RESULTS
1Q14

MADRID, 30 APRIL 2014

www.indracompany.com

indra

CONTENTS

1. INTRODUCTION

- The evolution of business conditions in the first quarter of the year has followed the trend seen at the end of last year:
  - An improvement of the macro perspectives for the Spanish market, which are expected to gradually impact the real economy.
  - A strong activity in the Latam market, which has been affected by severe depreciation in some currencies.
- In this context, **revenues** reached €728m, **growing +6% in local currency** (and would have grown by +8% excluding the Services business divested in 2013 [(1)]). In reported terms (in euros) revenues have reached a level similar to last year's, impacted mainly by the Latam currencies depreciation.
- **Revenues** performance by **geographic area** was the following:
  - Spain (39% of total): -10% reported
  - Latam (27% of total): +24% in local currency (+4% reported)
  - Europe & North America (20% of total): +2% in local currency (+1% reported)
  - AMEA (14% of total): +32% in local currency (+28% reported)

  Revenues are expected to decline in Spain for 2014. However, the rate of decline is expected to improve through the year, and thus the full year decline will be smaller than the one shown in the first quarter.

  Latam has maintained a relevant growth rate in local currency (+24%), although it will not be as significant in the next quarters.

  Solid performance in AMEA, supported by sizable projects in different markets in Middle East, and Southeast Asia, especially in the first half of the year.
- **Solutions** (64% of total) revenues have increased by **+7% in local currency** (+2% in reported figures), thanks mainly to the positive performance in Latam and AMEA.
- **Services** (36% of total) revenues have increased by **+4% in local currency** (-4% reported, being affected by the depreciation of the Latam currencies), with Spain posting the highest growth rate.
- The **vertical markets** of Public Administration & Healthcare (+29%) and Financial Services (+10%) showed double digit revenue growth rate, being positive for Transport & Traffic (+4%) and Security & Defence (+1%), and negative for Energy & Industry (-4%) and Telecom & Media (-6%), impacted by the weak performance of the Spanish market.

(1) The advanced management business of digital documentation in Spain and Mexico. Revenues in 2013 of this activity reached €19m of which €11m were in 1Q13. Order Intake totals €19m in 2013 of which €17m were in 1Q13

- **Order intake** is **44% above revenues** (as a number of annual contracts are renewed, as usual, in the first quarter), growing +6% in local currency (posting a small decline of -1% in reported terms, which would have been flat once adjusted by the divestment of the business mentioned above)
    - Order Intake in local currency in Latam, AMEA, and Europe & North America grew at double digit rate (+14%, +17% and +10% respectively).
    - Order intake in the Spanish market has declined by -4%.
- **Order backlog** amounts to **€3.704m** (+2% in local currency, -2% reported) and represents 1,27x LTM revenues.
- **Recurrent EBIT** totals **€56m** (-2%) and **recurrent EBIT margin** reaches **7.7%**, slightly below (-0.2 pp) the first quarter of last year. Profitability continues to be pressed in Spain in the Services business while Solutions' profitability decreases slightly due to the mix.
- The plan to adequate costs and increase the efficiency of Indra's resources, that will continue in 2014 concentrating in the first quarters, implied **extraordinary costs** of €5m in the quarter.
- **Recurrent net profit** (before extraordinary costs) grew +9%, while Net profit increased by +18%.
- **Net working capital** stood at **103 days of equivalent sales** (DoS), reflecting the extraordinary collection from the execution in the quarter of the plan to regularise pending payments to suppliers (up to May 2013) by Spanish Public Administrations representing €40m (around 5 DoS). It is expected that Net working capital (in DoS) will increase in the second and third quarter and will sequentially decrease in the fourth quarter.
- **Net capex** (tangible and intangible) amounts to €9m. **Net financial investments** amount to €5m, mainly due to the payment of several contingencies in Brazil, which are considered to be payments against the price for Politec.
- **Free cash flow** [(2)] during the period has reached €21m vs €18m in 1Q13.
- **Net debt** at the end of the quarter reached **€607m** (€622m at the end of 2013), a leverage level of 2.2x recurrent LTM EBITDA.
- In March the company made public the decision of the Board of Directors to propose to the next AGM to be held in June the payment of an **ordinary dividend of €0.34 per share** against 2013 results –equivalent to a 48% pay-out ratio and a dividend yield of 2.8% on the shares closing price for 2013 (€12.155)-. Payment of the dividend is expected for early July.

(2) Free cash flow is defined as cash generated before dividend payment, net financial investments and similar payments, and investment in treasury stock

EXPECTED PERFORMANCE FOR 2014

Indra's activity in the first quarter of the year has evolved according to expectations, and thus the company expects that its activities for the rest of the exercise will evolve according to its forecasts, and that it will reach its **target** to **generate free cash flow above €100m** in 2014, laying down the base for progressive growth in the following years.

2. MAIN FIGURES

INDRA	1Q14 (€M)	1Q13 (€M)	Variation (% Reported/Local Currency
Order Intake	1,046	1,055	(1) / 6
Revenues	728	728	0 / 6
Backlog	3,704	3,774	(2)
Recurrent Operating Profit (EBIT) (1)	56	57	(2)
Recurrent EBIT margin (1)	7.7%	7.9%	(0.2) pp
Extraordinary Cost	(5)	(8)	(31)
Net Operating Profit (EBIT)	51	50	2
EBIT margin	7.0%	6.8%	0.2 pp
Recurrent Net Profit (1)	36	33	9
Net Profit	31	27	18
Net Debt Position	607	634	(4)
Free Cash Flow	21	18	19

(1) Before extraordinary costs

Earnings per Share (according to IFRS)	1Q14 (€)	1Q13 (€)	Variation (%)
Basic EPS	0.1919	0.1629	18
Diluted EPS	0.1807	0.1629	11
Recurrent diluted EPS (1)	0.2037	0.1995	2

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 last October 2013 with a conversion price of €14.29), 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 bond.

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 bond, are calculated using daily balances.

At the close of the period, the company held 1,805 treasury shares.

	1Q14	1Q13
Total number of shares	164,132,539	164,132,539
Weighted treasury stock	80,080	61,497
Total shares considered	164,052,459	164,071,042
Total diluted shares considered	181,547,211	164,071,042

3. ANALYSIS BY SEGMENT

SOLUTIONS

	1Q14 €M	1Q13 €M	Variation % Reported	Variation % Local Currency
Order Intake	643	575	12	19
Revenues	467	456	2	7
Book-to-bill	1.37	1.26	9	
Backlog / Revs LTM	1.39	1.35	3	

- **Order Intake** has been 37% above sales, registering an increase of +19% in local currency (+12% in reported figures). It is worth to highlight the good progress in Public Administrations & Healthcare, Financial Services and Security & Defence, with a flat evolution in Transport & Traffic vertical.

  By geography, a positive performance has been posted in all of the areas except Spain, where there is still a low level of activity (similar to 1Q13).

- **Revenues** have increased by +7% in local currency (+2% in reported figures). It represents **64%** of the total revenues of the company, with growth in all the verticals excepting Energy & Industry and Telecom & Media.

- **Order Backlog** reached €2,632m (+6% in local currency; +4% reported), representing 1.39x LTM sales (+3% above the 1,35x registered in 1T13).

SERVICES

	1Q14 €M	1Q13 €M	Variation % Reported	Variation % Local Currency
Order Intake	403	480	(16)	(10)
Revenues	261	272	(4)	4
Book-to-bill	1.54	1.77	(13)	
Backlog / Revs LTM	1.06	1.15	(8)	

- **Revenues** have increased by +4% in local currency, but have been negatively affected by foreign exchange headwinds (-4% in reported figures). However, it would have grown +8% in local currency excluding the impact of the disposal of the activity of the advanced management of digital documentation. Revenues in reported figures are down by -4%, negatively impacted by foreign exchange headwinds.

  By geography, Spain and Latam registered positive growth in local currency, highlighting the increase in Telecom & Media vertical, which has a higher weight of projects in Services than Solutions.

- **Order Intake** has been 54% above sales, declining by -10% in local currency (-16% in reported figures).

- **Order Backlog** (€1,072m) has been slightly higher than LTM sales (1.06x).

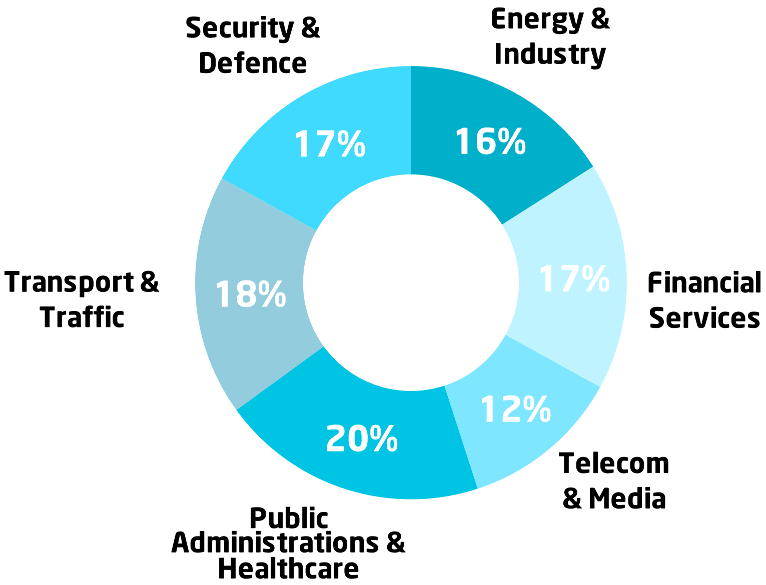
4. ANALYSIS BY VERTICAL

REVENUES	1Q14 (€M)	1Q13 (€M)	Variation (€m) Reported	Variation (€m) Local Currency
Energy & Industry	115	128	(10)	(4)
Financial Services	125	122	2	10
Telecom & Media	84	102	(18)	(6)
PPAA & Healthcare	145	116	25	29
Transport & Traffic	132	132	0	4
Security & Defence	128	127	0	1
TOTAL	**728**	**728**	**0**	**6**

- **Energy & Industry** (-4% in local currency; -10% in reported figures). In spite of the growth registered in the vertical of Industry in Spain, the Energy vertical has been negatively affected by delays in some projects (due to regulatory changes in the sector). However, it is expected to revert gradually this situation throughout the year. In the international market, the activity has increased during the quarter mainly in the electric sector and a positive evolution is expected for the rest of the year.
- Sales in **Financial Services** have registered a +10% increase in local currency (+2% reported) despite being negatively affected by the disposal in 2013 of the activity of advanced management of digital documentation. The activity in Spain has increased at a good pace (+6%), thanks to the banking business consolidation process and to the positive evolution of the insurance segment. The activity in Latam has posted double digit growth in the quarter.
- **Telecom & Media** (-6% in local currency; -18% reported). Pricing pressure persists in the vertical, especially in the Spanish market. However, the order intake evolution allows us to anticipate a moderate recovery of the declining rate of sales throughout the year.
- **Public Administrations & Healthcare** (+29% in local currency; +25% reported). It is worth to highlight the high activity in AMEA (+59%), based on a one-off project related to the support to the election census and voting systems in Iraq which started already in 2013, and thus it is not expected to maintain this growth rate in the second half of the year. Latam shows relevant growth and Spain registers negative growth rates, especially in Healthcare, while other Administration areas in Spain show a higher commercial dynamism with a gradual trend to outsourcing key IT processes.
- **Transport & Traffic** (+4% in local currency; flat in reported terms). Revenues in Spain continue declining (<20% as of total revenues of the vertical), although it is expected an improvement in the coming quarters due to the materialization of several projects. Latam maintains a relevant growth rate supported by the development of infrastructure programs (Train & Road transport Traffic).

- **Security & Defence** (+1% in local currency; flat in reported terms). The decline of the activity in Spain during the quarter (-9%) -in line with expectations- should revert throughout the year thanks to the execution of some projects. AMEA shows a good performance (2x sales 1Q13), as a consequence of the recent commercial successes in China (simulators), Kazakhstan (electronic defense), and Oman (air traffic surveillance systems).

Revenues by Vertical



5. ANALYSIS BY GEOGRAPHY

REVENUES	1Q14		1Q13		Variation %	
	€M	%	€M	%	Reported	Local Currency
Spain	282	39	313	43	-10	-10
Latam	194	27	186	26	4	24
Europe & North America	150	20	149	20	1	2
Asia, Middle East & Africa	102	14	80	11	28	32
TOTAL	**728**	**100**	**728**	**100**	**0**	**6**

- The sales decline in the **Spanish market** (-10%) is in line with the one registered in 2013 (-11%), showing a decline in Solutions versus a moderate increase in Services. Although it is expected a slightly decline in this region for the full year performance throughout the rest of the year will improve, and thus the full year decline will be smaller.

  Order Intake in Spain (-4%) has evolved better than revenues, registering a book-to-bill ratio of 1.6x.

  By vertical markets, all of them showed a decline (except for Financial Services). However, an improvement is expected in the coming quarters for such declining verticals.

- **Latam** remains posting very high growth figures (+24% in local currency), both in Services and Solutions. However the area has been negatively affected by the depreciation of most of the local currencies, which has resulted in a revenue growth of +4% in Euro terms.

  Order intake has been higher than revenues (book-to-bill ratio 1.7x) and has increased by +14% in local currency.

  By geography, it is worth to highlight the growth posted in Brazil, Colombia and Argentina.

- Revenues in **Asia, Middle East & Africa (AMEA)** have increased by +32% in local currency (+28% reported), with a very significant growth in the Solutions segment, both in order intake and sales. During the quarter it is important to mention the contribution of the project related to the support to the election census and voting systems in Iraq (which will finish the next quarter) and the positive evolution of the activity in Security & Defence (China, Kazakhstan and Oman). Order intake has posted a good evolution (+17% in local currency), with a book-to-bill ratio of 1.7x.

- **Europe & North America** have registered a growth of +2% in local currency (+1% reported), highlighting the positive evolution of Transport & Traffic (UK) and Public Administrations & Healthcare, while the activity in the rest of the verticals has decreased (at a single digit decline). Order intake has increased by +10% in local currency, which is slightly below the revenues of the quarter (book-to-bill ratio of 0.9x).

6. ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

Income Statement:

- **Sales** were €728m, **increasing** by **+6% in local currency**:
  - Revenues in reported terms (Euros) reached a similar level as 1Q13. Sales would have increased by +2% reported (+8% in local currency) taking into account the impact of the disposal in 2013 of the activity of advanced management of digital documentation.
  - Taking into consideration the application of IFRS 11 over the reported Group figures, certain areas of the company which have been traditionally accounted using Proportional Consolidation now are consolidated under the Equity Method. This has had a limited impact in the quarter (the impact for the full year 2013 would have been a decrease of €13m in sales, with no relevant impact in operating margin).
- **Contribution margin (15,0%)**, decreased -0,4 pp vs. 1Q13:
  - Contribution margin in **Solutions (16.9%)** has decreased -0.6 pp vs. 1Q13, due to the weakness in the Spanish market and the large international expansion that has been carried out (mainly in AMEA), which has implied some commercial investments in the short term.
  - Contribution margin in **Services** was **11.7%,** -0.4 pp lower vs. 1Q13, owing to pricing pressure in some verticals and geographies (mainly in Spain).
- **Recurrent operating profit** (EBIT before extraordinary costs) accounted for €56m, similar to 1Q13. It has been affected by the Spanish market weakness, in spite of the measurements established by the company to improve productivity.
- **Recurrent operating margin** (EBIT before extraordinary costs / Sales) reached **7.7%**, in line with the one registered in 2013 (7.8%).
- Indra has incurred in **€5m of extraordinary costs**, in line with expectations, with the goal of improving the productivity efficiency of the company.
- After these extraordinary expenses, **Operating profit (EBIT)** reached **€51m**, similar to 1Q13.
- **Net financial expenses** were €13m compared to €14m in 1Q13, thanks to the optimization of Indra's credit lines facilities and other financial costs, with no impact of cash. In 1Q14 there has been a positive extraordinary result of €3.9m in "Share of profits (losses) of associates and other investees" due to the settlement of the payment to the minority shareholders of Indra Italy, which final payment will take place in May 2016.
- **Tax rate** stood at 20.8%, slightly lower than the one registered in 1Q13 (21.8%).
- **Net Profit** reached €32m (+18%). **Attributable (recurrent) profit** (excluding extraordinary costs) was €36m, increasing by +9% vs. 1Q13.

Balance Sheet and Cash Flow Statement:

- **Net working capital** reached €819m, equivalent to **103 days** of **LTM revenues**. This level is below the one registered for the full year 2013 and in line with 1Q13.

  This figure includes the extraordinary impact of the Spanish Government's plan to settle the overdue debt from Regional Governments. It has amounted to approximately €40m, equivalent to 5 days of sales.

  It is expected that NWC (as DoS) will increase in the second and third quarter and that it will sequentially increase in fourth quarter. Overall, it is not expected a decrease in days of sales for the end of the year compared with the level reached in 1Q14.

- **Other operating changes** of the cash flow statement increased by €47m versus the ones of 1Q13, mainly due to non recurrent issues: the payment of the medium term remuneration plan for the Management of the Group for the 2011-13 period, and the expected externalization of the long term savings fund and pension plans for key Management, transferring the budgeted necessary amount for both ends; and the collection of €6m in 2013 from an insurance claim in 2012.

- The level of **intangible assets** (net of subsidies) accounted for €4m, at a lower amount to the one registered in 1Q13 (€10m), mainly due to a different schedule in the investment projects.

- Investments in **tangible assets** accounted for €5m, in line with 1Q13.

- **Financial investments** reached €5m (net of disposals). It mainly includes the payment of several contingencies in Brazil considered as payment for Politec.

- **Free cash flow** during the period was **€21m**, in line with expectations (vs €18m in 1Q13).

- **Net debt** position stood at **€607m** (vs. €622m in 2013), which represents a **leverage** of **2.2x** recurrent EBITDA LTM.

Human Resources

At the end of 1Q14, **total workforce** stood at 37,317 professionals, at a lower level than December 2013 (-3%), with a mixed behaviour among geographies. It is worth to highlight the workforce increase in AMEA and the occasional reduction in Latam, due to the terminalization of two projects in the region.

Final Workforce	1Q14	%	2013	%	Variation (%)
Spain	20,593	55	20,702	54	-1
Latam	13,672	37	14,893	39	-8
Europe & North America	1,735	5	1,663	4	4
Asia, Middle East & Africa	1,317	3	1,290	3	2
	37,317	**100**	**38,548**	**100**	**-3**

7. OTHER EVENTS OVER THE PERIOD

As announced on March 27th to the CNMV (Spanish Stock Market Commission), the Board of Directors approved the 2013 Annual Accounts with a proposal for the distribution of an ordinary gross dividend of 0.34 Euros per share. Dividend payment is expected for early July.

This ordinary dividend represents a pay-out of 48% (2013 consolidate net profit reached €115.8m) and an approximate amount of €56m. This proposal implies a dividend yield of 2.4% considering the closing share price of the day of the announcement (14.13 Euros) and a dividend yield of 2.8% based on Indra's share price at 2013 year-end (12.155 Euros).

8. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

There were no other events following the close of the period to be highlighted.

ANNEX 1: CONSOLIDATED INCOME STATEMENT

	1Q14 €M	1Q13 €M	Variation €M	%
Revenues	**728.4**	**727.7**	**0.7**	**0**
Other income	15.6	16.2	(0.6)	(4)
Materials consumed and other operating expenses	(309.0)	(319.5)	10.5	(3)
Personnel expenses	(363.9)	(355.0)	(8.9)	3
Other results	(0.3)	(0.1)	(0.3)	NA
Gross Operating Profit (recurrent EBITDA)	**70.7**	**69.3**	**1.4**	**2**
Depreciations	(14.6)	(12.0)	(2.6)	22
Recurrent Operating Profit (EBIT before ext. expenses)	**56.2**	**57.3**	**(1.2)**	**(2)**
Recurrent EBIT margin (before extraordinary expenses)	***7.7%***	***7.9%***	***(0.2)***	--
Extraordinary expenses	(5.3)	(7.7)	2.4	(31)
Net Operating Profit (EBIT)	**50.9**	**49.6**	**1.2**	**2**
EBIT Margin	***7.0%***	***6.8%***	***0.2***	--
Financial results	(13.2)	(13.8)	0.6	(4)
Share of profits (losses) of associates and other investees	3.4	(1.5)	4.9	NA
Earnings Before Taxes	**41.0**	**34.3**	**6.7**	**20**
Income tax expenses	(8.6)	(7.5)	(1.1)	14
Profit for the period	**32.4**	**26.8**	**5.6**	**21**
Attributable to minority interests	(0.9)	(0.0)	(0.9)	NA
Net Profit	**31.5**	**26.7**	**4.8**	**18**
Net Profit recurrent	35.7	32.7	2.9	9

Figures not audited

ANNEX 2: INCOME STATEMENTS BY SEGMENTS

1. Solutions

	1Q14 €M	1Q13 €M	Variation €M	%
Net sales	**467.4**	**456.0**	**11.4**	**2**
Contribution margin	78.8	79.3	(0.6)	-1
Contribution margin/ Net revenues	***16.9%***	***17.4%***	***(0.6) pp***	
Results from associates	(0.3)	0.1	(0.4)	--
Segment result	**78.4**	**79.4**	**(1.0)**	**-1**

2. Services

	1Q14 €M	1Q13 €M	Variation €M	%
Net sales	**261.0**	**271.6**	**(10.6)**	**-4**
Contribution margin	30.6	32.9	(2.3)	-7
Contribution margin/ Net revenues	***11.7%***	***12.1%***	***(0.4) pp***	
Results from associates	0.0	0.0	0.0	--
Segment result	**30.6**	**32.9**	**(2.3)**	**-7**

3. Total consolidated

	1Q14 €M	1Q13 €M	Variation €M	%
Revenues	**728.4**	**727.7**	**0.7**	**0**
Consolidated contribution margin	109.4	112.2	(2.8)	-3
Contribution margin/ Revenues	***15.0%***	***15.4%***	***(0.4) pp***	
Other non-distributable corporate expenses	(53.2)	(54.9)	1.7	-3
Recurrent operating profit (EBIT before ext. expenses)	**56.2**	**57.3**	**(1.2)**	**-2**
Extraordinary expenses	(5.3)	(7.7)	2.4	-31
Net operating profit (EBIT)	**50.9**	**49.6**	**1.2**	**2**

Figures not audited

ANNEX 3: CONSOLIDATED BALANCE SHEET

	1Q14 €M	2013 €M	Variation €M
Property, plant and equipment	138.6	144.1	(5.5)
Intangible assets	284.3	285.9	(1.6)
Investments in associates and other investments	87.8	79.5	8.3
Goodwill	608.9	605.9	3.0
Deferred tax assets	185.8	175.0	10.7
Non-current assets	**1,305.4**	**1,290.5**	**14.9**
Non-current net assets held for sale	7.9	7.6	0.3
Operating current assets	1,997.9	2,059.8	(61.9)
Other current assets	126.5	143.9	(17.3)
Short term financial investment	0.0	0.0	0.0
Cash and cash equivalents	356.8	363.1	(6.3)
Current assets	**2,489.1**	**2,574.4**	**(85.3)**
TOTAL ASSETS	**3,794.5**	**3,864.9**	**(70.4)**
Share Capital and Reserves	1,145.4	1,125.2	20.1
Treasury stock	(0.0)	(1.3)	1.2
Equity attributable to parent company	**1,145.4**	**1,124.0**	**21.4**
Minority interests	11.9	10.7	1.2
TOTAL EQUITY	**1,157.3**	**1,134.7**	**22.6**
Provisions for liabilities and charges	97.0	99.3	(2.4)
Long term borrowings	811.9	789.9	22.0
Other financial liabilities	3.4	4.0	(0.6)
Deferred tax liabilities	109.4	104.1	5.4
Other non-current liabilities	37.2	40.0	(2.8)
Non-current liabilities	**1,058.9**	**1,037.3**	**21.6**
Current borrowings	152.2	195.7	(43.5)
Operating current liabilities	1,178.8	1,191.4	(12.6)
Other current liabilities	247.2	305.8	(58.6)
Current liabilities	**1,578.3**	**1,692.9**	**(114.6)**
TOTAL EQUITY AND LIABILITIES	**3,794.5**	**3,864.9**	**(70.4)**
Net debt	***607.3***	***622.5***	***(15.2)***

Figures not audited

ANNEX 4: CONSOLIDATED CASH FLOW STATEMENT

	1Q14 €M	1Q13 €M	Variation €M
Profit before taxes	41.0	34.3	6.7
Adjusted for:			
- Depreciations	14.6	12.0	2.6
- Provisions, capital grants and others	(6.9)	(8.8)	1.9
- Share of profit / (losses) of associates and other	0.3	(0.1)	0.4
- Net financial result	9.2	13.8	(4.6)
- Dividends received	0.0	0.0	0.0
Operating cash-flow prior to changes in working capital	**58.2**	**51.2**	**7.0**
Receivables, net	38.6	34.7	3.9
Inventories, net	(17.0)	(9.9)	(7.1)
Payables, net	27.7	(10.9)	38.6
Change in working capital	**49.4**	**14.0**	**35.4**
Other operating changes	(64.5)	(17.7)	(46.8)
Income taxes paid	(4.0)	(5.7)	1.7
Cash-flow from operating activities	**39.1**	**41.9**	**(2.8)**
Tangible, net	(5.2)	(4.5)	(0.8)
Intangible, net	(3.9)	(9.8)	6.0
Investments, net	(5.2)	(7.3)	2.1
Interest received	1.5	0.6	0.9
Net cash-flow provided/(used) by investing activities	**(12.8)**	**(21.1)**	**8.3**
Shareholders contribution	0.0	0.0	0.0
Changes in treasury stock	(0.9)	(2.5)	1.6
Dividends of subsidiaries paid to minority interests	0.0	0.0	0.0
Dividends of the parent company	0.0	0.0	0.0
Short term financial investment variation	0.3	(0.1)	0.4
Increases (repayment) in capital grants	0.7	0.5	0.2
Increase (decrease) in borrowings	(21.9)	(3.5)	(18.5)
Interest paid	(11.2)	(10.9)	(0.3)
Cash-flow provided/(used) by financing activities	**(33.0)**	**(16.4)**	**(16.6)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(6.7)**	**4.4**	**(11.1)**
Cash & cash equivalents at the beginning of the period	**363.1**	**69.8**	**293.2**
Foreign exchange differences	0.4	0.4	(0.1)
Net change in cash and cash equivalents	(6.7)	4.4	(11.1)
Cash & cash equivalents at the end of the period	**356.7**	**74.7**	**282.1**
Long term and current borrowings	(964.0)	(708.4)	(255.7)
Net debt/ (cash) position	***607.3***	***633.7***	***(26.4)***

Free Cash Flow *(1)*	**21.0**	**17.7**	**3.3**

(1) ***Free cash flow*** *is defined as cash generated before dividend payment, net financial investments and similar payments, and investment in treasury stock*

Figures not audited

DISCLAIMER

This report may contain certain forward-looking statements, expectations and forecasts about the Company at the time of its elaboration. These expectations and forecasts are not in themselves guarantees of future performance as they are subject to risks, uncertainties and other important factors that could result in final results differing from those contained in these statements.

This should be taken into account by all individuals or institutions to whom this report is addressed and that might have to take decisions or form or transmit opinions relating to securities issued by the Company, and in particular, by the analysts and investors who consult this document.

RELACIONES CON INVERSORES

Javier Marín de la Plaza, CFA
Tfno: 91.480.98.04
jamarin@indra.es

Manuel Lorente
Tfno: 91.480.98.74
mlorenteo@indra.es

Rubén Gómez
Tfno: 91.480.98.00
rgomezm@indra.es

Paloma Pelletán
Tfno: 91.480.98.05
ppelletan@indra.es

OFICINA DEL ACCIONISTA
91.480.98.00
accionistas@indra.es

INDRA
Avda. Bruselas 35
28108 Madrid
www.indra.es