



9M23 Results

October 31st, 2023

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Conference call details

LIVE EVENT:

The Company will host a conference call for investors and analysts today at 8:30 (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/1015-2578-38489/en>

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Introduction

Marc Murtra
President

9M23
Results



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9M23 Indra Highlights

José Vicente de los Mozos
Chief Executive Officer

9M23
Results



9M23

Main headlines

- **Solid 9M23 performance:**
 - New all-time high in order backlog, driven mainly by Air Traffic, Transport and Minsait
 - Revenues and EBIT grew at double-digit rates in 9M23 vs 9M22, pushed by Defense (mainly FCAS and Eurofighter), and Air Traffic
 - EBIT also up at double-digit rates in 9M23 and in 3Q23
 - EPS up by +26.4% compared to 9M22
 - 9M23 Free Cash Flow more than twice 9M22, being the best 9M figure ever
 - 2023 Guidance reiterated
- **Main focus in 4Q 2023:
Our Strategic Plan “Leading the Future”**
- **Other significant 3Q23 milestones:**
 - Acquisition of a 9.5% stake in ITP and 30% in Epicom
 - New bolt-on acquisitions in other divisions (Park Air, Nae,...)
 - Convertible bond repurchase to prevent shareholders dilution

The new Strategic Plan will address the key challenges for Indra



Indra 4.0



M&A portfolio management (based on clear rules)

- Transformational Big-Bets
- Bolt-ons on specific capabilities



Product simplification & creation

- State-of-the art target portfolio
- New investments/dis-continuations



Geographic footprint optimization

- Key geographies & operating model
- Integrated go-to-market



Technology ecosystem creation

- Disruptive technologies
- Alliances and JVs with key players



New engineering model

- Processes and capabilities
- Transformation/efficiencies



Excellence and efficiency in operations

- Manufacturing footprint
- Transformation/efficiencies

Digital cross-cutting capabilities

Top-of-mind employer for digital and engineering talent

ESG commitments

The process is being collectively run with different layers of the organization, ensuring end-to-end participation and full commitment

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Transforming
from the inside

'Fresh Talent'
(Emerging talent)

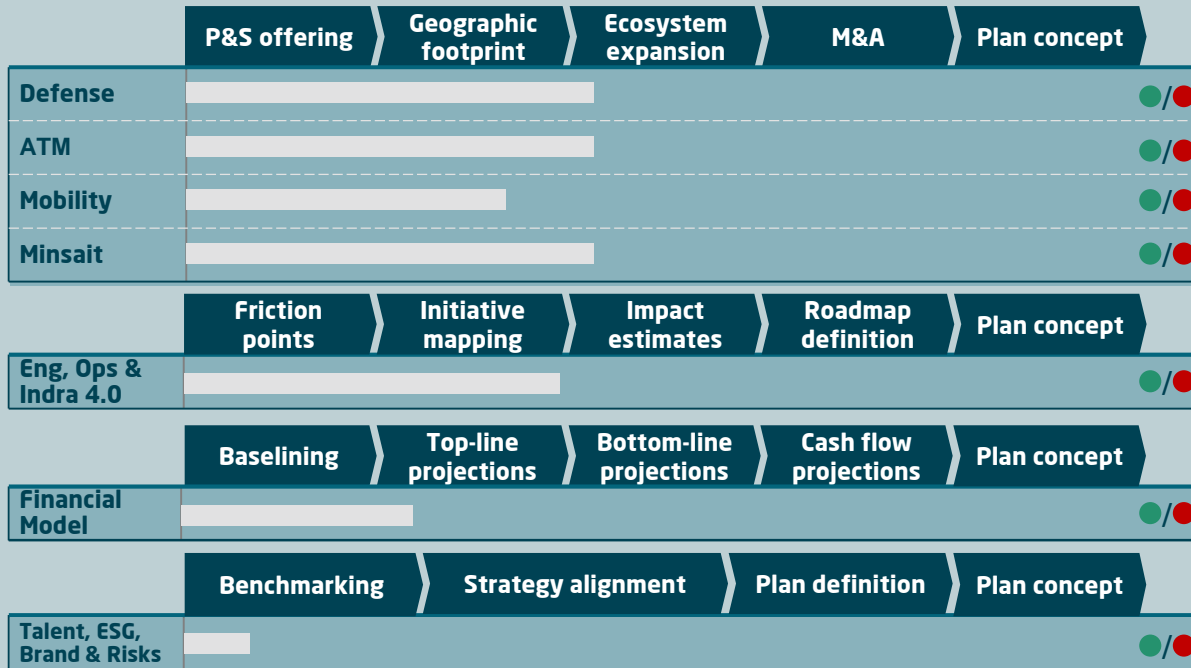
Initiative leaders
(Senior Management)

Sponsors
(ExCom Members)



We are monitoring the progress of the plan on a daily basis

Status of the Strategic Plan by stream



Legend: ● On track ● Delayed

Degree of fulfillment of the overall Strategic Plan



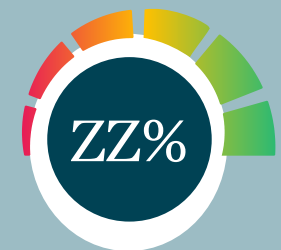
Degree of fulfillment for 2026 financial targets considering ongoing initiatives/ projections

Revenues target



Degree of fulfillment vs. target

EBIT target



Degree of fulfillment vs. target

9M23 Group Financial Results Headlines

Backlog

€ 6,974m

+ 16.6%

Revenues

€ 3,016m

+ 11.9%

Basic EPS

€ 0.83

+ 26.4%

Order Intake

€ 3,448m

+ 10.1%

EBIT

€ 228m (7.6% margin)

+ 11.7%

Free Cash Flow

€ 117m

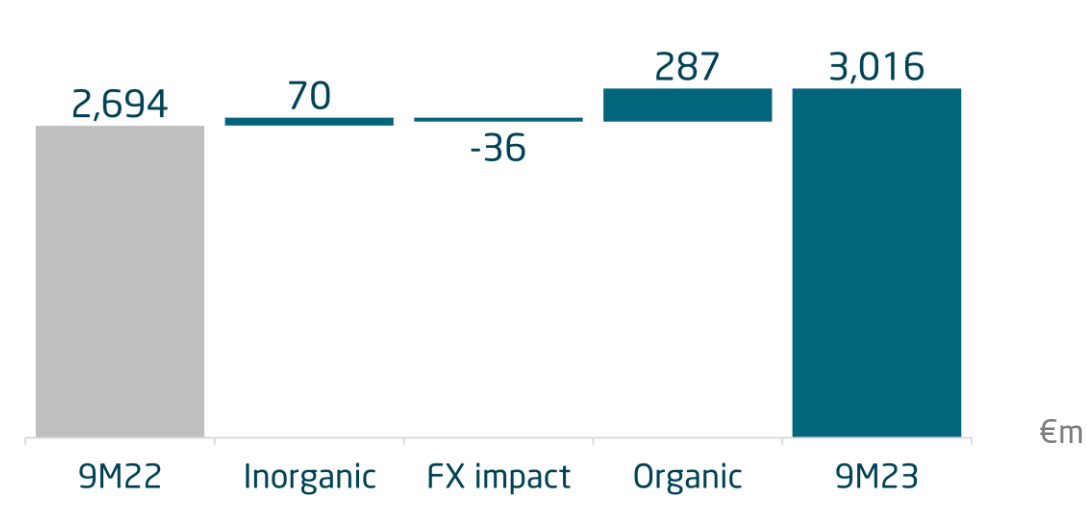
0.6x Net Debt/EBITDA



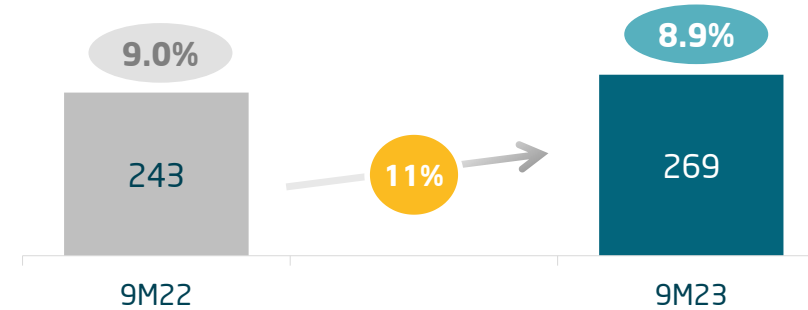
Double-Digit Growth in 9M23 Both in Sales and EBIT

9M23 Revenues (€m)

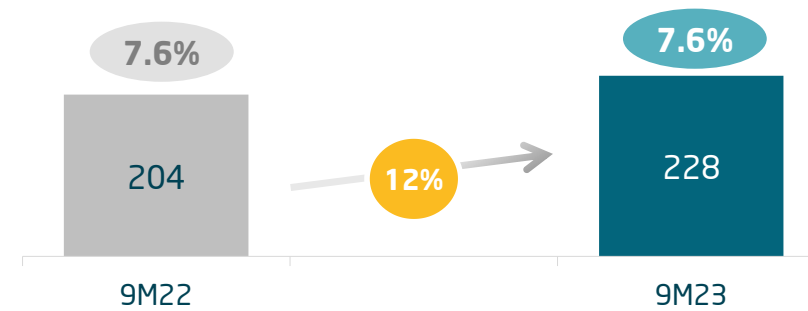
Reported	+ 12%
Local Currency	+ 13%
Organic ¹	+ 11%



9M23 Operating Margin² (€m)



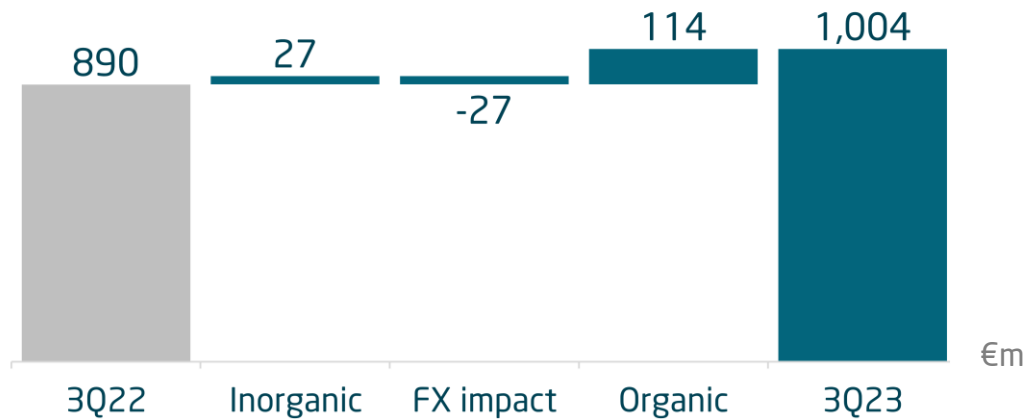
9M23 EBIT and Margin (€m)



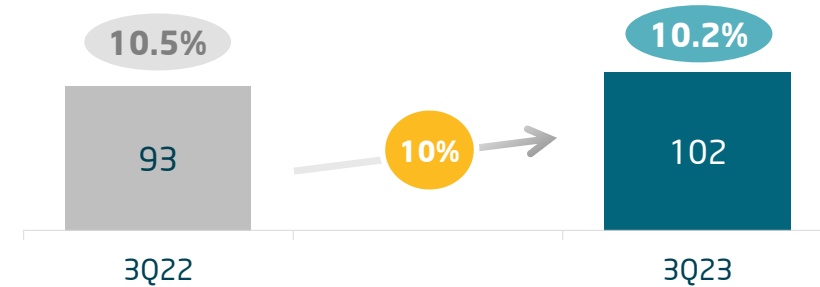
Double-Digit Growth also in 3Q23 Both in Sales and EBIT

3Q23 Revenues (€m)

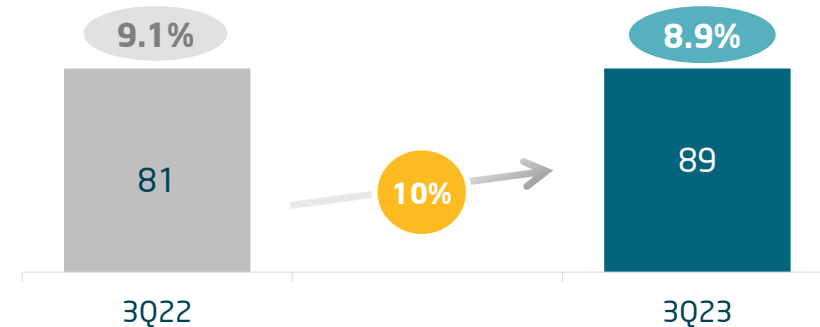
Reported	+ 13%
Local Currency	+ 16%
Organic ¹	+ 13%



3Q23 Operating Margin² (€m)



3Q23 EBIT and Margin (€m)

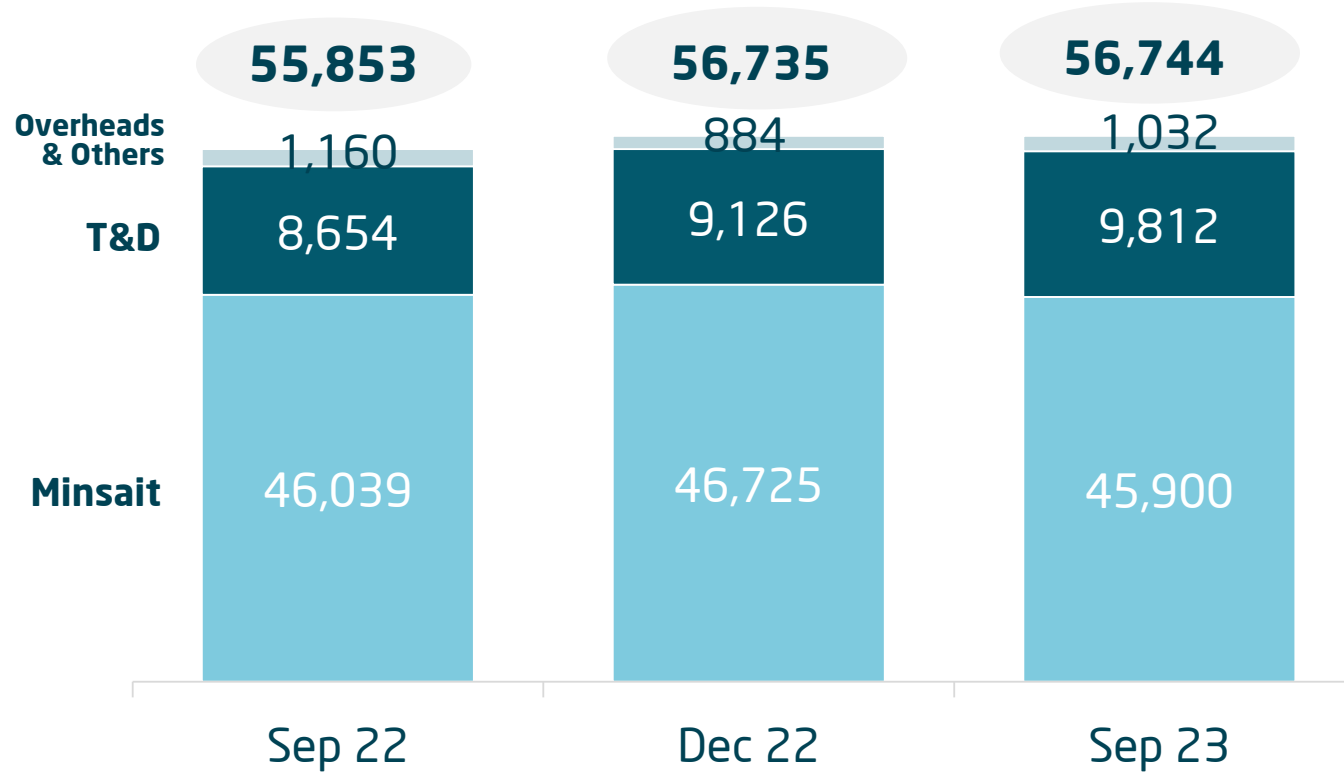


Group Workforce Evolution



Workforce remained flat compared to year-end 2022

Revenue LTM/Employee increased +10% vs September 2022 and +8% vs December 2022



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9M23 T&D Highlights

9M23
Results



T&D

Key Financial Highlights

Backlog

€ 4,785m

+ 16%

Revenues

€ 1,011m

+ 17%

Order Intake

€ 1,164m

+ 6%

Operating Margin

€ 131m (13.0% margin)

+ 25%

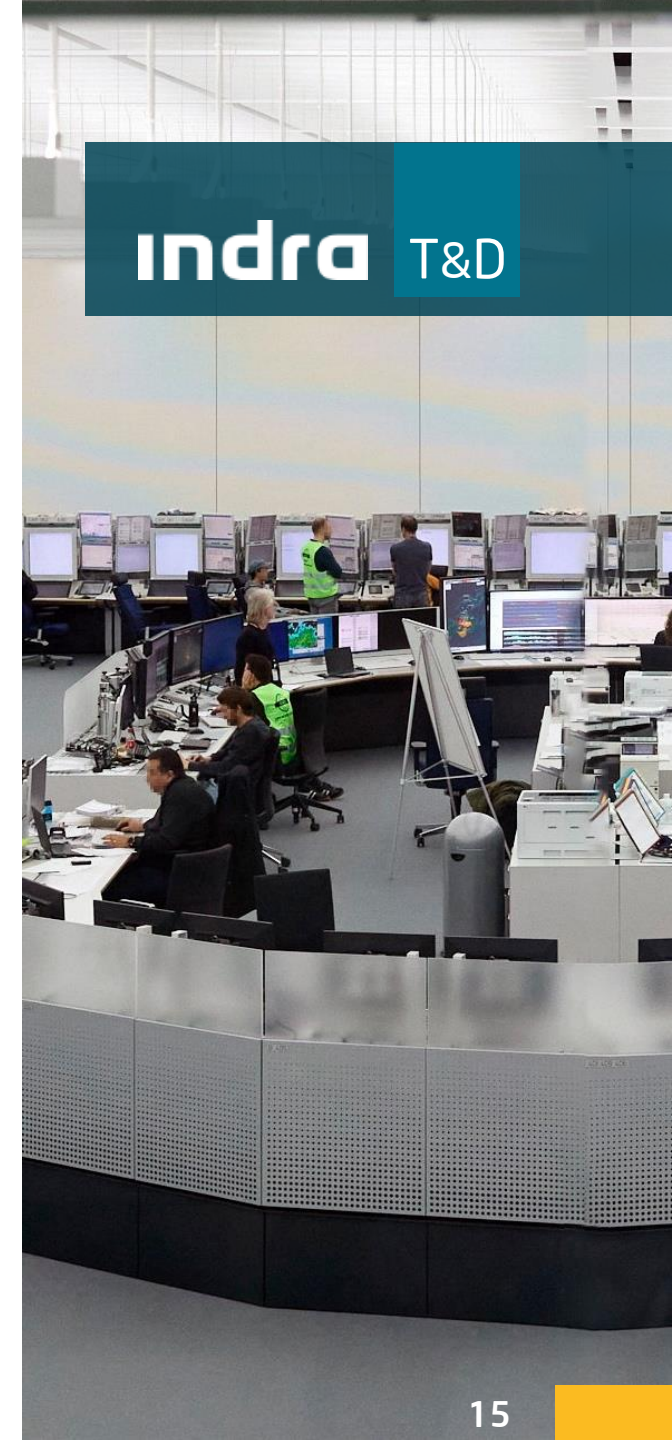
EBIT

€ 123m (12.1% margin)

+ 25%

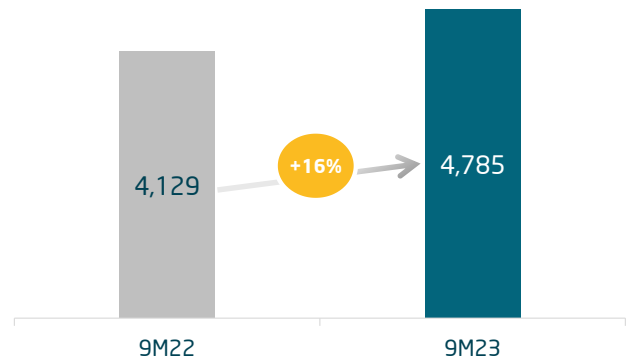
- Main T&D key figures grew at double-digit rates, except for Order Intake (+6%)
- Revenues acceleration boosted by Defense & Security and ATM
- T&D Operating Margin and EBIT growing at double-digit rates vs 9M22

indra T&D

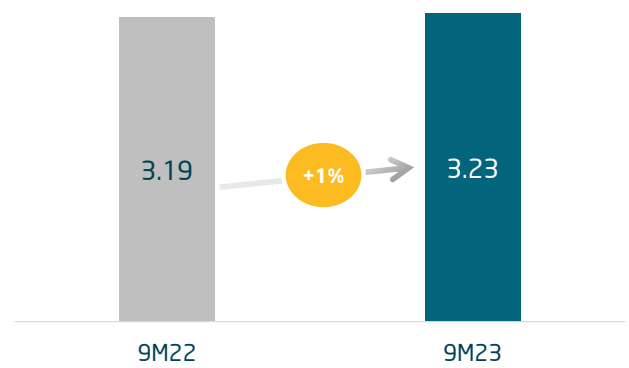


Solid Growth of T&D Backlog and Order Intake

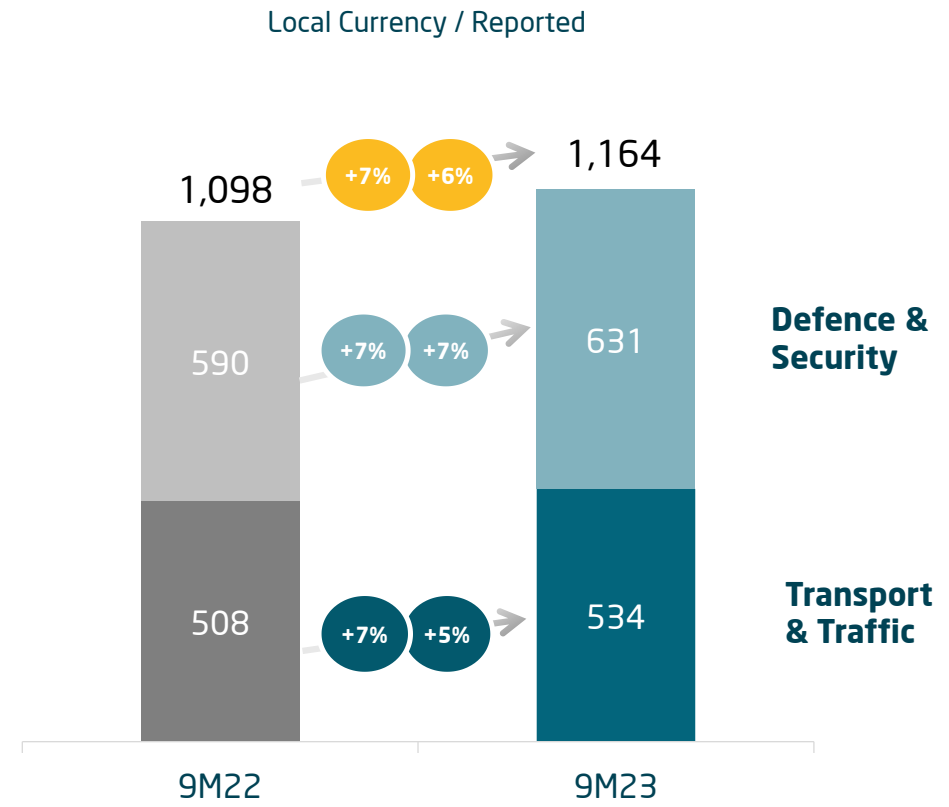
9M23 Backlog (€m)



9M23 Backlog/revs LTM

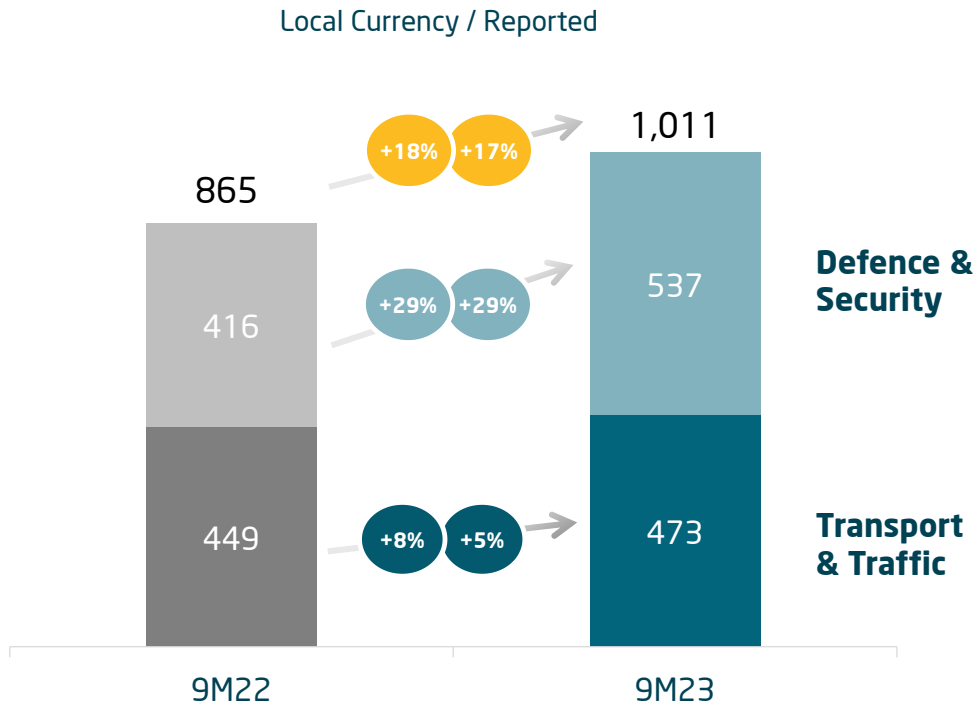


9M23 Order Intake (€m)

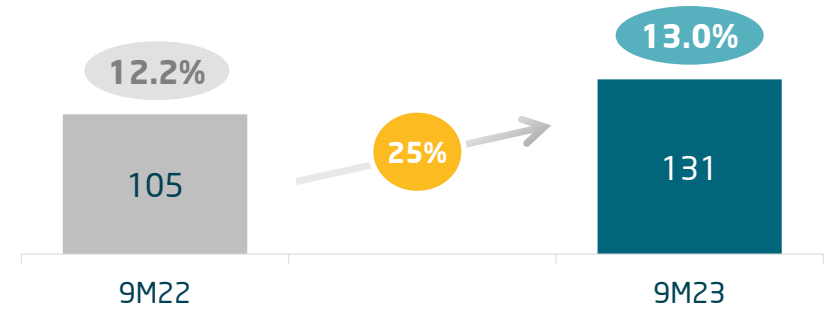


9M23: Revenues and Margin growing at double-digit rates in T&D

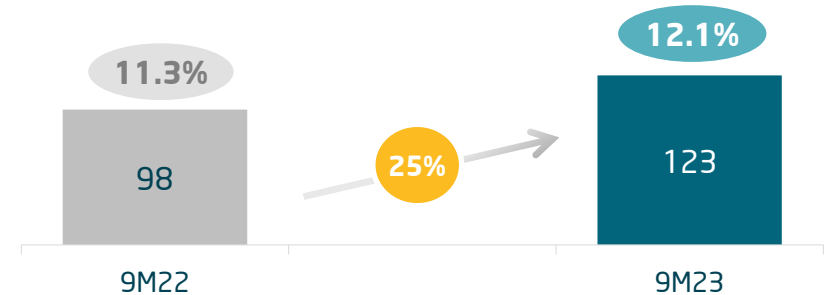
9M23 Revenues (€m)



9M23 Operating Margin¹ (€m)



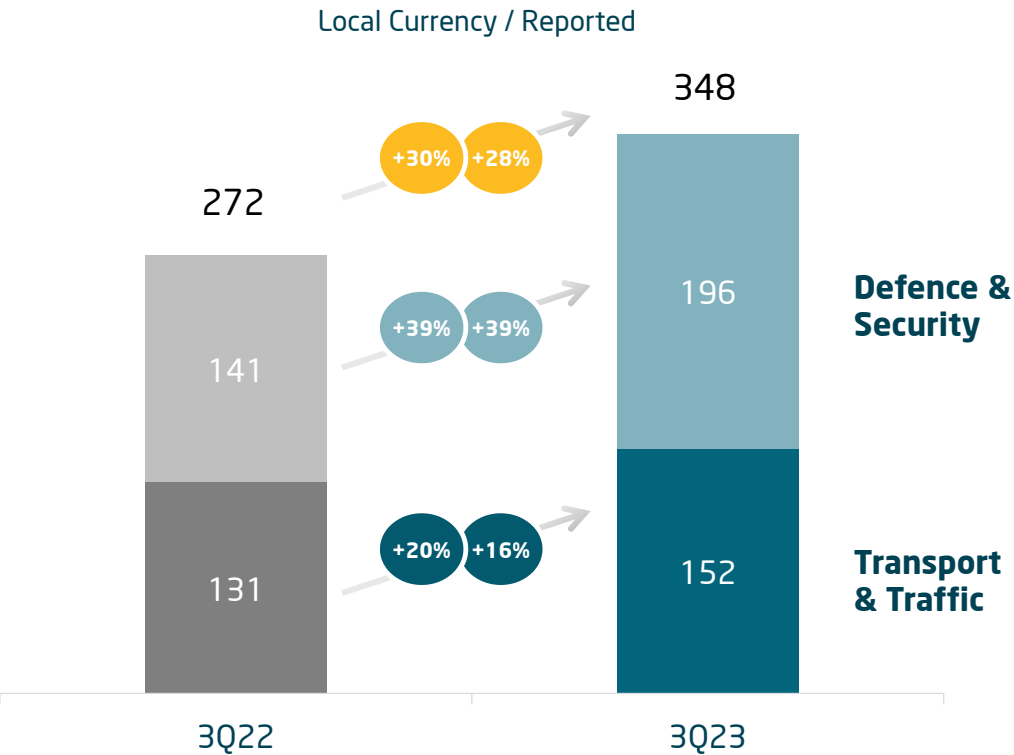
9M23 EBIT and Margin (€m)



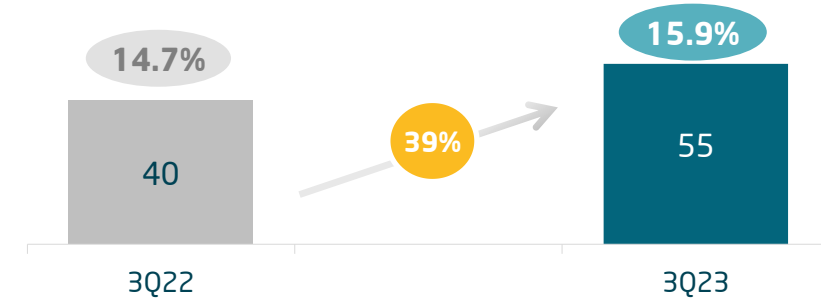
3Q23: Revenues and Margin increasing also at double-digit rates in T&D, speeding up in the quarter



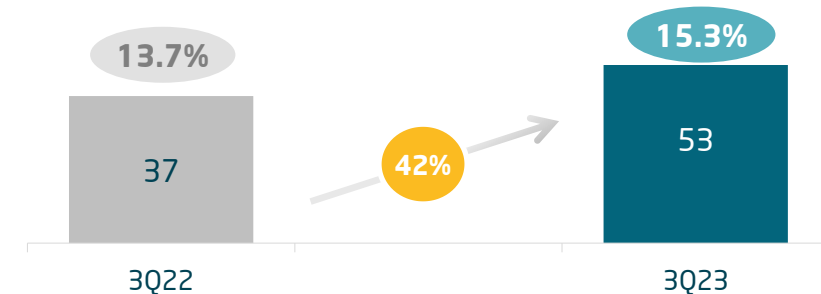
3Q23 Revenues (€m)



3Q23 Operating Margin¹ (€m)



3Q23 EBIT and Margin (€m)



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9M23 Minsait Highlights

9M23
Results



Minsait

Key Financial Highlights

Backlog

€ 2,189m

+ 18%

Revenues

€ 2,005m

+ 10%

Order Intake

€ 2,284m

+ 12%

Operating Margin

€ 138m (6.9% margin)

+ 0%

EBIT

€ 105m (5.3% margin)

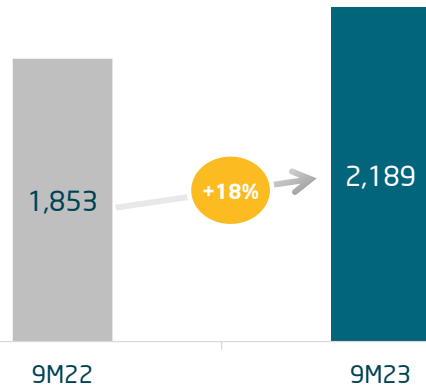
- 1%

- Minsait's Revenues at double-digit growth, with Financial Services and Energy & Industry at double-digit rates
- Strong commercial push with Order Intake growing +12%
- Minsait's EBIT Margin stood above 5% despite wage inflation
- Digital and Solutions joint sales +10% in 9M23 and accounted for 56% of Minsait sales

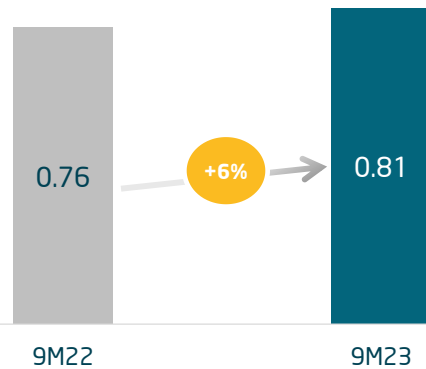
minsait

Strong Growth of Minsait Backlog and Order Intake

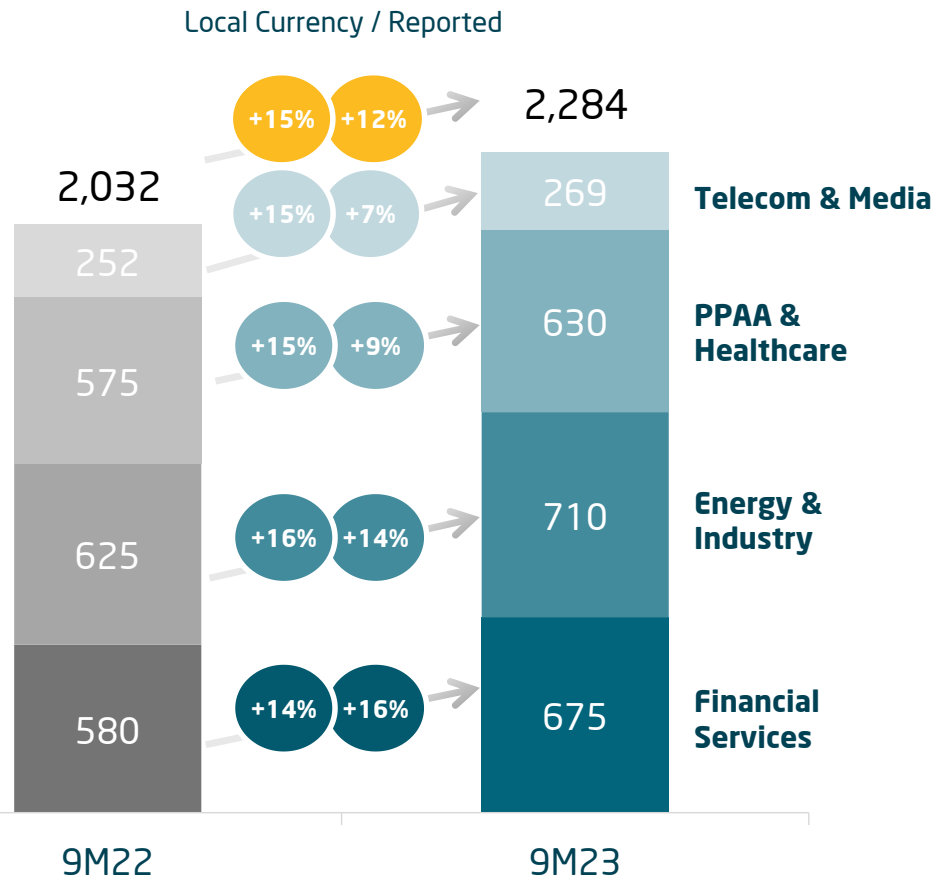
9M23 Backlog (€m)



9M23 Backlog/revs LTM



9M23 Order Intake (€m)

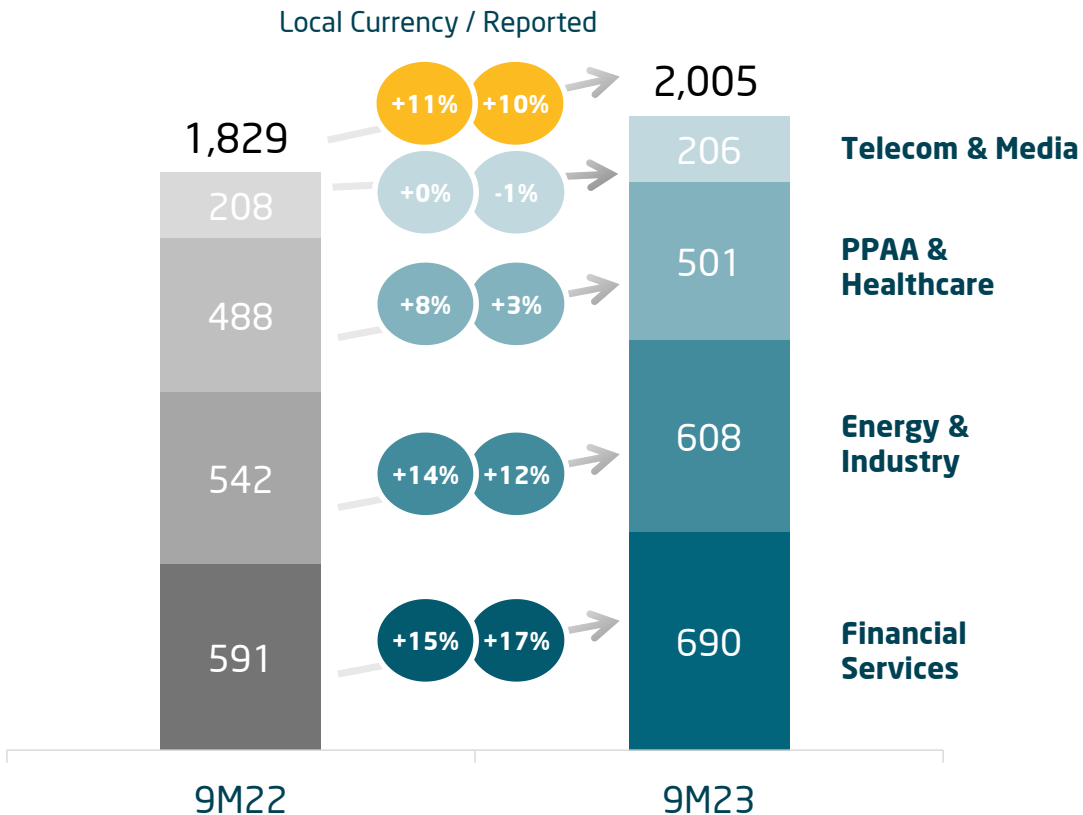


minsait

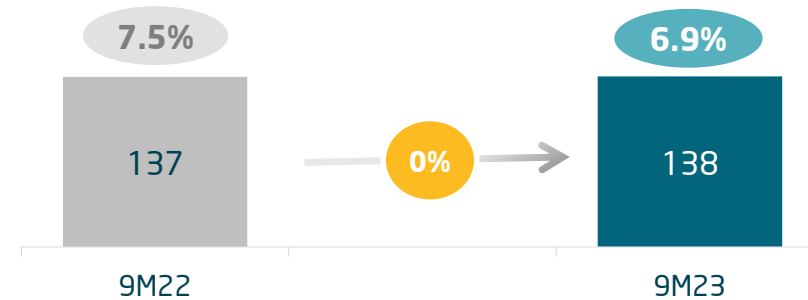
9M23: Revenue Growth at double-digit and EBIT Margin Above 5% in Minsait



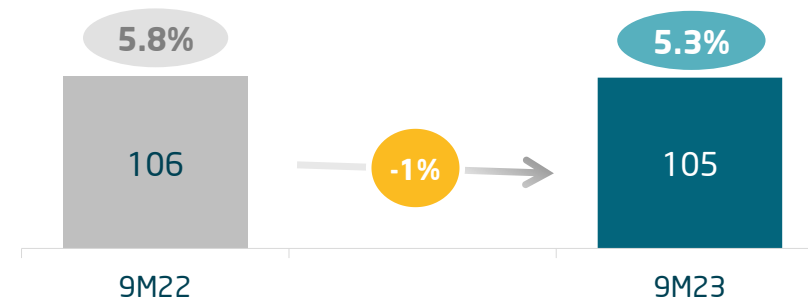
9M23 Revenues (€m)



9M23 Operating Margin¹ (€m)



9M23 EBIT and Margin (€m)

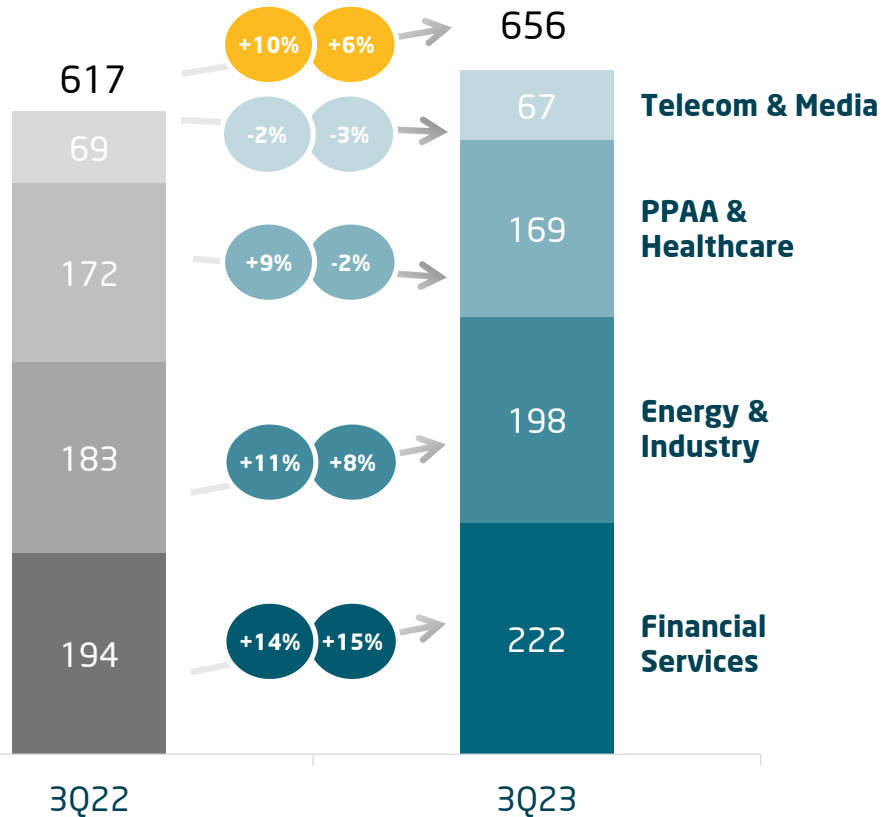


3Q23: Strong Revenue Growth and EBIT Margin at 5.5% in Minsait

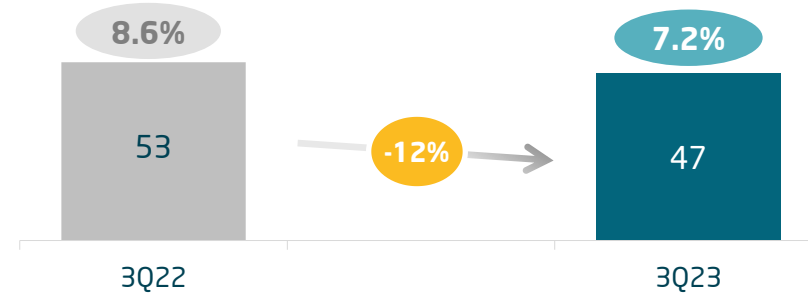


3Q23 Revenues (€m)

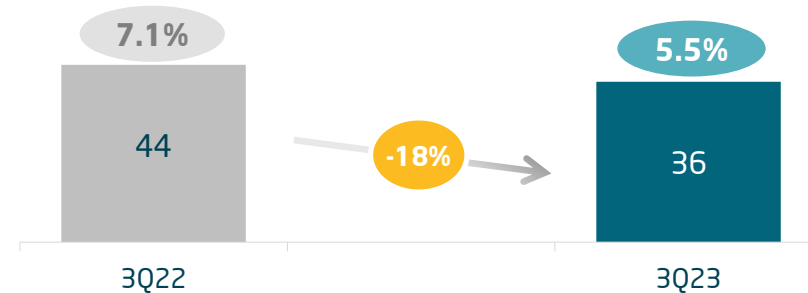
Local Currency / Reported



3Q23 Operating Margin¹ (€m)



3Q23 EBIT and Margin (€m)

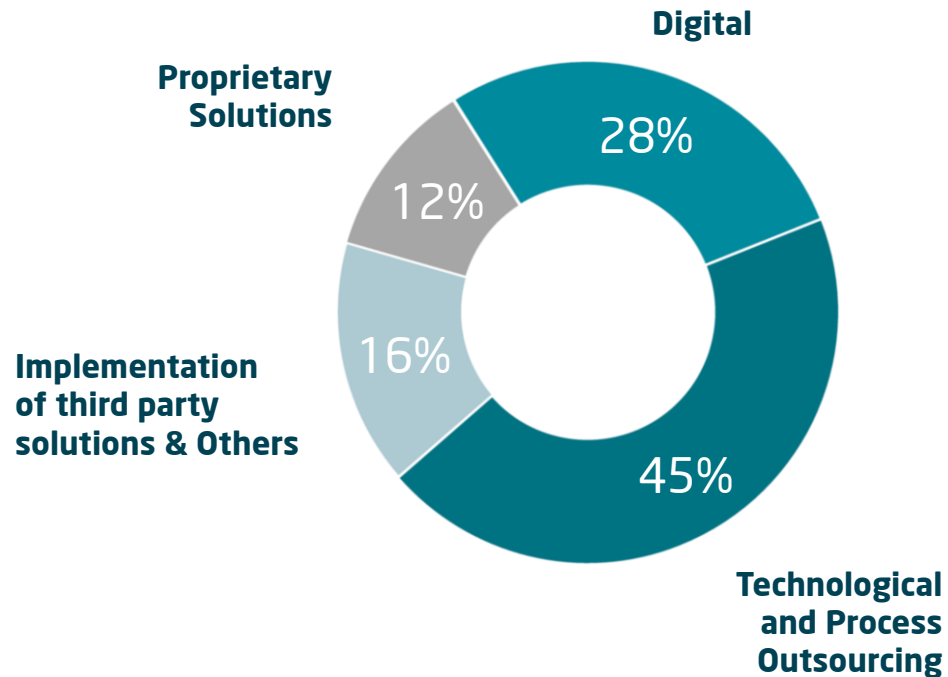


1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

Minsait Revenues by Horizontal Lines: Digital & Solutions grew +10% and Represents 56% of Minsait's Sales

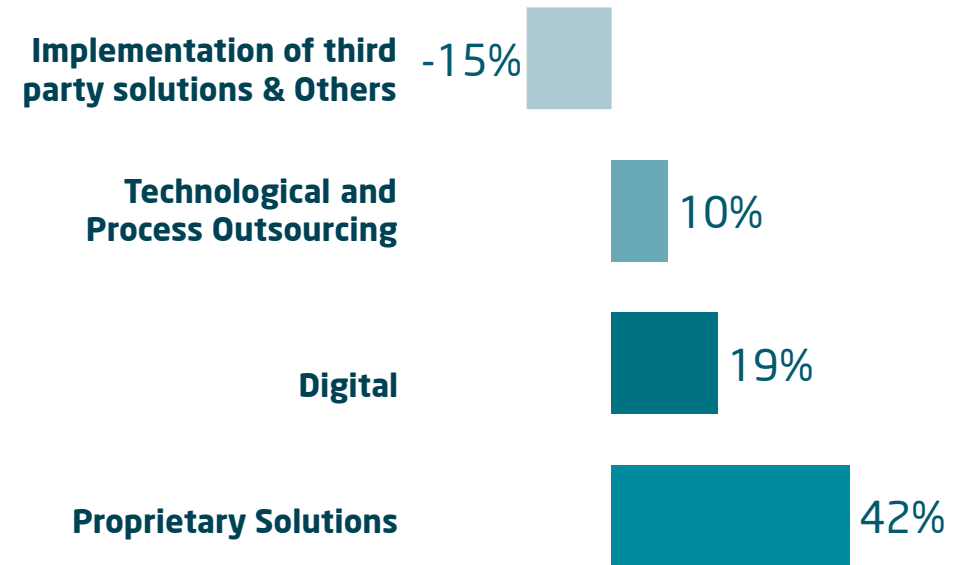


9M23 Revenues (€m)



Revenue Growth 9M23 vs 9M22

(reported figures)



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9M23 Financial review

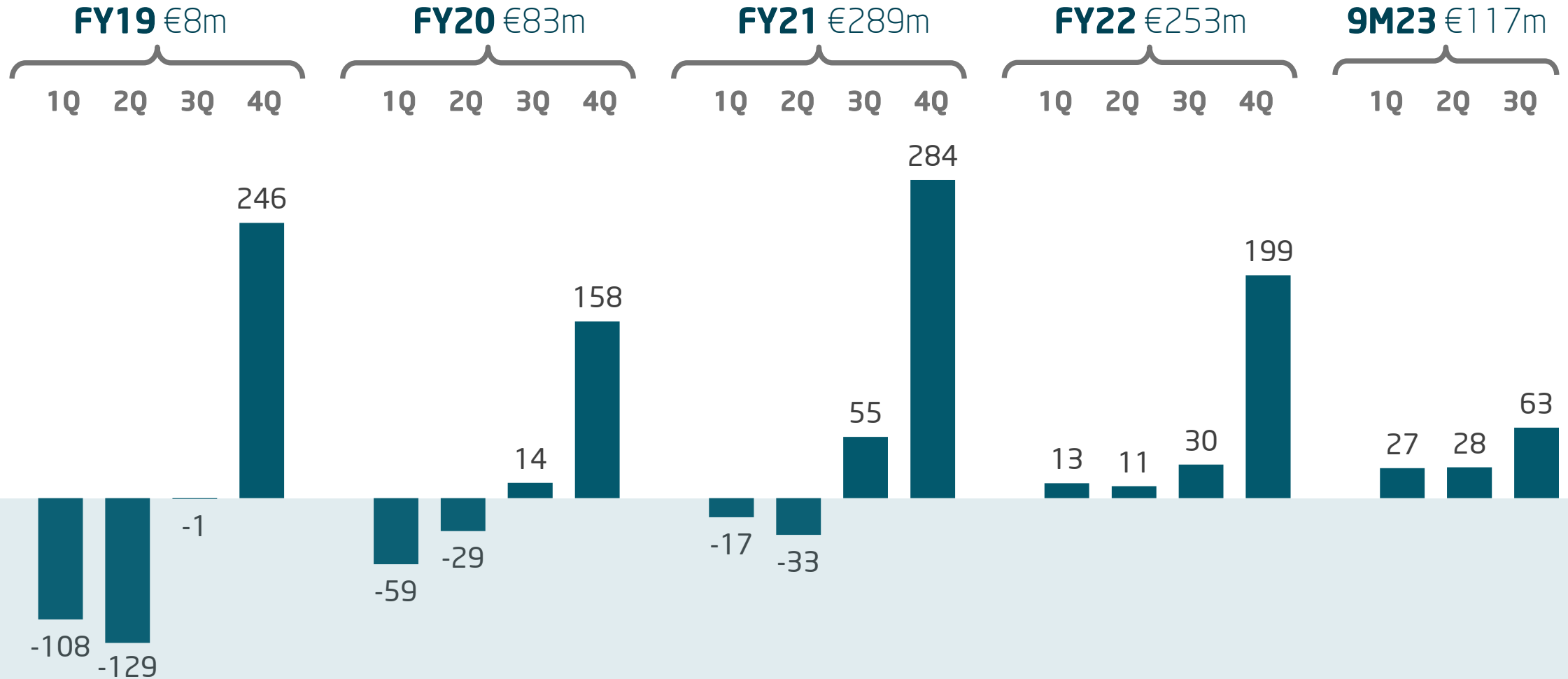
Borja García-Alarcón
Chief Financial Officer

9M23
Results



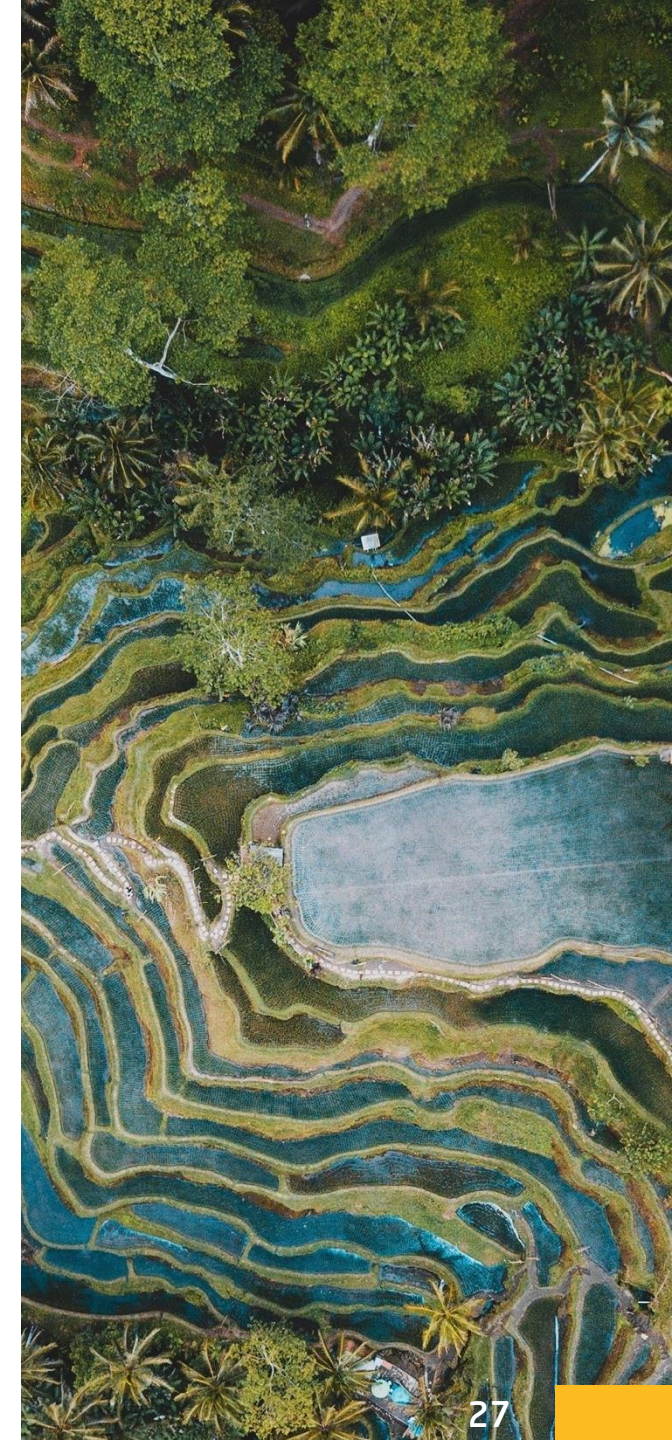
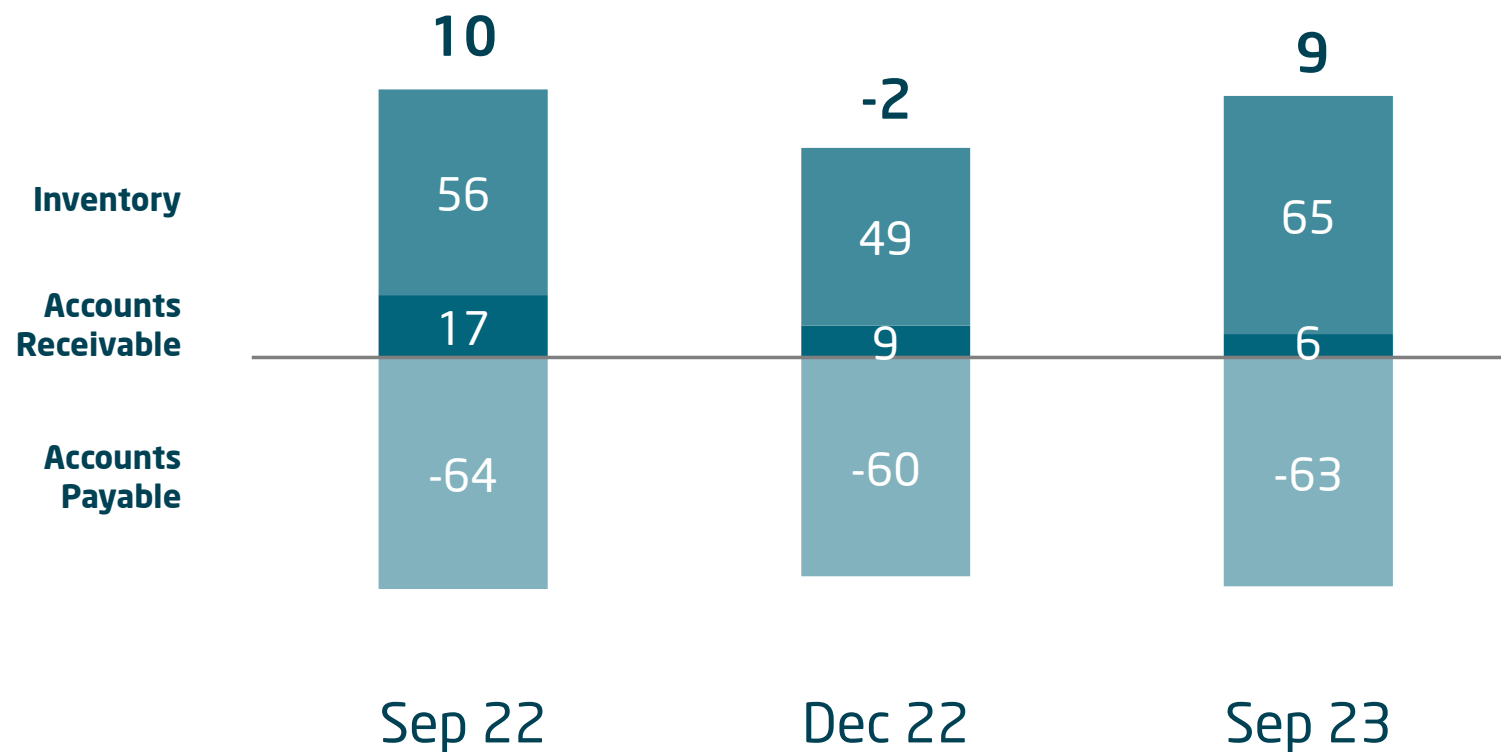
9M FCF Generation at All-Time Highs

Quarterly reported FCF (€m)

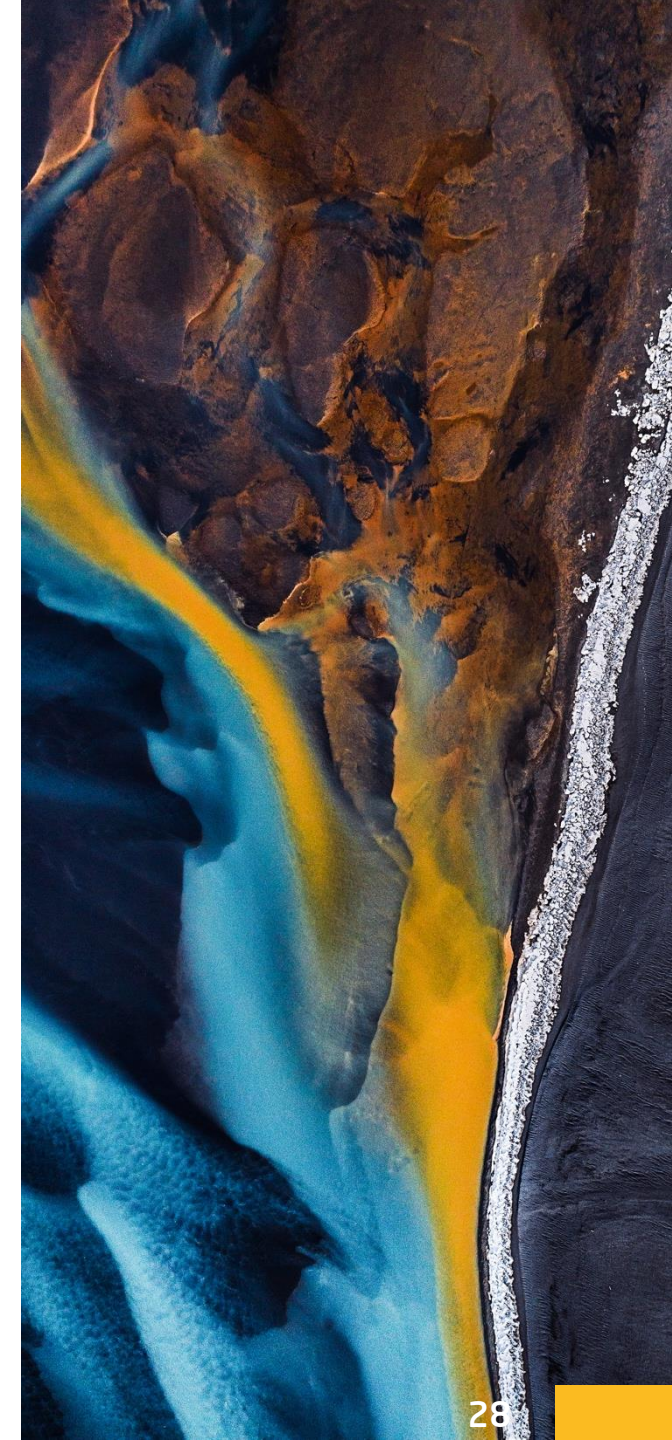
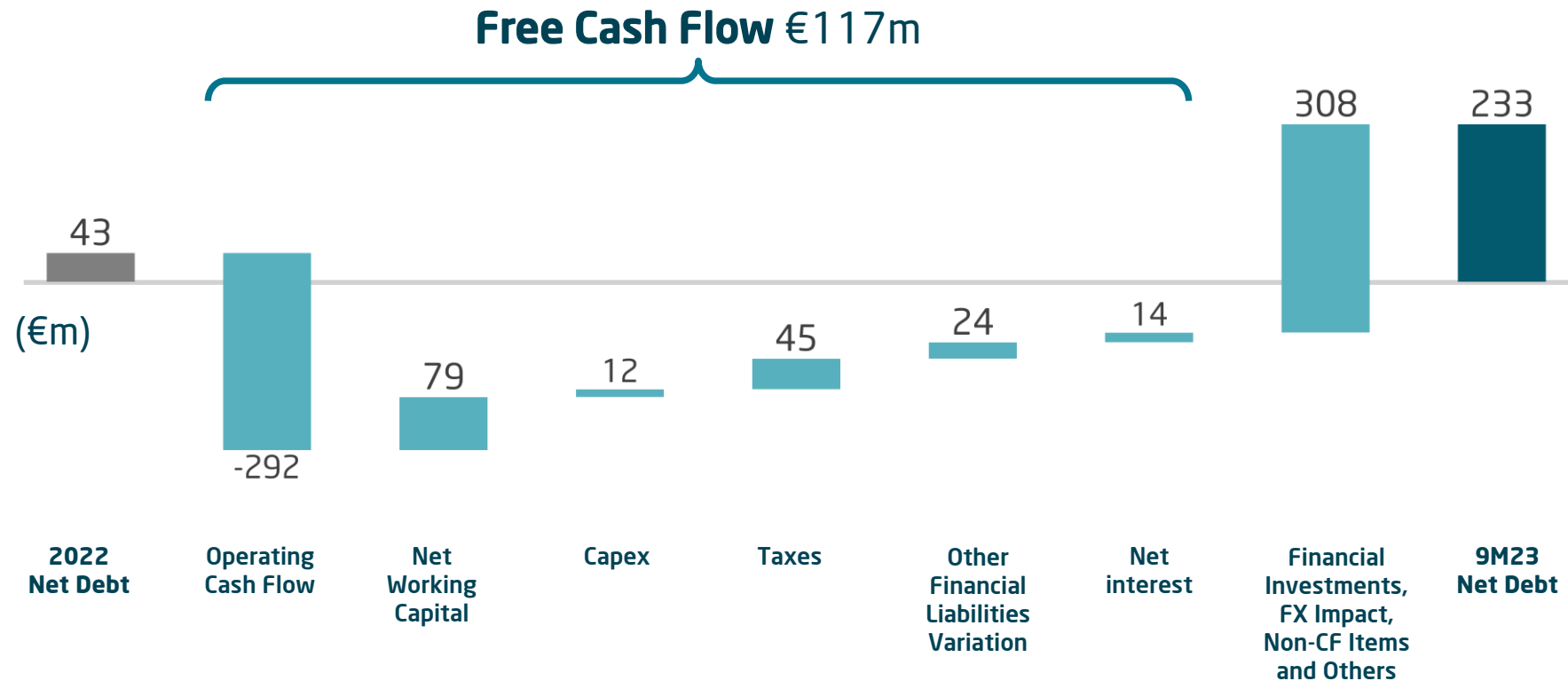


Net Working Capital Evolution Stable

Net Working Capital ST+LT (DoS)

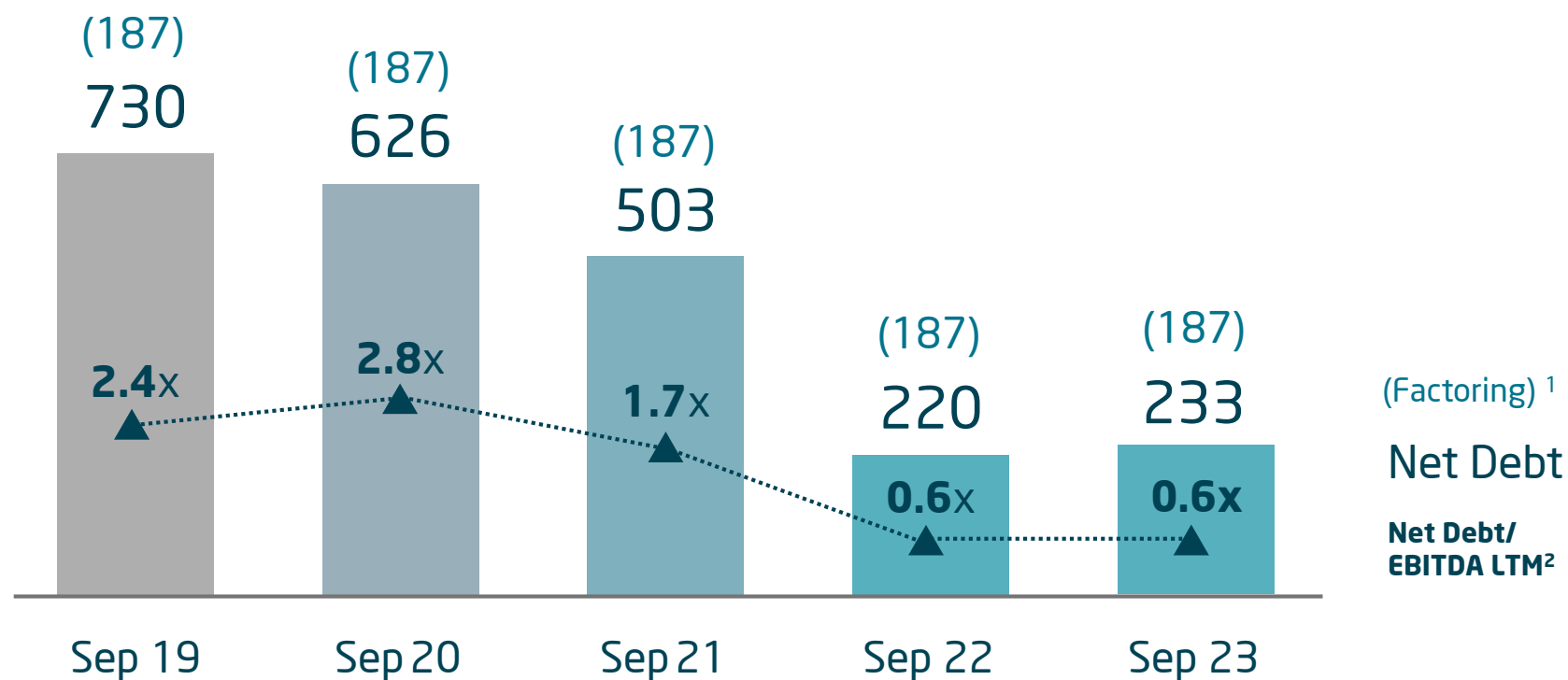


Strong 9M23 FCF Drives Net Debt of just 0.6x at end September 2023



Net Debt Evolution Supported by Strong Cash Flow Dynamics

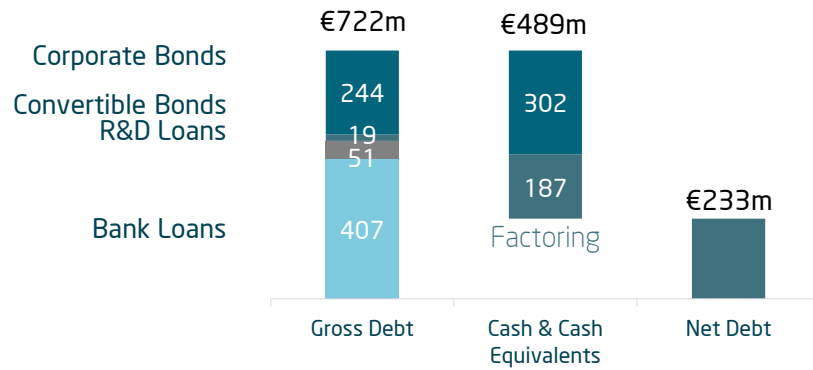
Net Debt (€m)



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

Diversified Debt Structure

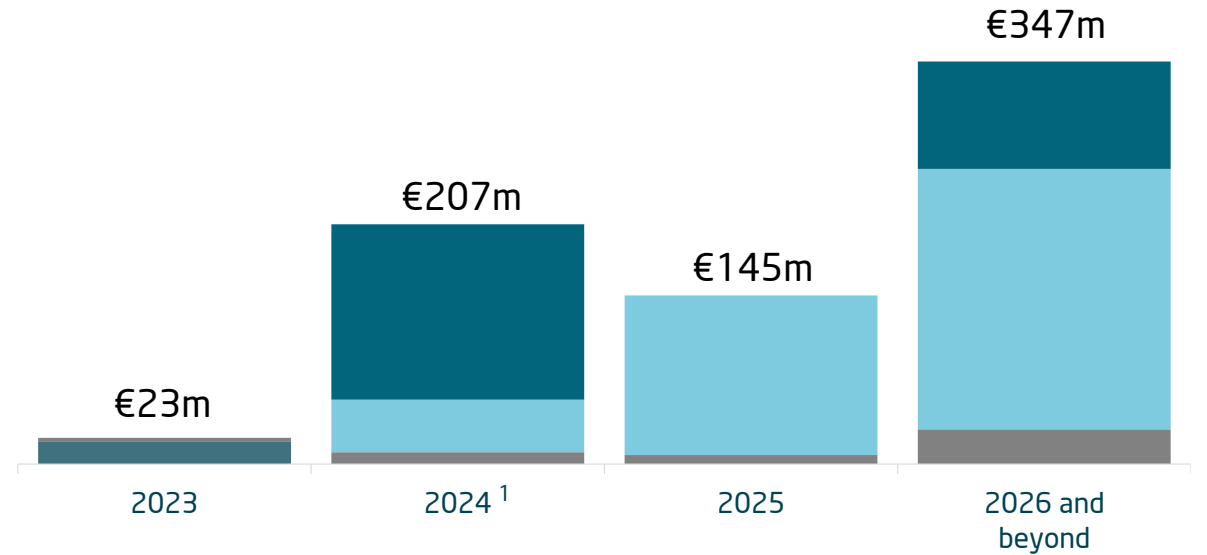
Gross and Net Debt Structure



Other available credit facilities: €664m

	9M23	FY22
Average life (years)	1.9	2.1

Gross Debt Maturity Profile



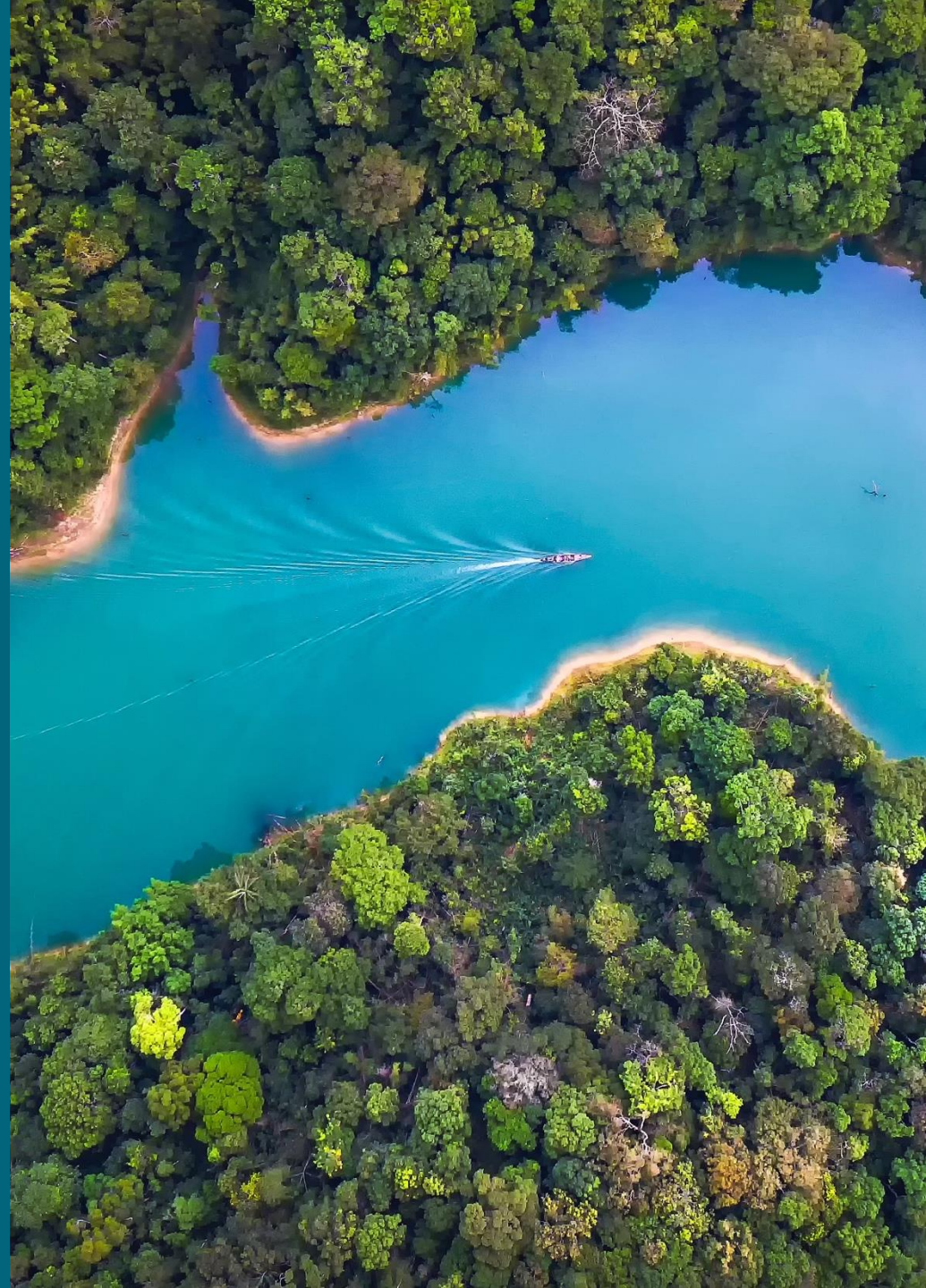
	9M23	% total	FY22	% total
L/T Debt	479	66%	700	72%
S/T Debt	242	34%	275	28%
Gross Debt	722	100%	976	100%
Cost of Gross Debt	3.0%		2.0%	
Cash & Others	489	n.m.	933	n.m.
Net Debt	233	n.m.	43	n.m.

1. Including €150m Corporate Bond with 2024 maturity

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Q&A

9M23
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