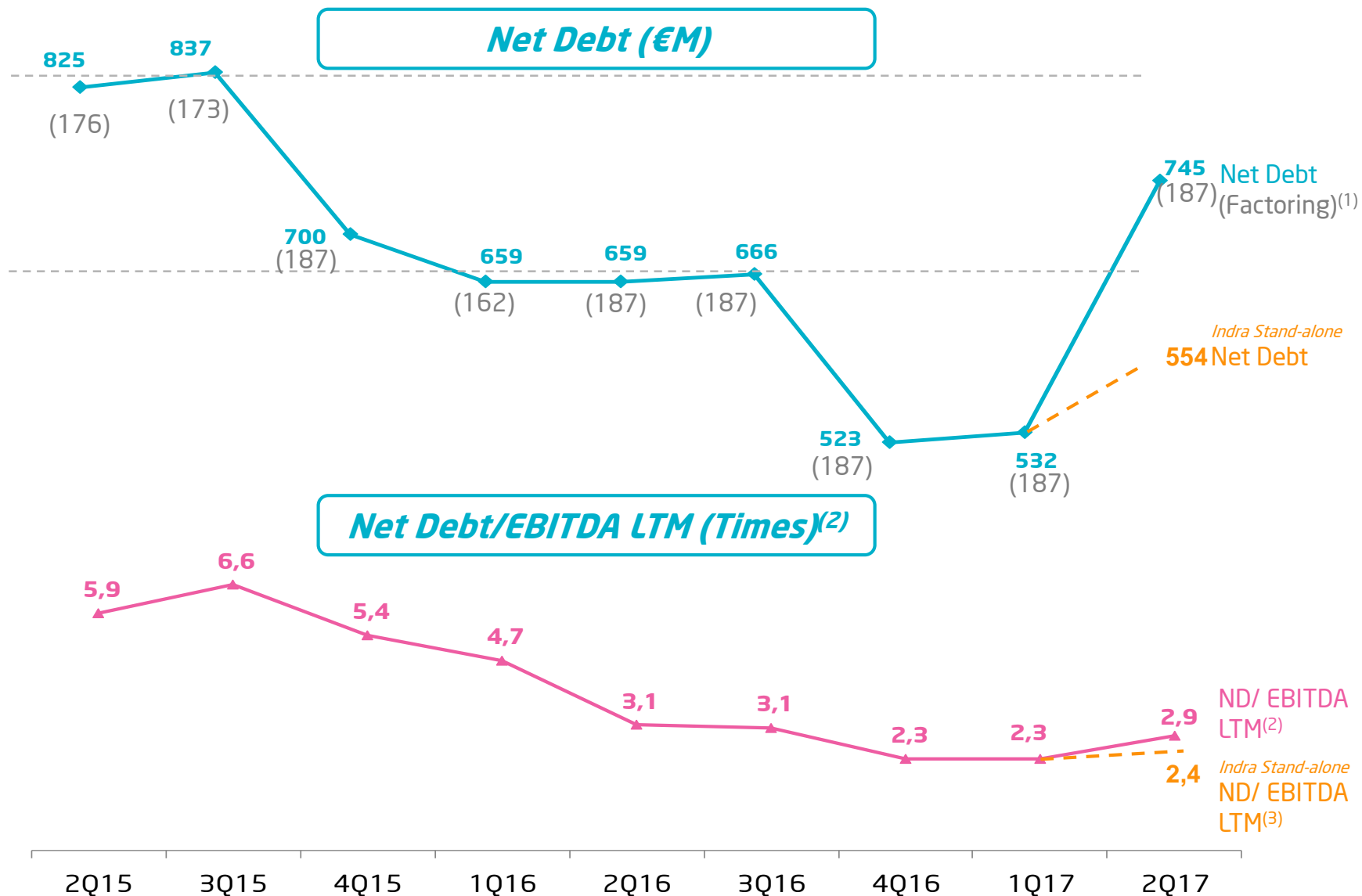
(*) Displayed data includes TecnoCom consolidation since April 18th, 2017

NET WORKING CAPITAL EVOLUTION



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NET DEBT EVOLUTION



(1) Non-recourse factoring

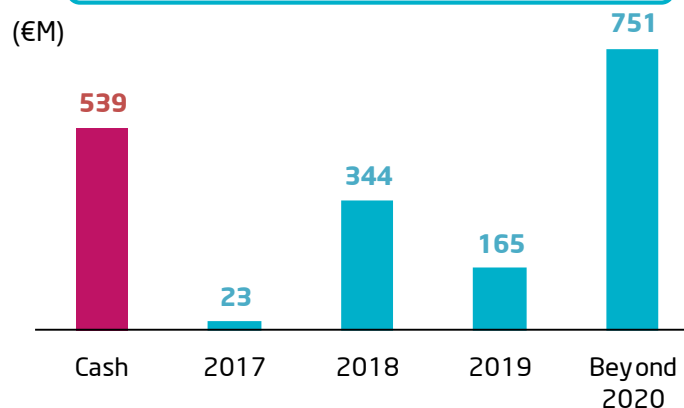
(2) 2Q17 ratio includes LTM EBITDA Indra & LTM EBITDA Tecnom. Tecnom's 1H17 EBITDA would have reached €15m if Tecnom would have managed by the former Management

(3) 2Q17 ratio includes Indra Net Debt and LTM EBITDA Indra, both excluding Tecnom effect

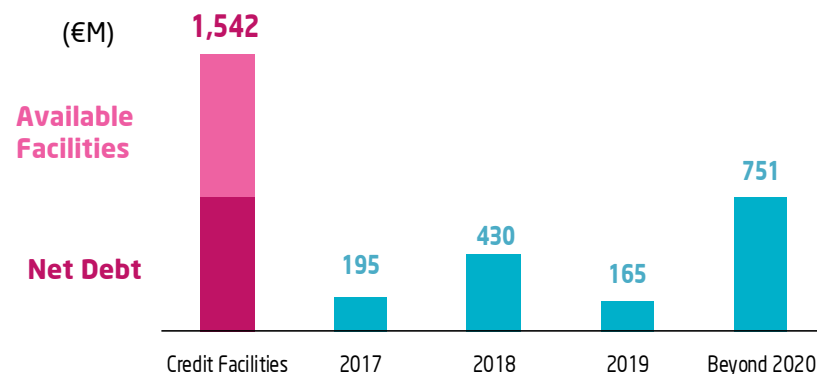
DEBT STRUCTURE

(€M)	1H17*		2016	
	Total	% of total	Total	% of total
L/T Debt	1,170	95%	1,136	95%
S/T Debt	114	5%	61	5%
Gross Debt	1,284	100%	1,197	100%
Cost of Gross Debt	2.3%		2.8%	
Cash & Others	539	n.m.	674	n.m.
Net Debt	745	n.m.	523	n.m.
Cost of Net Debt	3.1%		3.3%	

Gross Debt Maturity Profile



Available Credit Facilities



(*) Displayed data includes TecnoCom consolidation since April 18th, 2017



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