

1Q23 Results

indra



April 27th, 2023

CONFERENCE CALL DETAILS

LIVE EVENT:

The Company will host a conference call for investors and analysts today at 18:30 (Spanish time).

Please find below conference call telephone details:

Pre-registration: <https://aiti.capitalaudiohub.com/indra/reg.html>

- Once you've registered, you will receive an email with your personal credentials: Dial-in numbers, Conference ID and User ID.
- Participants will need to enter the Conference ID and press the pound key.
- Each participant will need to enter a unique personal User ID and press the pound key.

Access to the webcast live event:

<https://streamstudio.world-television.com/1015-2578-35608/en>

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Chief Executive Officer

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General Director Minsait

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Borja García-Alarcón
Chief Financial Officer

1Q23 Financial Review

1Q23 Indra Highlights

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Ignacio Mataix
Chief Executive Officer

1Q23 Group Financial Headlines

- ✓ Solid 1Q23 performance:
 - EPS up by +11.1% compared to 1Q22
 - Strong demand and commercial push led to a new all-time high in backlog, driven by Transport & Defence
 - Revenues and EBIT up almost double digit in 1Q23 vs 1Q22
 - Profitability maintained despite strong salary inflation
 - 1Q23 Free Cash Flow more than twice 1Q22 and the best for the past 6 years
 - Financial leverage reduced to 0.1x
- ✓ 2023 Guidance reiterated after a solid 1Q23
- ✓ Third position on Europe's Climate Leaders 2023 ranking by Financial Times

1Q23 Group Financial Results

Headlines For a Solid Quarter

Backlog

€ 6,772m

+13.1%

Order Intake

€ 1,399m

+4.2%

Revenues

€ 917m

+7.7%

EBIT

€ 65m (7.1% margin)

+8.4%

Basic EPS

€ 0.25

+11.1%

Free Cash Flow

€ 27m

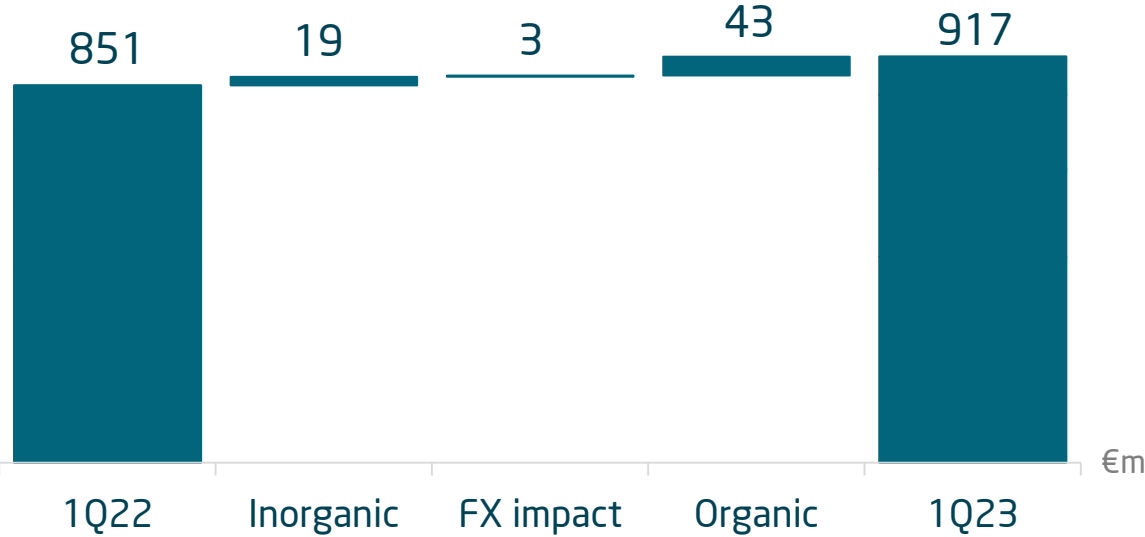
0.1x Net Debt/EBITDA



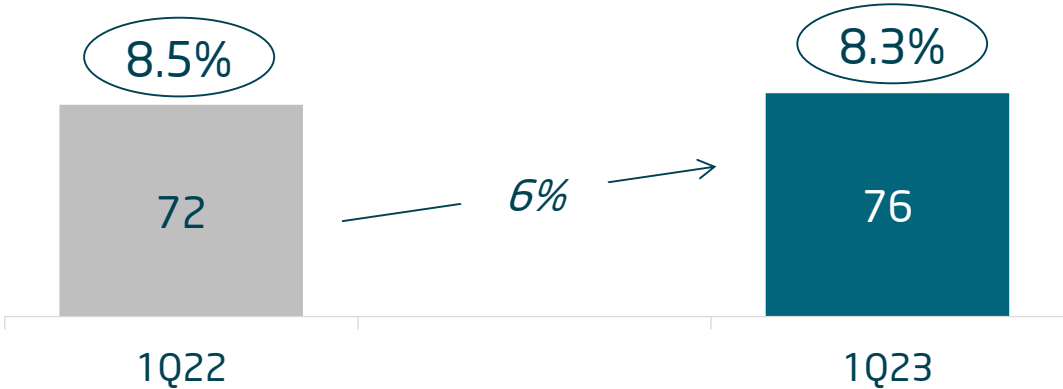
Growth in 1Q23 Both in Sales and EBIT

1Q23 Revenues (€m)

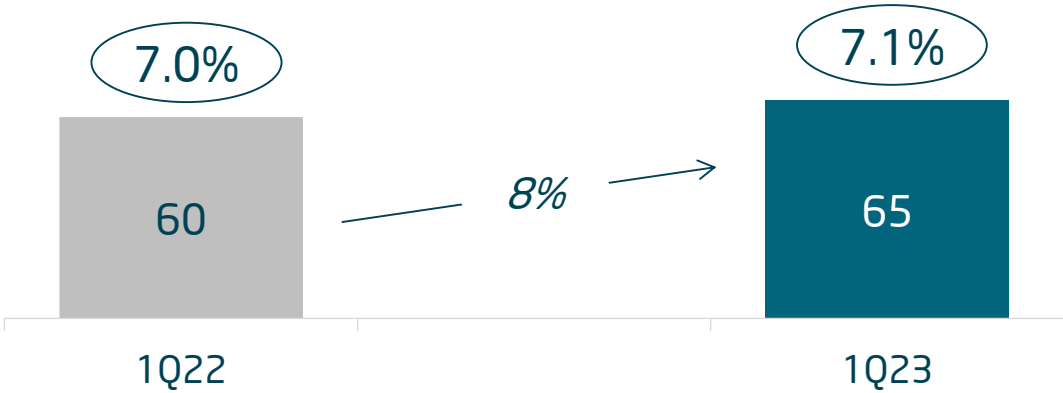
Reported	+8%
Local Currency	+7%
Organic ¹	+5%



1Q23 Operating Margin²(€m)

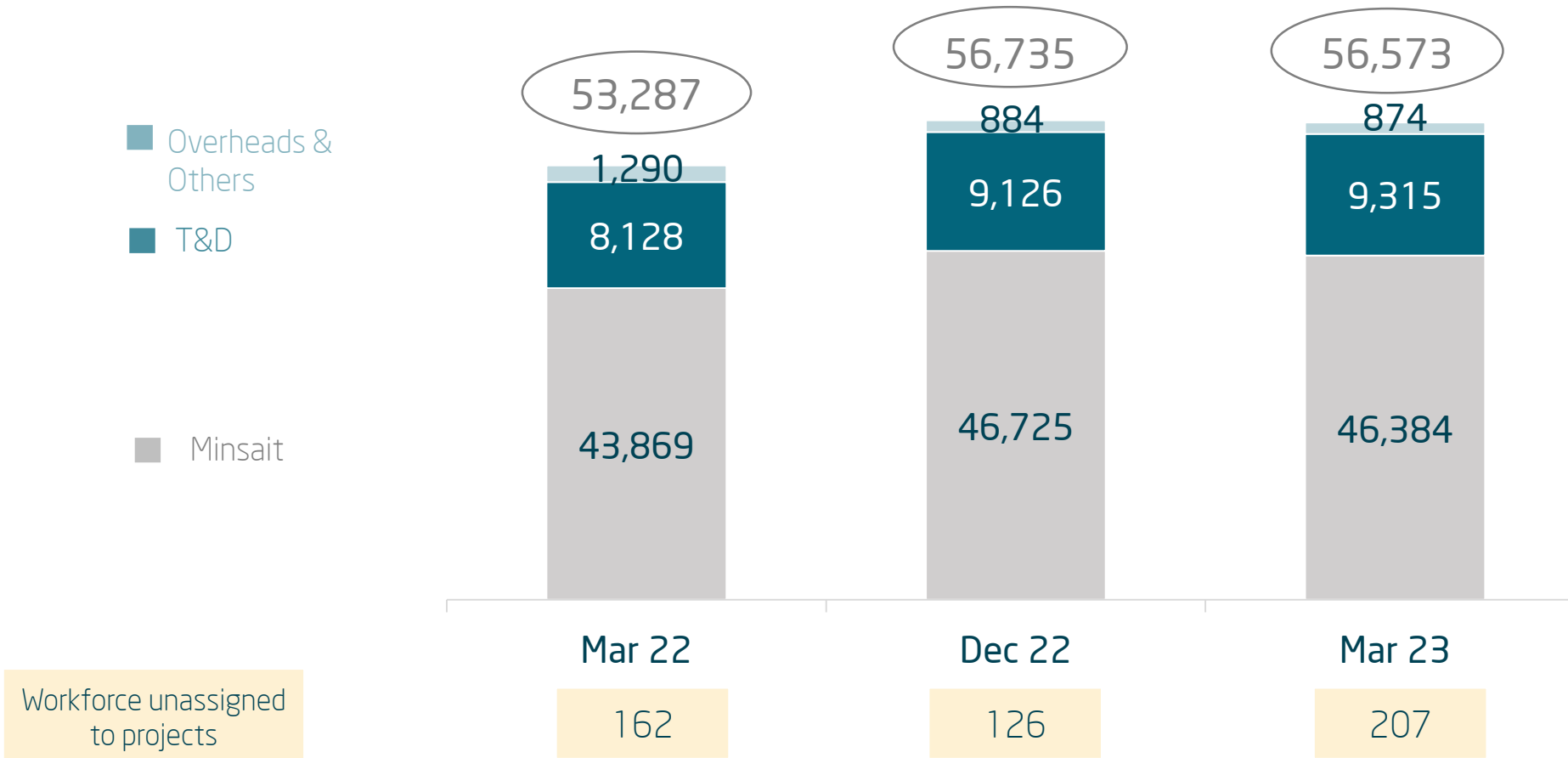


1Q23 EBIT and Margin (€m)



1. Excluding the impact of the Inorganic contribution and FX impact for the year; 2. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

Group Workforce Evolution



- Workforce down slightly by -0.3% compared to year-end 2022
- Revenue LTM/Employee increased +6% vs March 2022 and +2% vs December 2022

2023 Guidance reiterated after solid 1Q

	2022 results	Guidance 2023
Revenues (in constant currency)	€3,851m	> €4,000m
EBIT	€300m	> €315m
FCF	€253m	> €200m



1Q23 T&D Highlights



Ignacio Mataix
Chief Executive Officer

T&D Key Financial Highlights

Backlog

€ 4,802m

+21%

Order Intake

€ 491m

+31%

Revenues

€ 267m

-4%

Operating Margin

€ 33m (12.2% margin)

+9%

EBIT

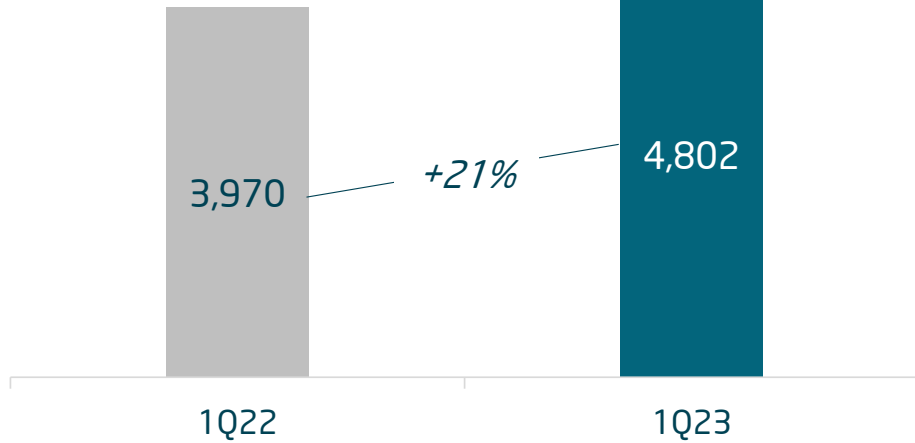
€ 31m (11.7% margin)

+13%

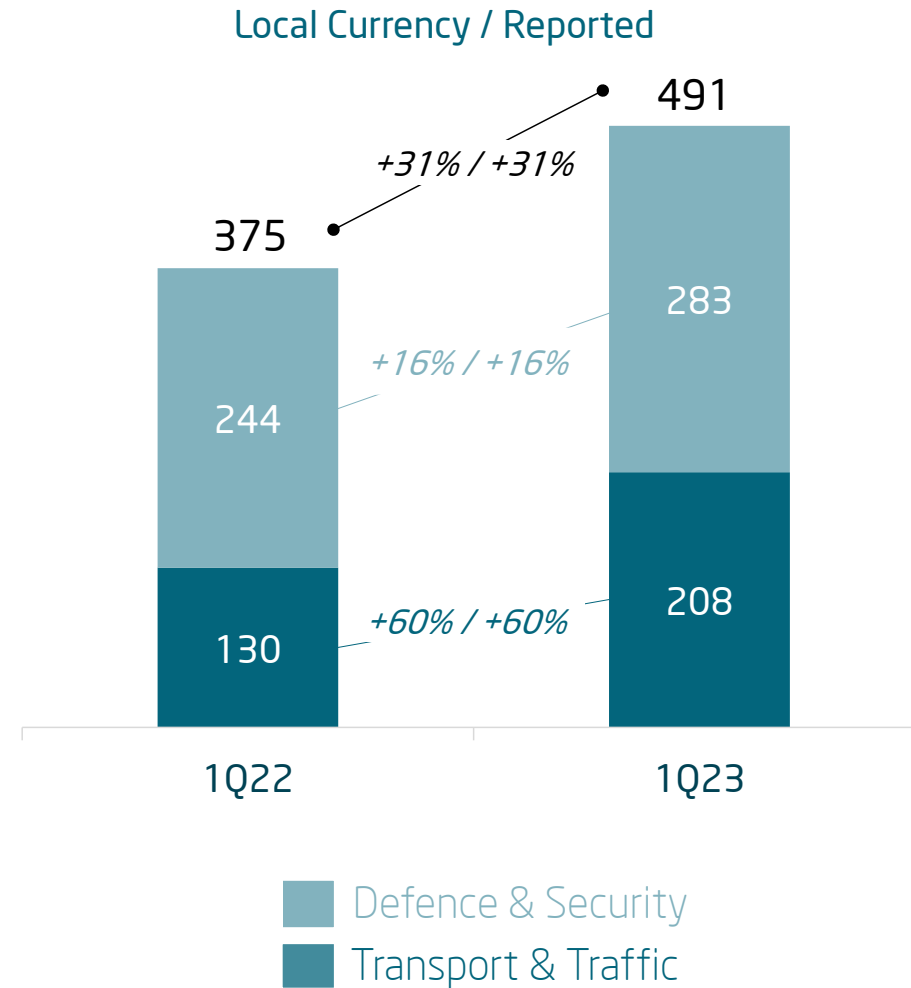
- T&D Backlog at all-time high
- Backlog over Revenues LTM ratio over 3.6x
- T&D EBIT Margins at double-digit levels, improving from 9.8% to 11.7% EBIT Margin

T&D Backlog at All-time High Thanks to Very Strong Order Intake

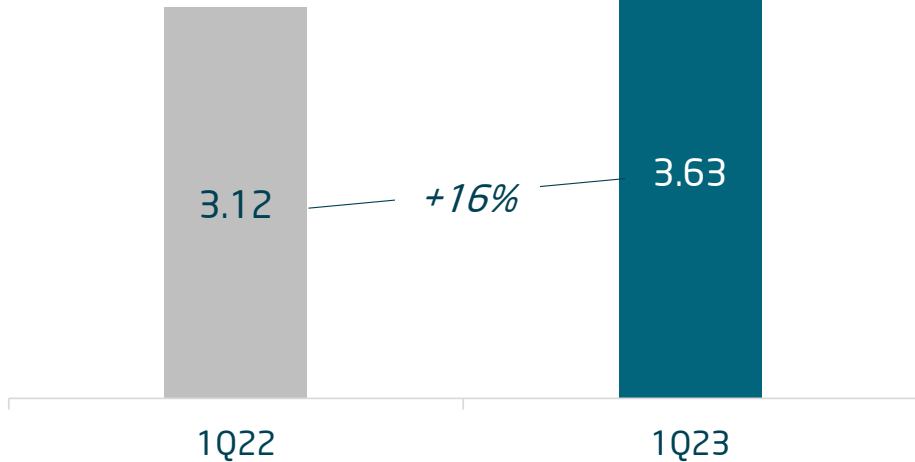
1 Q23 Backlog (€m)



1 Q23 Order Intake (€m)

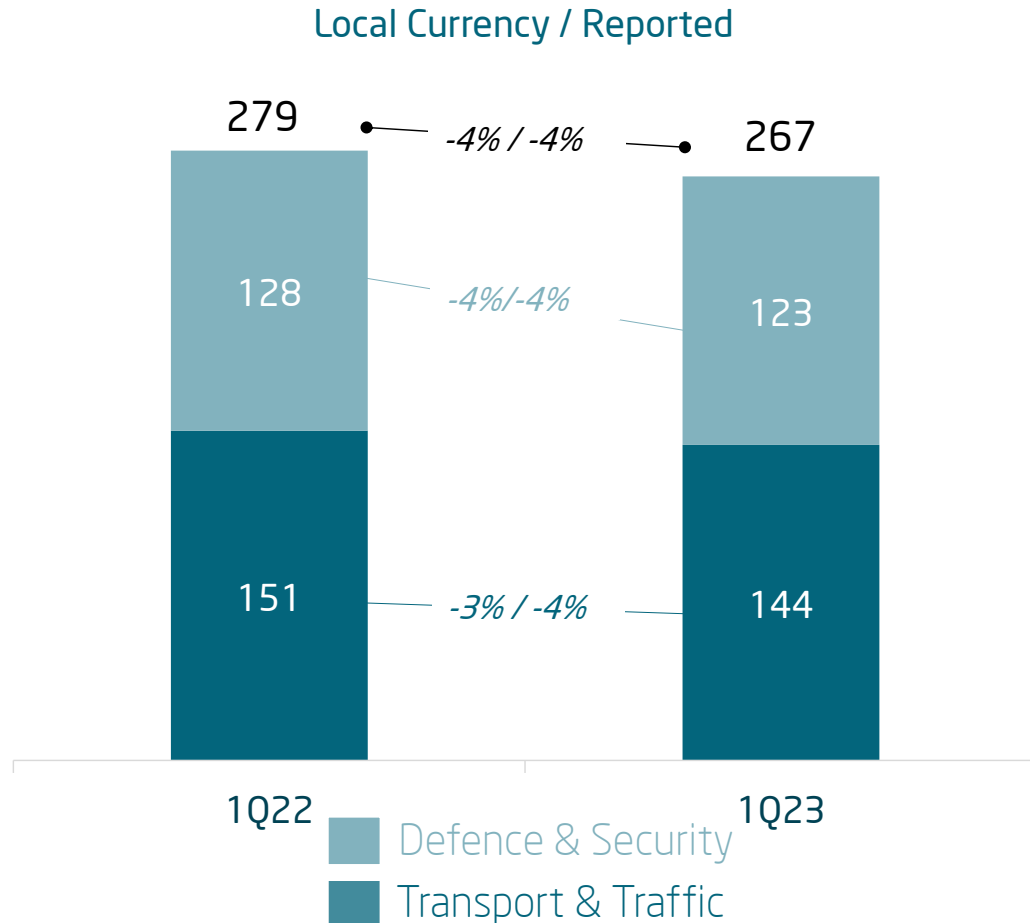


1 Q23 Backlog/revs LTM

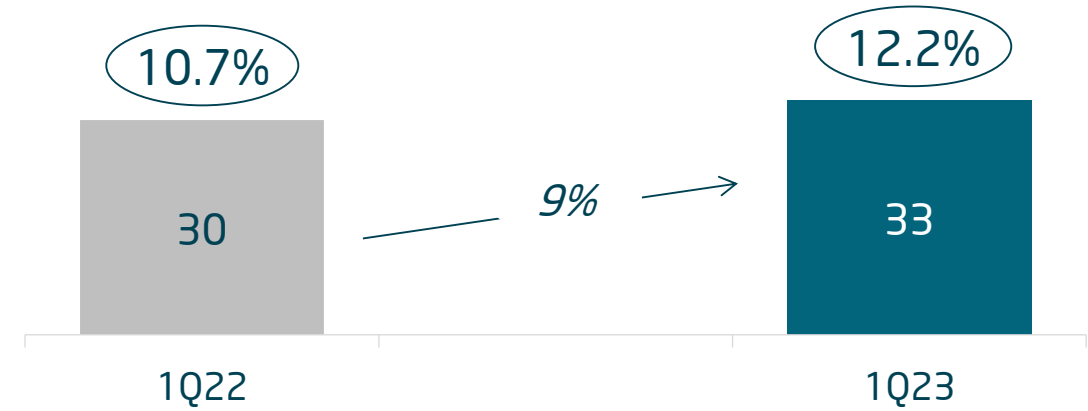


T&D Posting Margin Improvement

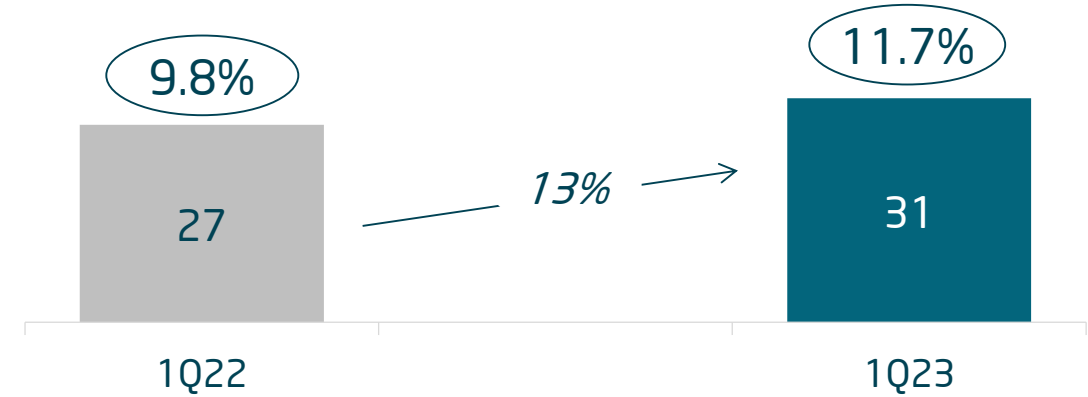
1Q23 Revenues (€m)



1Q23 Operating Margin¹(€m)



1Q23 EBIT and Margin (€m)



¹.EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

1Q23 Minsait Highlights

minsait



Luis Abril
General Director Minsait

Minsait Key Financial Highlights

Backlog
€ 1,970m
-2%

Order Intake
€ 908m
-6%

Revenues
€ 650m
+13%

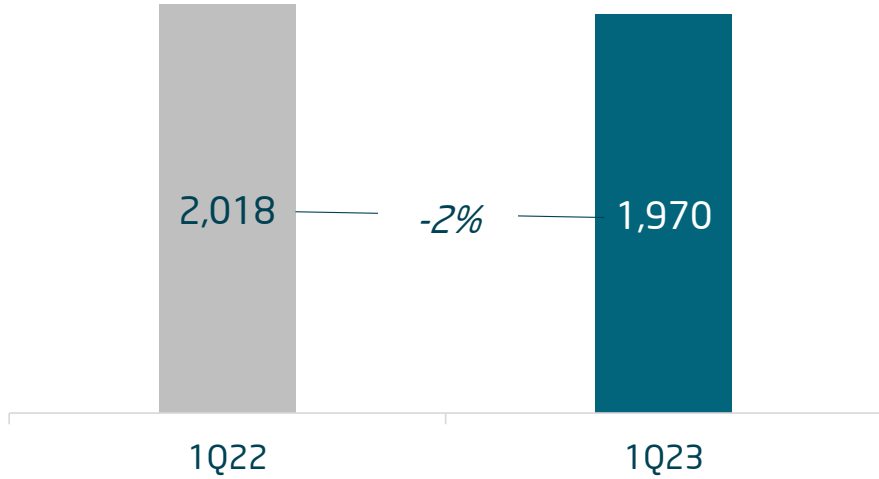
Operating Margin
€ 43m (6.7% margin)
+3%

EBIT
€ 34m (5.2% margin)
+4%

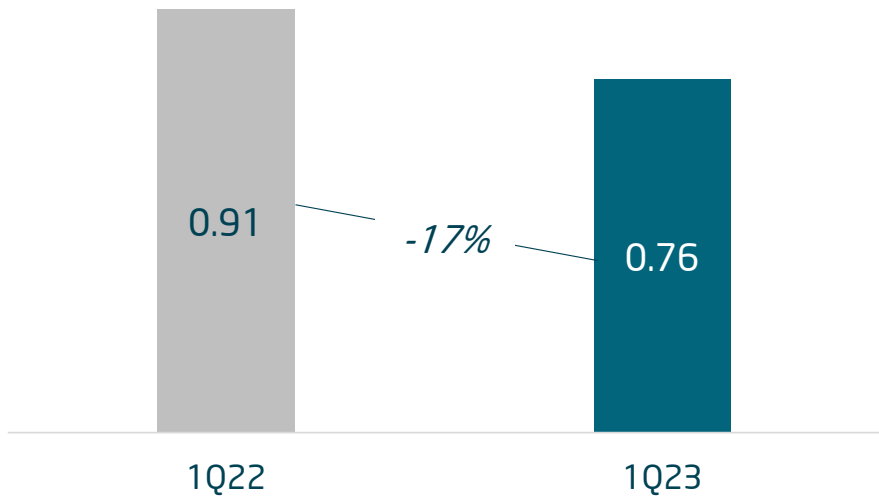
- Minsait’s Revenues strong growth, very good performance in all its verticals
- Order Intake up +9% excluding Election Business
- Minsait’s EBIT Margin stood above 5% despite wage inflation
- Digital and Solutions joint sales +20% in 1Q23 and accounted for 56% of Minsait sales

Minsait Backlog and Order Intake Evolution

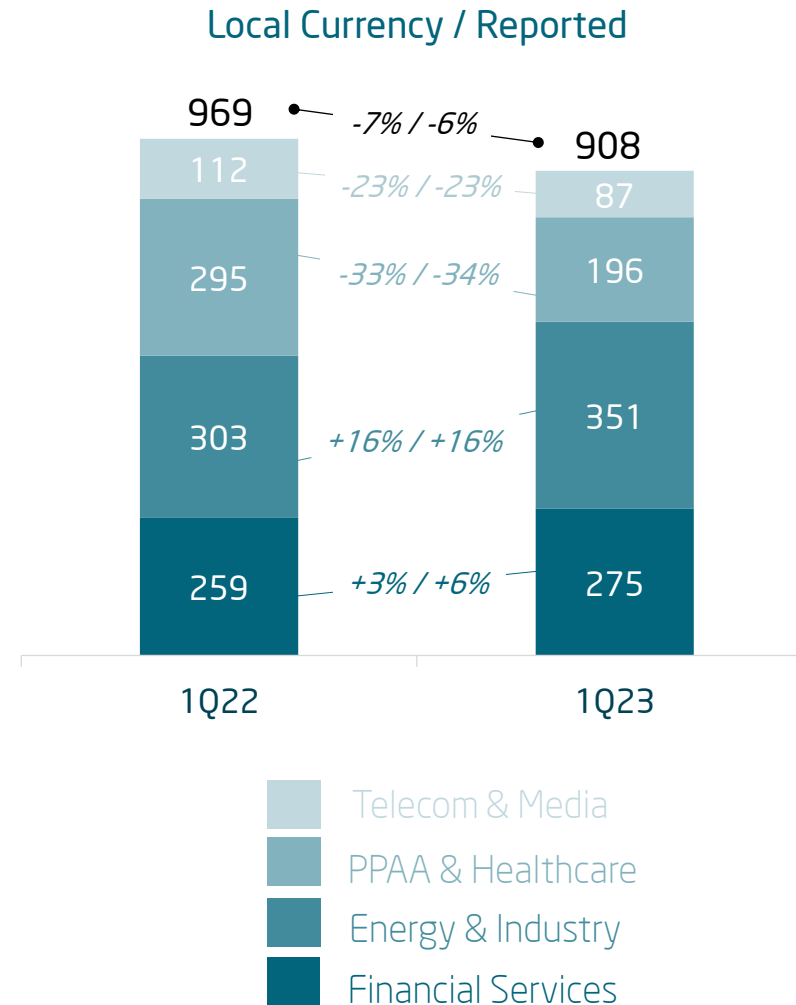
1 Q23 Backlog (€m)



1 Q23 Backlog/revs LTM

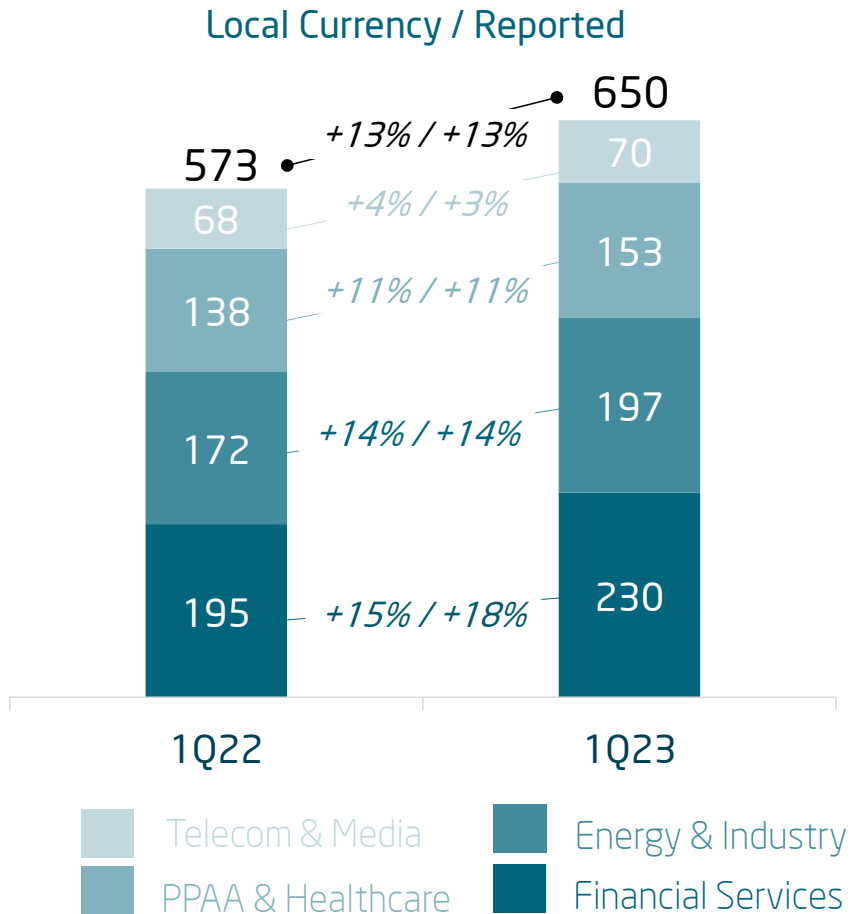


1 Q23 Order Intake (€m)

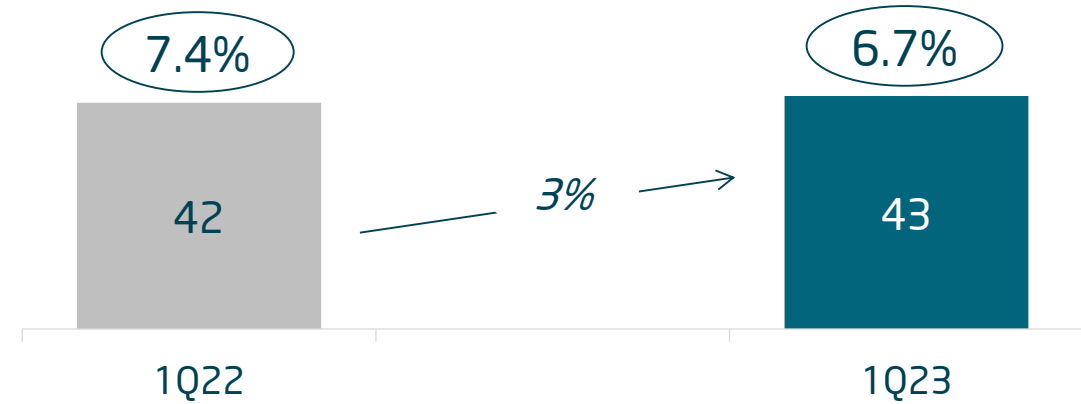


Minsait Posted Strong Revenue Growth and EBIT Margin >5%

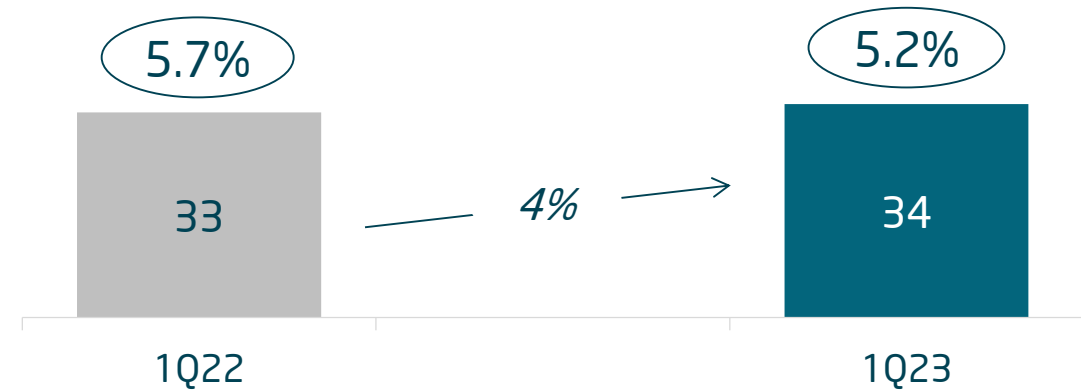
1Q23 Revenues (€m)



1Q23 Operating Margin¹(€m)



1Q23 EBIT and Margin (€m)



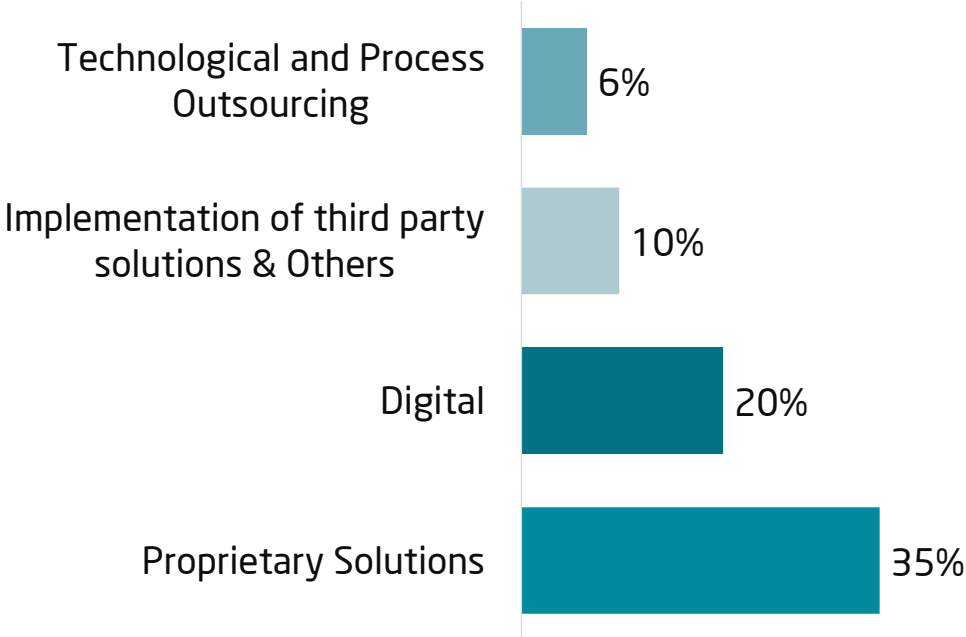
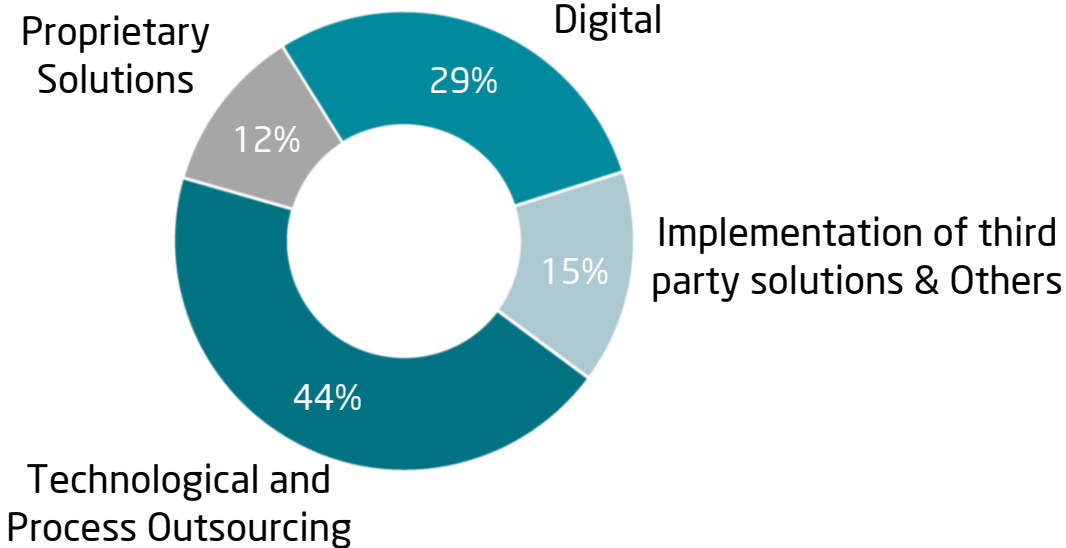
¹.EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

Minsait Revenues by Horizontal Lines: Digital & Solutions grew +20% and Now Represents 56% of Minsait's Sales

1Q23 Revenues (€m)

Revenue Growth 1Q23 vs 1Q22

(reported figures)



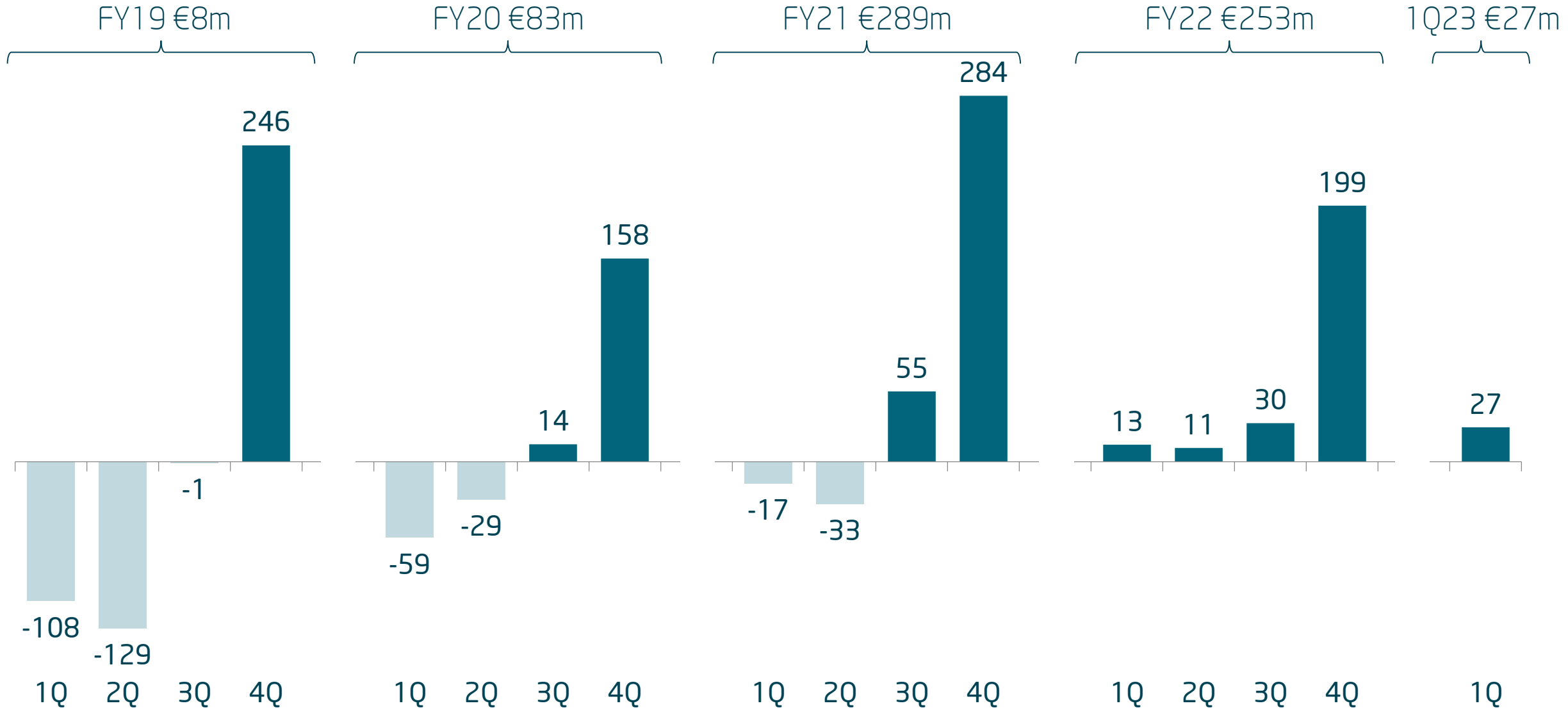
1Q23 Financial Review



Borja García-Alarcón
Chief Financial Officer

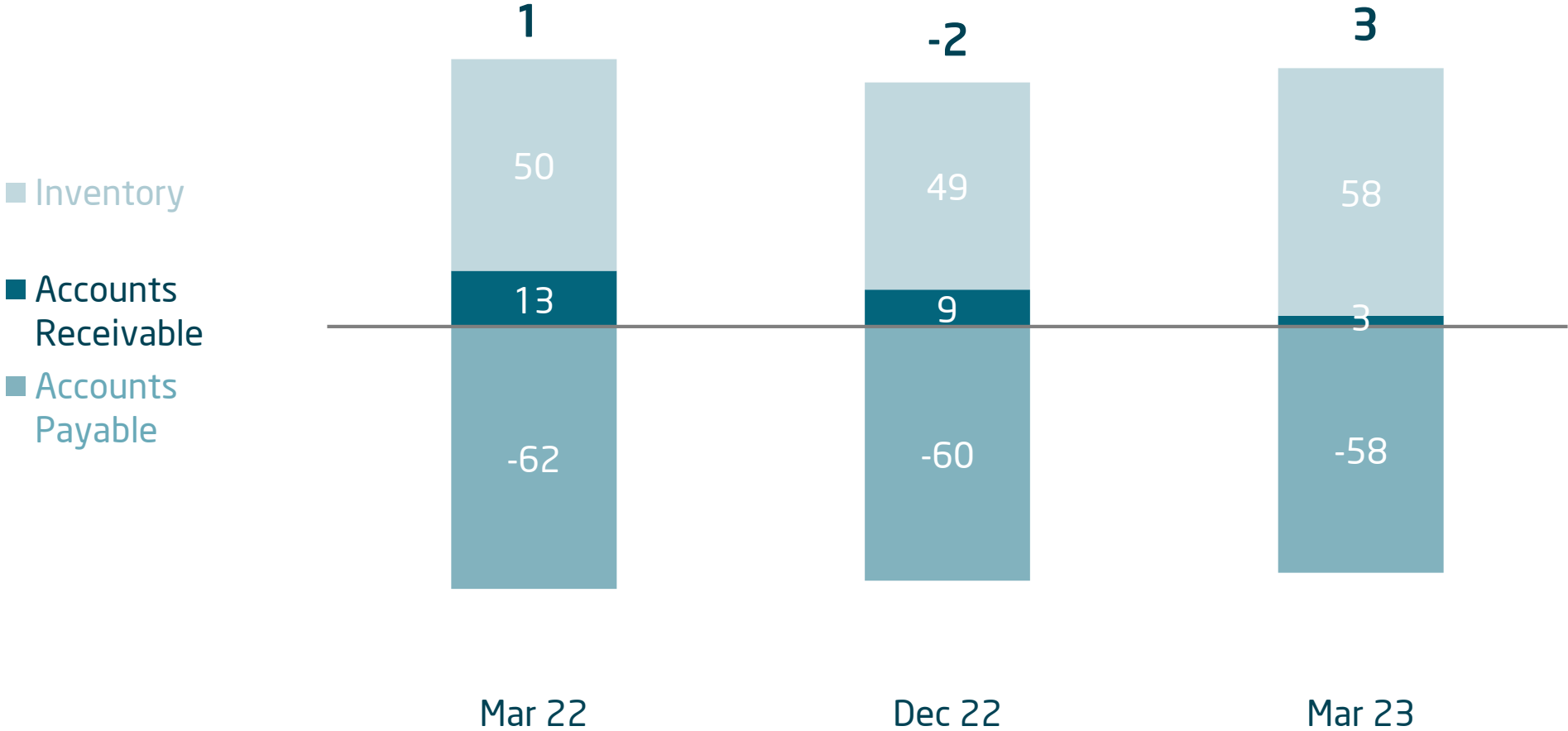
Best 1Q FCF Generation in the Last 6 Years

Quarterly reported FCF (€m)

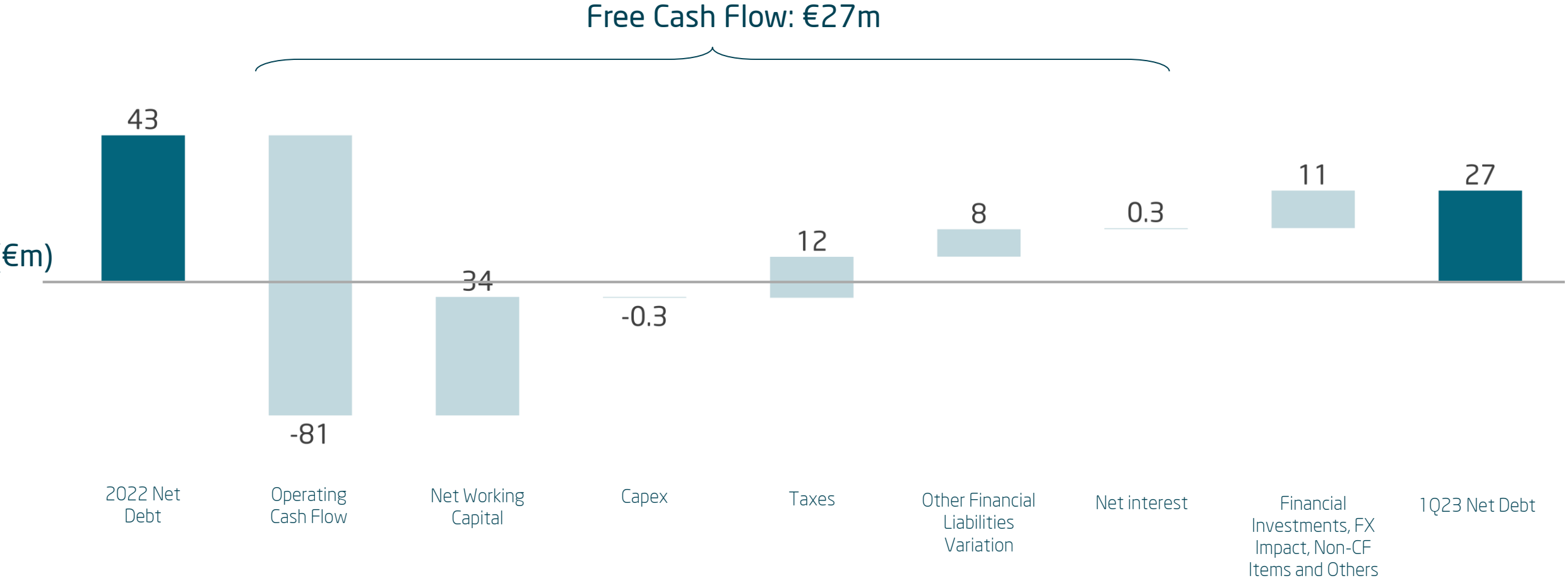


Net Working Capital Evolution Stable

Net Working Capital ST+LT (DoS)

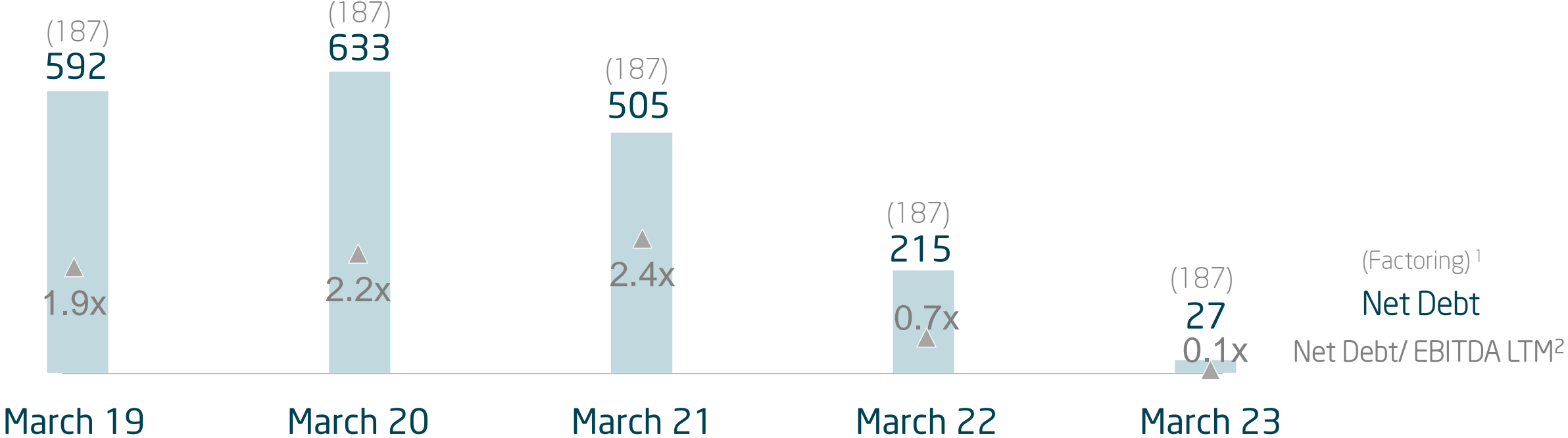


Strong 1Q23 FCF Drives Net Debt of just 0.1x at end March 2023



Net Debt Evolution Supported by Strong Cash Flow Dynamics

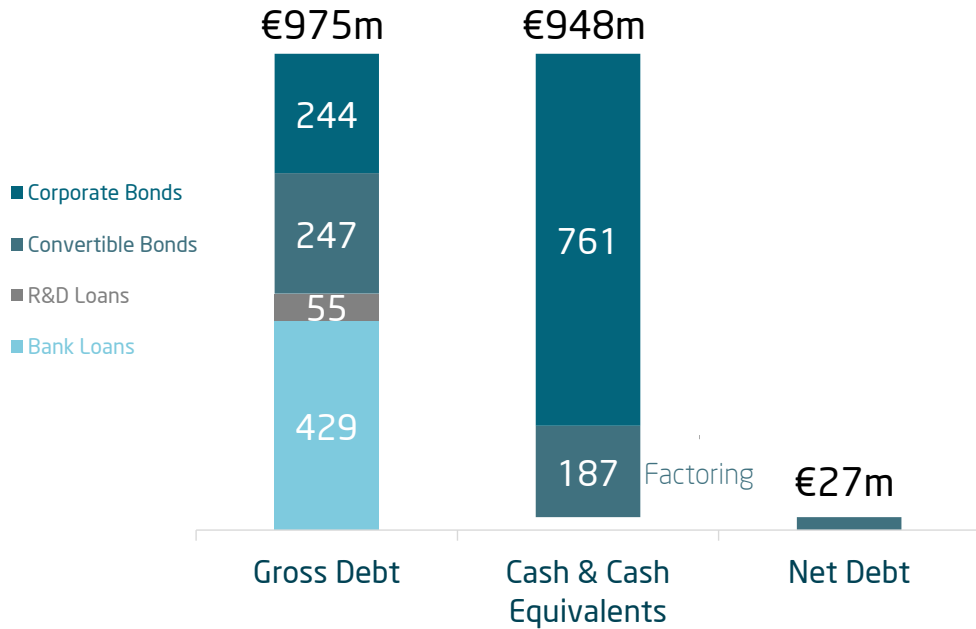
Net Debt (€m)



1. Non-recourse factoring; 2. EBITDA LTM excluding IFRS 16, extraordinary items related to employee restructuring plans and asset disposals

Diversified Debt Structure

Gross and Net Debt Structure

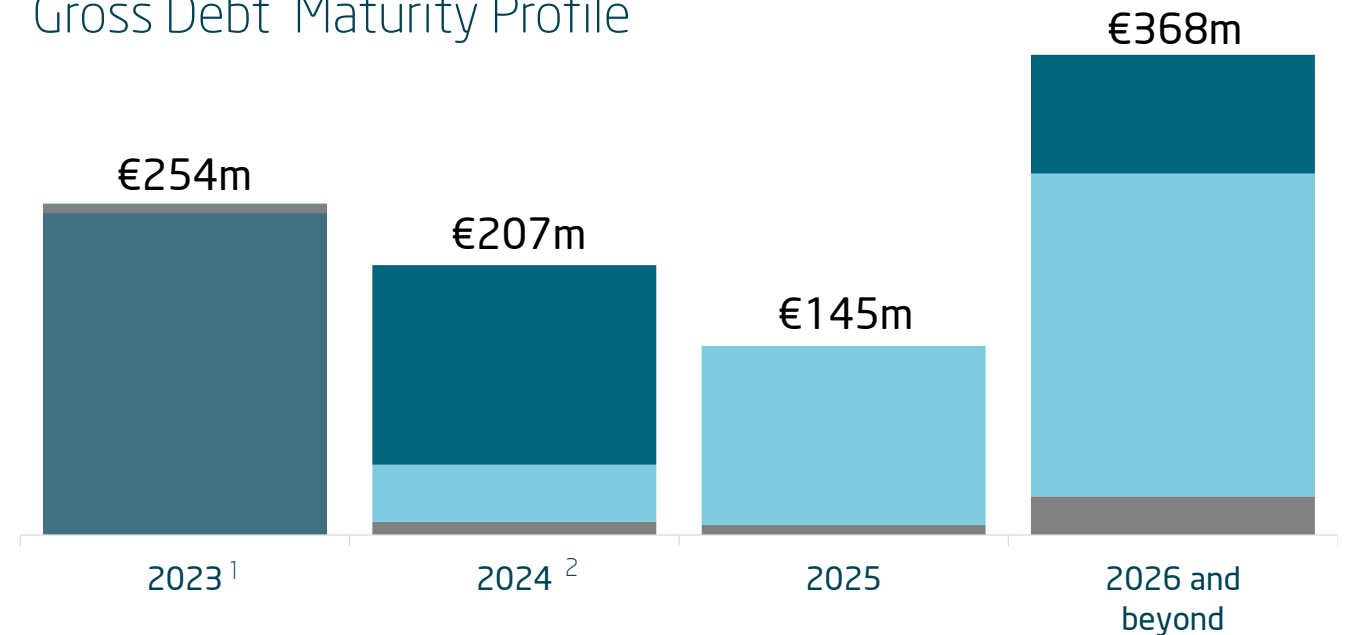


Other available credit facilities: €169m

	1Q23	FY22
Average life (years)	2.0	2.1

	1Q23	% total	FY22	% total
L/T Debt	683	70%	700	72%
S/T Debt	292	30%	275	28%
Gross Debt	975	100%	976	100%
Cost of Gross Debt	2.6%		2.0%	
Cash & Others	948	n.m.	933	n.m.
Net Debt	27	n.m.	43	n.m.

Gross Debt Maturity Profile



1. Including €247m Convertible Bond with 2023 maturity; 2. €153m Corporate Bond with 2024 maturity

Q&A



Ignacio Mataix
Chief Executive Officer



Luis Abril
General Director Minsait



Borja García-Alarcón
Chief Financial Officer



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