RESULTS 1H12

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1. INTRODUCTION

- **Indra's performance** during the first semester of the year has been, within a context of deceleration of demand in the domestic market, **in line** with company's **expectations.** This deceleration has been compensated by the positive performance of international markets.
- Compared to the same period of 2011:
    - **Sales increased** by **9%**
    - **Order intake** grew by **11%**
    - **Book-to-bill** ratio reached **1.3x**
    - **Order backlog** grew **14%**
- **Excluding** the impact of **acquisitions** (1) (Galyleo in Italy, Politec In Brazil and Indra Navia in Norway), **revenues** would have posted a **flat performance** and **order intake** would have grown by **1%** in the semester.
- **Sales** in **international markets increased** by **42%** and account for **51% of total company's sales** (versus 39% in the first semester of 2011). Indra expects this figure to reach 55% as of the end of 2012. **International order intake grew 52%**, representing **60%** of Indra's **order intake** during the semester.
- **Domestic revenues decreased** by **13%** and order intake, which is 8% higher than sales, by 20%.
- **Recurrent EBIT margin** stood at **8.4%,** at the **mid point of the guided range** for the full year (8%-9%)
- During the first semester, the company has incurred in €20m of extraordinary costs, out of €30m expected for the full year.
- **Net working capital** at the end of the semester stood at **101 annualised days of sales**, reflecting the positive impact of the collected overdue receivables from the Spanish Regional Governments (overdue as of December 2011), and of the higher weight of international activity, which, as an average, has lower working capital requirements.
- The integration process of Indra Navia is being carried out according to the company's expectations.
- Taking into account the evolution of the activity during the first semester of the year and the outstanding order backlog, **targeted revenues coverage for 2012 stands at 93%,** considering the **mid point** of the guided revenue range.
- **Considering this coverage** and the **performance expected** for the rest of the year, Indra **confirms all its targets for 2012**.
- On July 4th, the company made effective the payment of an **ordinary dividend** of **€0.68 per share,** which represents a 9.3% dividend yield over the closing share price of the previous trading day, and a 6.9% over the share price as of December 31st 2011.

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(1) During the first semester, acquisitions have contributed with approximately €182m in order intake and €120m in sales

MAIN FIGURES

Order Intake

- Reached **€1,939m,** posting an **increase** of **11%** compared to the same period of previous year. This figure is 32% higher than revenues of the period (**book to bill** ratio at **1.32x**).
- Excluding acquisitions, order intake would have increased 1% versus the first semester of 2011.
- **International order intake** represented **60%** of Indra's total order intake and increased by **52%.**
- **Domestic** sales registered a **decrease** of **20%**, reflecting the difficult conditions of the Spanish market.
- **Solutions** segment registered a 16% increase, while **Services** grew 5%.

Revenues

- Reached **€1,469m**, **growing 9%** compared to the first semester of 2011, and posted a flat performance excluding acquisitions.
- **International** market **grew** by **42%**, while domestic revenues **decreased 13%** versus the same semester of the previous year.
- **Services** segment registered a **25% growth** and **Solutions** remained **flat**.
- By **vertical markets**, Energy & Industry, Financial Services and Public Administrations & Healthcare registered double digit growth in the period, Transport & Traffic and Telecom & Media posted positive rates of growth and Security & Defence remained flat.

Order backlog

- Order **backlog** reached **€3,716**, having increased by **14%** versus the same period of 2011.
- At the close of the semester, order **backlog represents 1.33x** last twelve month (LTM) **revenues**.

Income statement and Balance Sheet

- **Recurrent Operating Margin** (EBIT/sales before extraordinary costs) reached **8.4%,** or 2.1 percentage points lower than the figure reached in the same period of 2011.
- **Recurrent Operating Profit** (EBIT before extraordinary expenses) stood at €123m, **13% below** the figure obtained in the first semester of 2011.
- This difference is mainly due to the negative impact of the pricing pressure, mainly in the domestic market, on the Solutions' and Services' contribution margin, and to the consolidation of the acquisitions made during the second semester of 2011, which currently carry a lower contribution margin than that of Indra. Contribution margin in the Solutions segment decreased 0.8 bp to 18%, and 1.8 percentage points in the Services segment, down to 12.3%.
- During the first semester, Indra has incurred in €20m of **extraordinary expenses**, in line with the company's expectations. During the rest of the exercise, it expects to account for €10m additional extraordinary costs (as to reach approximately 1% of estimated revenues for the year).

- **Recurrent Net Profit** (Net Profit before extraordinary costs) reached €77m, **27% below** the figure reached in the same period of the previous year.
- Operating Profit (EBIT) amounted €103m, 27% lower than the figure obtained in the first semester of 2011, and Net Profit reached €61m, 42% below the figure obtained in the same period of the previous year.
- **Net working capital** is equivalent to **101 days of annualised revenues** (versus 100 days at the end of the first semester of 2011 and 110 days expected for the full year).
- During the month of June, the Spanish Government has put in place a program for the Regional Governments to settle with their suppliers the overdue debt at December 2011. Indra has collected around €70m from this program.
- During the period, **payments** in tangible and intangible (net of subsidies) assets amounted €49m. The company has also invested, net of disposals, €32m in financial investments (mainly Indra Navia in Norway).
- **Net debt** at the end of the semester reached **€587m** (versus €514m of net debt at the end of 2011), equivalent to **1.98x LTM recurrent Ebitda.** Considering Indra's financial targets for the full year, and payment of the ordinary dividend in the third quarter of 2012, the company expects this ratio to be maintained by year end.

TRADING UPDATE AND 2012 TARGETS

Based on the performance of the company during the first semester of 2012, the expectations for the rest of the year and with an order backlog **coverage** of **93% of the mid point targeted sales,** the company confirms **its 2012 targets**:

- **Revenues** are expected to **grow** between **8% and 9%**, with a positive performance excluding the acquisitions of Politec, Galyleo and Indra Navia. International market's stronger growth will compensate the weakness of the Spanish activity.
- **Order book/sales** ratio above **1x**
- **Recurrent EBIT margin** (before extraordinary costs) between **8%** y **9%.**
- **Net working capital** and **tangible and intangible capex** at the higher end of the range of **110-100 days** of annualised revenues and **€75-65m** respectively.

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2. MAIN FIGURES

The table below shows Indra's main figures for the period, including the impact of the acquisitions of Galyleo (consolidated since July 1st, 2011), Politec (consolidated since October 1st, 2011) and Indra Navia (consolidated since May 1st, 2012)

INDRA	1S12 (€M)	1S11 (€M)	Variation (%)
Order Intake	1,939.1	1,739.8	*11*
Revenues	1,468.7	1,353.6	*9*
Backlog	3,715.7	3,272.5	*14*
Recurrent Operating profit (1)	122.9	141.7	*(13)*
Recurrent EBIT margin (1)	8.4%	10.5%	*(2.1) pp*
Extraordinary costs	(20.1)	0.0	*na*
Net Operating Profit (EBIT)	102.8	141.7	*(27)*
EBIT Margin	7.0%	10.5%	*(3,5) pp*
Attributable Profit	61.4	105.3	*(42)*
Adjusted Attributable Profit	77.3	105.3	*(27)*
Net debt position	*587.4*	*343.8*	*71*

(1) Before extraordinary costs

Earnings per Share (according to IFRS)	1S12 (€)	1S11 (€)	Variation (%)
Basic EPS	0.3774	0.6448	*(41)*
Diluted EPS	0.3774	0.6448	*(41)*
Diluted EPS (adjusted)	0.4753	0.6448	*(26)*

- **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.

- **Diluted EPS** is the same as basic EPS given the company has not issued convertible shares or any other similar financial instruments.

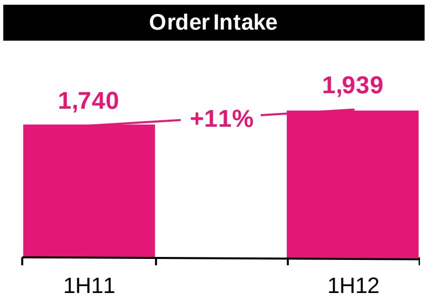
	1S12	1S11
Total number of shares	164,132,539	164,132,539
Weighted treasury stock	1,462,383	855,784
Total shares considered	**162,670,156**	**163,276,755**

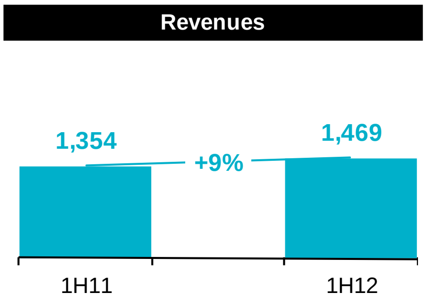
- At the end of June 2012, the company held 3,416,966 treasury shares representing 2.1% of total shares in the company.

3. ANALYSIS OF REVENUES AND COMMERCIAL ACTIVITY

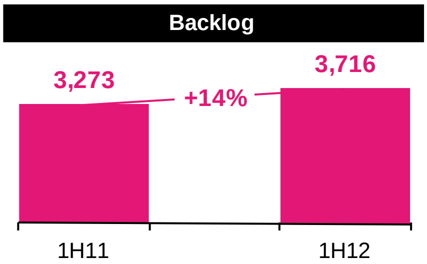
INDRA

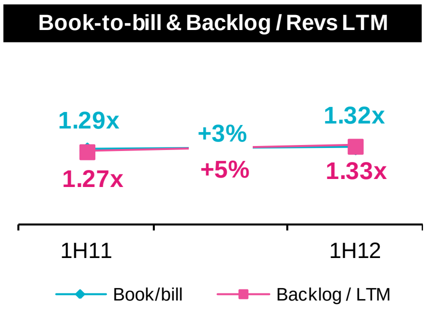
- Group's **order intake** for the first six months of the year has **increased 11%** compared to the same period of the previous year, reaching €1,939m.
- This amount includes the positive impact from Galyleo, Politec and Indra Navia's integration. Excluding this effect, order intake for the period would have grown 1%.
- Total **revenues** registered a **9% growth** standing at €1,469m. Excluding the impact of acquisitions, sales remained nearly flat.





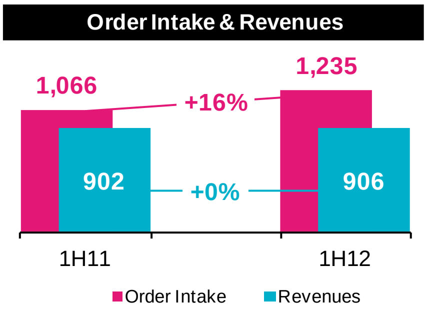
- **Order backlog grew** by **14**% representing, at the close of the semester, **1.33x LTM revenues**, 5% above the ratio reached at the end of same period of the previous year (1.27x).
- **Book-to-bill ratio** (order intake / revenues of the period) stands at **1.32x** at the end of the semester**,** 3% above the ratio reached at the end of the same period in 2011.

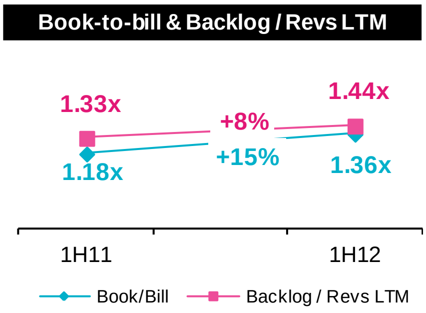




3.1 ANALYSIS BY SEGMENT

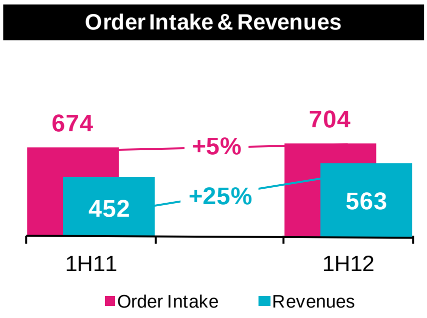
SOLUTIONS

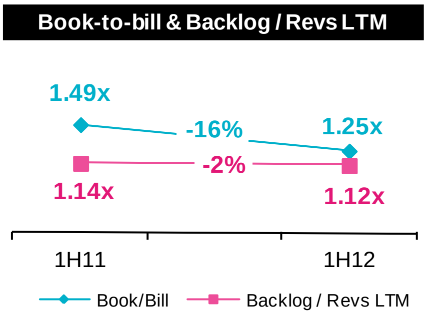




- **Revenues** have posted a **flat performance** versus the first semester of the previous year. Transport & Traffic, Security & Defence, Telecom & Media and Energy & Industry verticals have shown positive performance having offset the decline registered in PPAA & Healthcare and Financial Services verticals.
- **Order Intake** has registered a **16% growth**, a figure which is **36% ahead** of **sales** (book-to-bill at 1,36x, above the ratio registered in the first semester of previous year) with a positive performance mainly in emerging markets and especially in the Asia Pacific and Africa areas.
- **Order backlog** continues **growing** (+11%) reaching €2,610m. Order backlog / LTM sales ratio reaches 1.44x, above 2011's level.
- During the first half of the year the company has continued its investment program in the **development** of its **Solutions' offering.** The investment process of the company continues to be focused on those areas considered of strategic importance, both in terms of current and future market potential, and in terms of its relevance to the company's goal to remain as a leading supplier of proprietary solutions in the field of intelligent networks – specially the electrics-, in Indra's offering in air and rail transport, as well as in specific areas of Security & Defence.

SERVICES





- **Sales increased** by **25%** during the first six months of the year reaching €563m.
- **Order intake grew by 5%** versus same period of the previous year in which several multiannual projects of significant size, mainly in the Financial Services and Telecom & Media verticals, were signed. In recent months the company has renewed a number of relevant contracts in the Services segment, mainly in Latam market.
- **Book-to-bill ratio** (order intake / revenues) is maintained at a significant level of **1.25x.**
- **Order backlog** shows an **increase** of **20%**. **Order book / LTM** sales ratio stood at 1,12x.
- **Services** have represented **38%** of the **total revenues**, in line with the expectations of the company.

3.2 ANALYSIS BY VERTICAL

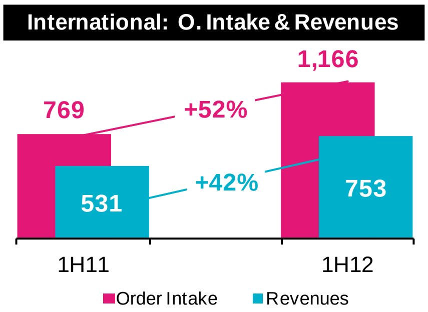
REVENUES	1S12 (€M)	1S11 (€M)	Variation €M	Variation %
Energy & Industry	234.0	188.8	45.2	24
Financial Services	238.0	207.7	30.4	15
PPAA & Healthcare	216.1	195.1	21.1	11 (*)
Transport & Traffic	320.1	305.2	14.9	5
Telecom & Media	215.0	211.2	3.8	2
Security & Defence	245.4	245.7	(0.3)	(0)
TOTAL	**1,468.7**	**1,353.6**	**115.1**	**9**

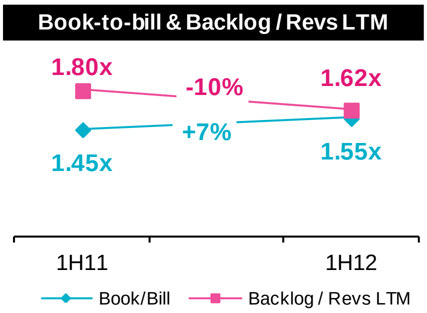
(*) Public Administrations & Healthcare, excluding balloting projects, increases by 11%.

- **Energy & Industry** has reached a 24% increase with positive performance in the international market and slightly positive in the domestic one. Latam continues to be the growth driver, while the company continues to grow in other geographical areas such as Eastern Europe, making an important effort in its expansion in Asia Pacific, Middle East and Africa.
- **Financial Services** shows a 15% growth in the semester in spite of the general trend, in the domestic market, of costs control and budget restrictions by clients, resulting in a reduction of sales in that market. In the international arena, the company continues to seize the opportunities in Latam - in the financial and in the insurance markets - while continuing to expand its presence in the U.S. subsidiaries of the major financial and insurance Spanish institutions.
- **Public Administrations & Healthcare** has increased by 11% (at the same rate excluding balloting) on the back of the significant growth of international markets – both in PPAA & Healthcare and Balloting –, which compensates the weakness of domestic market. In the domestic market, mainly in the regional administrations, new practices in concentrating IT are slowly emerging in order to improve the efficiency of services. Indra expects to take advantage of this new trend. This, together with important commercial opportunities in Asia Pacific, Middle East and Africa could improve the performance of this vertical market in the second half of the year.
- **Transport & Traffic** has reached 5% growth during the semester, reversing the tendency of the first months of the year, as mentioned in the previous results report. This increase comes on the back of the positive performance of the air traffic management segment, where the consolidation of the recently acquired Indra Navia is contributing to expand Indra's commercial offering. Domestic market shows a decreasing activity due to the weakness of the infrastructure sector.
- **Telecom & Media** has registered a 2% growth during the semester, growth that has been conditioned by the significant increase in activity during the same period of the last two years (+12% and +35% for 2010 and 2011 respectively). In spite of this, international markets, especially Latam (where Brazil, Mexico and Chile show rates of growth between 20% and 40%) maintain a positive performance. In the domestic market, the volume scope of some contracts has been reduced, having a negative impact in the short term performance of this market.
- **Security & Defence's** level of revenues has remained flat versus the same period of the previous year– with growth in international markets compensating the weakness in domestic one-, decreasing the rate of decline registered last year. The company expects a slight deterioration of this performance by year end.

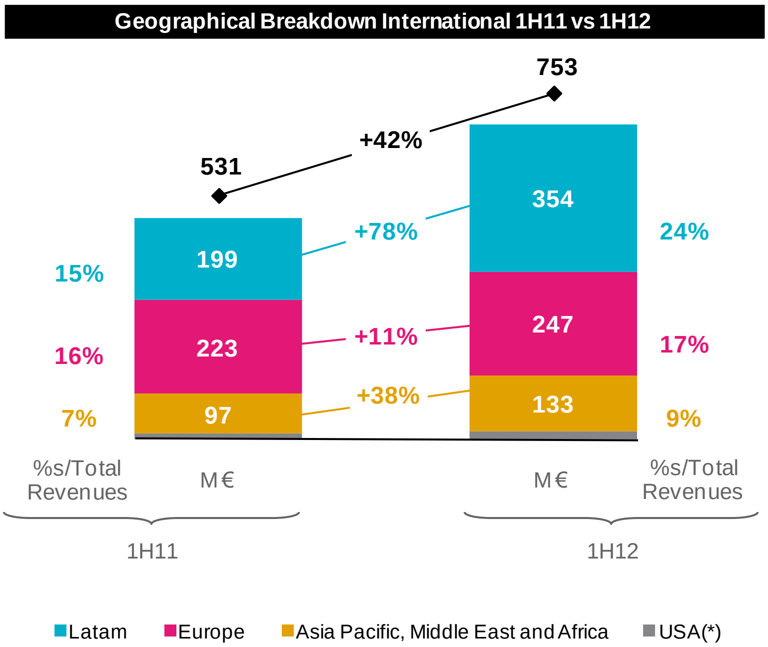
3.3. ANALYSIS BY GEOGRAPHY

International market:



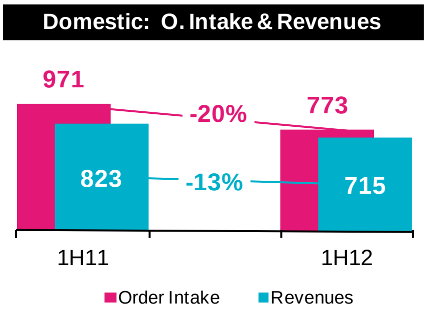


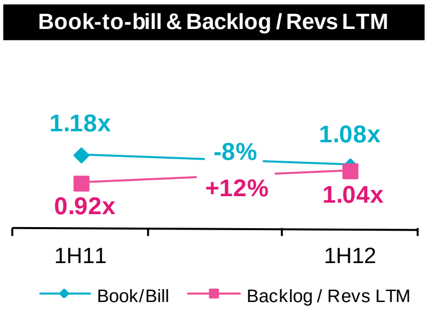
- **Revenues** in the international markets have reached €753m**,** showing growth of **42%** compared to the first half of the previous year and representing 51% of the company sales. Indra expects international markets to represent by year-end around 55% of total revenues.
- **Order intake** during the period grew by **52%** to €1,166m, being 55% ahead of sales (international **book-to-bill** at **1.55x**), allowing a significant increase in the international backlog.
- **Backlog / LTM** ratio at the end of the period represents **1.6x** the international **sales**.
- **Latin America** shows a strong positive trend, with a **78%** growth rate. Brazil, Mexico, Argentina, Colombia, Peru and Chile continue to post significant growth during the semester.
- **European market** has grown **11%** during the period, highlighting the performance of the French and English market, as well as the Italian one (favoured by the contribution of Galyleo).
- Lastly, **Asia Pacific, Middle East and Africa's** revenues have posted a **38%** increase in 1H12, accelerating its rate of growth versus the beginning of the year, as was anticipated in Q1 12 report. This area presents significant commercial opportunities.



* USA: 1S12: €19.8m (+63%)

<u>Domestic market:</u>





- **Revenues** have reached €715m, having **decreased** by **13%** compared to the same period in 2011.
- The weakness of the domestic market is reflected in the decreasing level of activity in all verticals, with the exception of Energy & Industry which shows a slightly positive behaviour.
- **Order intake decreased by 20%** being remarkable the positive performance of the Energy & Industry and Defence verticals. Despite this decrease in order intake, **book-to-bill** stands at1.08x for the period.
- **Backlog/LTM** ratio during the period reached **1.04x,** ahead of the figure of the same period in 2011.

4. ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

Income statement

- **Recurrent operating profit** (EBIT before extraordinary costs) reached €123m, 13% below the figure reported in the same period of the previous year.
- **Recurrent operating margin** (EBIT before extraordinary costs/Sales) stood at 8.4%, 2,1pp below the operating margin of the first semester of 2011. The company expects to maintain this figure during the second half of the year.
- In the first semester, Indra has incurred in €20m of extraordinary costs, not having registered extraordinary costs during the same period last year. After this extraordinary expenses, **Operating profit (EBIT)** reached €130m.
- **Contribution margin** down 1.4pp to 15.8%, reflecting pricing pressure, higher revenue growth in the Services segment versus Solutions, commercial efforts done by the company for its international expansion and the dilutive impact of the acquisitions of Politec and Galyleo, that currently register lower contribution margins than that of the company.
    - Contribution Margin in Solutions decreased 0.8 pp to 18%.
    - Contribution Margin in Services decreased 1.8 pp to 12.3%.
- **Overheads** account for 7.4% of revenues vs. 7.2% in the same period of the previous year.
- **Net financial expenses** reached €26m compared to €10m in the first semester of 2011. The increase derives from higher average net debt position –included the debt effect from the acquisitions-, its average cost, the accounting effect of long term R&D loans (zero interest rate cost) and the accounted interests expenses from the financial investments made with deferred payment – both with interest costs accounted for, but no cash out-.
- **Tax rate** of the semester stood at 21%, similar than the one registered during the same period of the previous year.
- **Recurrent net profit** reached €77m (€61m including the impact from extraordinary costs), and decreased 20% vs. the same period in 2011.

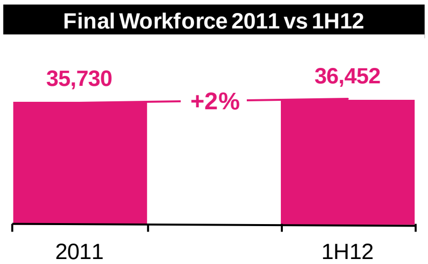
Balance Sheet and **Cash Flow Statement**

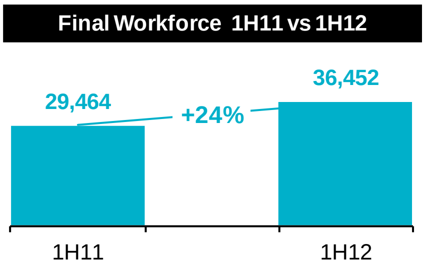
- **Net working capital** reached €815m, equivalent to 101 days of revenues, similar to the 100 days registered at the end of the first semester last year. The company maintains its expectations of reaching 110 days of revenues by year end.
- During the semester, total **tangible and intangible investments** (net of capital grants) have sum up €49m:
    - €15m in tangible assets, vs. €23m registered during the same period of the previous year
    - €34m in intangible assets, similar figure than that of the same period of 2011

- Payments for **financial investments** amounted to 32€, net of proceeds from divestments, mainly in Administradora de Archivos (as mentioned in Q1 12's report), and include the acquisition of Indra Navia for €38m and other smaller deferred payments from other acquisitions.
- Investment in **Treasury stock** totalled €21m in the period. At the end of the semester the company held 2.1% of total outstanding shares.
- **Net debt** position stood at €587m as of June 30th, 2012, equivalent to 1.98x LTM recurrent EBITDA, versus €549m reported at the end of first quarter of the year.

Human Resources

- At the end of first semester 2012, **total workforce** stood at 36,452 employees, 24% higher than in the first semester of the previous year, remaining almost flat compared to the end of 2011 (+2%). Of this limited increase from year end, around 213 employees come from the Indra Navia acquisition.
- **International workforce** (around 15,800 professionals) represents 43% of the total workforce:
  - Latin America accounts for more than 13,000 professionals and is the fastest growing region -reflecting the Politec acquisition-.
  - Asia Pacific, Middle East and Africa count with over 950 professionals, registering a 36% growth.
- **Final workforce** in **Spain** decreased by 3% versus the final workforce at the end of last year, and reaches 20,655 employees. This decrease should be analysed taking into consideration:
  - The negative performance of revenues in the domestic market is due to pricing pressure rather than to a decrease in the amount of activity. This implies a higher need of workforce to satisfy that volume of activity.
  - International projects in the Solutions segment that are developed in a large extend from Spain have increased compared to the first semester of 2011, also impacting on the need of professionals located in Spain.





5. OTHER EVENTS OVER THE PERIOD

- The **General Shareholder's Meeting** was held, as scheduled, on 21 June 2012 at second call. All items on the agenda were ratified, with the most important being listed below (for a complete list, please visit the company's website: www.indra.es):

  - Approval of the 2011Annual Accounts and Management Report of Indra Sistemas, S.A. and its Consolidated Group, corresponding to the financial year closed on 31st December 2011, as well as the Board of Directors performance during the same financial year.
  - Approval of the distribution of an ordinary gross dividend of Euro 0.68 € per share, charged against 2011 earnings.
  - Modify the Bylaws, in particular the corporate purpose and the remuneration of the Board of Directors, and amend the Regulations of the General Meeting in accordance with the above. Approval of the corporate website www.indra.es
  - Authorization of the Board to increase capital stock to include the issuance of redeemable shares, with express authority to exclude pre-emptive rights, as well the authorization of the Board to issue convertible fixed income securities of those that may be swapped for shares, with express authority to exclude pre-emptive rights and increase capital stock in the amount necessary.
  - Reelection of Mr. Daniel García-Pita as independent director of the Company and reelection of KPMG Auditores, S.L as auditor of the annual accounts and Management Report individual and consolidated of the Company for the fiscal year 2012.

- On April 18th Indra communicated to the Comisión Nacional del Mercado de Valores that it had reached an agreement for the **acquisition** in cash of 100% of the shares of **Northrop Grumman Park Air Systems As** ("Park Air Systems Norway", which will be renamed Indra Navia), owned by Northrop Grumman.

  - Park Air Systems Norway is a worldwide known company focused in the Air Traffic Management Systems business based in Norway, employing 174 professionals on its Oslo and Horten centers, and with commercial offices in France, China, Malaysia and Emirates. The company provides proprietary solutions in the navigation aid segment for air navigation -where is a global leader-, voice control communications, and guide & control of aircrafts at airports.
  - The main interest of Indra in this deal is to reinforces its global position as a provider of technological Solutions, allowing the optimization of the R&D activities of both companies and strengthening the development of new products going forward.

6. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

- In accordance with the agreed FY11 earnings distribution approved at the General Shareholders' Meeting celebrated on the 4th of July (ex-dividend date), a gross **dividend** of 0.68€ per share charged to 2011 results was paid, representing a payout of 62% of 2011 earnings per share.

- The amount of this dividend represents a dividend yield of 6.9% on Indra's share price as of 2011 year-end (€9,837) and of 9.3% on Indra's closing price the day before the ex-dividend date. It also implies maintaining the ordinary dividend paid last year, and charged against 2010 profits.

APENDIX 1: CONSOLIDATED INCOME STATEMENT

	1S12 €M	1S11 €M	Variation €M	%
Revenue	**1,468.7**	**1,353.6**	**115.1**	***9***
Other income	43.5	31.6	11.9	*38*
Materials consumed and other operating expenses	(672.9)	(620.1)	(52.9)	*9*
Personnel expenses	(706.3)	(602.5)	(103.9)	*17*
Results on non-current assets	12.2	(0.2)	12.4	*NA*
Gross operating profit (EBITDA) recurrent	**145.1**	**162.4**	**(17.3)**	***(11)***
Depreciations	(22.2)	(20.7)	(1.5)	*7*
Net operating profit (EBIT) recurrent	**122.9**	**141.7**	**(18.8)**	***(13)***
EBIT margin (recurrent)	***8.4%***	***10.5%***	***(2.1)***	***--***
Extraordinary costs	(20.1)	0.0	NA	*NA*
Net operating profit (EBIT)	**102.8**	**141.7**	**(38.9)**	***(27)***
EBIT margin	***7.0%***	***10.5%***	***(3.5)***	***--***
Financial result	(26.2)	(10.2)	(16.0)	*156*
Share of profits / (losses) of associates and other investees	(1.6)	1.0	(2.6)	*NA*
Earnings befote tax	**75.0**	**132.5**	**(57.5)**	***(43)***
Income tax expenses	(15.6)	(27.8)	12.2	*(44)*
Profit for the period	**59.4**	**104.7**	**(45.3)**	***(43)***
Attributable to minority interests	2.0	0.6	1.4	*NA*
Net Profit attributable to the parent company (reported)	61.4	105.3	(43.9)	*(42)*
Net Profit attributable to the parent company (recurrent)	**77.3**	**105.3**	**(28.0)**	***(27)***

Figures not audited.

APENDIX 2: INCOME STATEMENTS BY SEGMENTS

1. Solutions

	1S12 €M	1S11 €M	Variation €M	%
Net sales	**905.6**	**902.0**	***3.6***	***0***
Contribution margin	163.1	169.6	*(6.5)*	*(4)*
Contribution margin / Net revenues	***18.0%***	***18.8%***	***(0.8) pp***	
Results from associates	(0.7)	(0.2)	(0.5)	--
Segment result	**162.4**	**169.4**	***(7.0)***	***(4)***

2. Services

	1S12 €M	1S11 €M	Variation €M	%
Net sales	**563.1**	**451.7**	***111.4***	***25***
Contribution margin	69.1	63.4	*5.6*	*9*
Contribution margin / Net revenues	***12.3%***	***14.0%***	***(1.8) pp***	
Results from associates	0.0	0.0	0.0	--
Segment result	**69.1**	**63.4**	***5.6***	***9***

3. Consolidated Total

	1S12 €M	1S11 €M	Variation €M	%
Revenue	**1,468.7**	**1,353.6**	***115.1***	*8*
Consolidated contribution margin	232.2	233.0	(0.8)	(0)
Contribution margin / Revenues	***15.8%***	***17.2%***	***(1.4) pp***	
Other non-distributable corporate expenses	(109.2)	(91.3)	*(18.0)*	*20*
Net operating profit (EBIT) recurrent	**122.9**	**141.7**	***(18.8)***	***(13)***
Extraordinary costs	(20.1)	0.0	*(20.1)*	-
Net operating profit (EBIT)	**102.8**	**141.7**	***(38.9)***	***(27)***

Figures not audited.

APENDIX 3: CONSOLIDATED BALANCE SHEET

	1S12 €M	2011 €M	Variation €M
Property, plant and equipment	165.5	171.9	(6.4)
Intangible assets	273.5	243.3	30.2
Investment in associates and other investments	63.2	66.4	(3.2)
Goodwill	652.2	624.6	27.6
Deferred tax assets	152.8	138.0	14.9
Non-current assets	**1,307.2**	**1,244.2**	**63.1**
Assets held for sale	9.5	10.1	(0.6)
Operating current assets	2,057.4	2,017.6	39.8
Other current assets	187.4	169.8	17.6
Short term financial investment	0.0	1.2	(1.2)
Cash and cash equivalents	60.2	81.9	(21.7)
Current assets	**2,314.5**	**2,280.7**	**33.8**
TOTAL ASSETS	**3,621.8**	**3,524.9**	**96.9**
Share capital and reserves	1,007.1	1,061.0	(53.9)
Treasury stock	(27.7)	(15.2)	(12.5)
Equity attributable to parent company	**979.4**	**1,045.8**	**(66.4)**
Minority interests	24.1	21.4	2.7
TOTAL EQUITY	**1,003.5**	**1,067.2**	**(63.7)**
Provisions for liabilities and charges	82.1	109.3	(27.2)
Long term borrowings	469.8	314.4	155.4
Other financial liabilities	9.4	7.6	1.8
Deferred tax liabilities	73.2	79.5	(6.3)
Other non-current liabilities	122.9	116.8	6.1
Non-current liabilities	**757.4**	**627.6**	**129.8**
Current borrowings	177.9	281.2	(103.3)
Operating current liabilities	1,242.0	1,261.7	(19.8)
Other current liabilities	441.0	287.1	153.8
Current liabilities	**1,860.8**	**1,830.0**	**30.8**
TOTAL EQUITY AND LIABILITIES	**3,621.8**	**3,524.9**	**96.9**
Net debt position	***587.4***	***513.6***	***73.8***

Figures not audited.

APENDIX 4: CONSOLIDATED CASH FLOW STATEMENT

	1S12 €M	1S11 €M	Variation €M
Profit before tax	75.0	132.5	*(57.5)*
Adjusted for:			
- Depreciations	22.2	20.7	*1.5*
- Provisions, capital grants and others	3.6	4.5	*(1.0)*
- Results on non-current assets	1.5	(1.0)	*2.5*
- Share of profits / (losses) of associates and other investees	0.7	0.2	*0.5*
- Share options expense	0.0	0.0	*0.0*
- Net financial result	26.2	10.2	*16.0*
+ Dividends received	0.0	0.0	*(0.0)*
Operating cash-flow prior to changes in working capital	**129.2**	**167.2**	***(38.0)***
Receivables. net	9.1	(42.1)	*51.2*
Inventories. net	(18.9)	(54.5)	*35.6*
Payables. net	(49.8)	2.6	*(52.4)*
Change in working capital	**(59.5)**	**(93.9)**	***34.4***
Other operating changes	7.5	(21.3)	*28.7*
Income taxes paid	(25.3)	(19.5)	*(5.8)*
Cash flow from operations	**51.8**	**32.5**	***19.3***
Property, plant and equipment. net	(14.9)	(23.2)	*8.3*
Intangible assets, net	(37.7)	(43.9)	*6.2*
Subsidies for R&D	3.7	10.1	*(6.4)*
Investments, net	(32.2)	(43.3)	*11.1*
Interest received	2.4	2.3	*0.1*
Cash-flow provided/ (used) by investing activities	**(78.6)**	**(98.0)**	***19.3***
Changes in treasury stock	(20.6)	(1.4)	*(19.2)*
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	0.0	0.0	*0.0*
Increase (repayment) in capital grants	0.7	2.9	*(2.1)*
Increase (decrease) in borrowings	46.1	9.9	*36.2*
Interest paid	(21.2)	(10.8)	*(10.4)*
Cash-flow provided / (used) by financing activities	**5.1**	**0.6**	***4.5***
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(21.7)**	**(64.9)**	***43.1***
Cash and cash equivalents at the beginning of the period	**81.9**	**129.0**	***(47.0)***
Foreign exchange differences	0.0	(0.6)	*0.7*
Net change in cash and cash equivalents	(21.7)	(64.9)	*43.1*
Cash and cash equivalents at the end of the period	**60.2**	**63.5**	***(3.3)***
Long term and current borrowings	(647.7)	(407.3)	*(240.4)*
NET DEBT POSITION	***587.4***	***343.8***	***243.6***

Figures not audited.

DISCLAIMER

The information in this report contains certain “forward-looking” statements regarding estimates and anticipated results for the Company.
Analysts and investors should bear in mind that these statements are no guarantee of future performance or results and that they are subject to material risks and uncertainties, which could mean that actual results vary materially from the expectations contained herein.

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