RESULTS 2012

MADRID, 28 FEBRUARY 2013
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1. INTRODUCTION

MEETING 2012 TARGETS

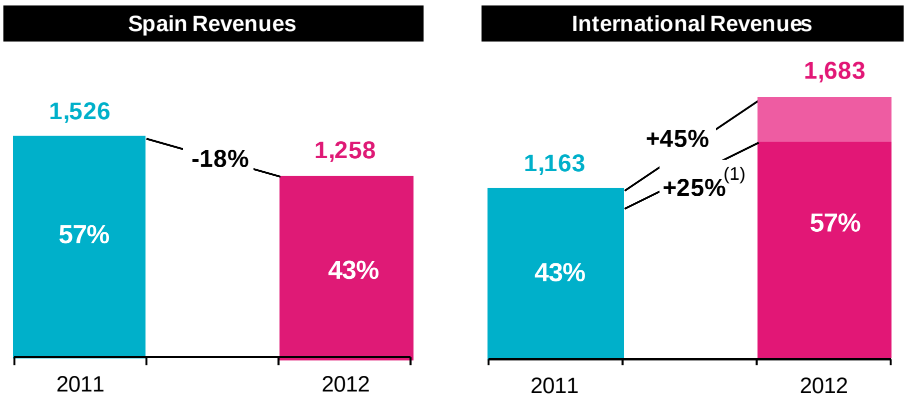
Indra has had in 2012 a globally satisfactory performance, achieving all the targets established for the year:

- **Revenues** increased **9%**, at the **high end of the forecast range** of 8%-9%
- **Order intake** grew 7%, with a **1.1x** book to bill ratio, **ahead** of the target to reach at least 1.0x
- **Recurrent EBIT margin** has reached **8.5%,** in the **middle of the range** announced of 8%-9%
- **Net working capital** of **104 equivalent days of sales** was also in the middle of the established range of 100-110 days
- **Net material and inmaterial capex** has totaled **74M€** (within the 65-75M€ guidance)

Meeting these targets has demanded an **intense managerial effort**, having to compensate with a greater activity in the international markets a **significantly** larger **than initially expected negative performance** in the **Spanish market**. That market has been dominated by a macroeconomic environment which has turned to be more unfavorable than expected, affecting order intake, revenues, profitability and net working capital despite of which the company has increased free cash flow generation for the year.

The company's **performance** in the **international markets** has been **very positive**. International markets have increased its weight by 14 p.p., accounting now for 57% of total revenues, growing 45% through the year, more than 25% organically. Almost two thirds of the total order intake has been generated in the international markets.

This performance has been possible by the confluence of several factors, amongst which are worth mentioning: actions to adjust resources and operational costs in Spain to the deteriorating environment; adjustment of the offer, mainly the solutions one, to the competitive demands of our geographical markets; successful integration of the acquired companies in Brazil, Italy and Norway.



(1) Growth without acquisitions

MAIN FIGURES

Order Intake

- Reached **€3,193m,** implying an **increase** of **7%** compared to the previous year (approximately -2% excluding the impact of acquisitions), and being 9% higher than revenues of the period (**book to bill** ratio at **1.1x**).
- Indra's commercial effort carried out during 2012 has resulted in an increase of the **international** order intake of 45%, representing **63%** of total group's order intake, and thus consolidating Indra's international position in those markets where the company operates.
- **Spanish market** order intake registered a **decrease** of **26%**, reflecting not only the difficult conditions of the Spanish market but also the company's selective positioning in some clients and segments.
- **Solutions** segment registered a 9% growth, with a relevant increase in the international markets, while **Services** grew 4%.

Revenues

- Sales have followed the same trend seen in Q3-12 and reached **€2,941m**, **growing 9%** vs 2011, and posted a slight increase (c.+1%) excluding acquisitions. As previously mentioned, this growth has been achieved on the back of the positive performance of the international markets, which has compensated the decrease in the Spanish market, which had already accelerated in the third quarter.
- **Services** segment registered a **21% growth**, mainly driven by the positive impact of the acquisitions made in 2011 and by the increase in international markets. **Solutions** posted a **4% growth**, affected by the Spanish market negative performance.
- Four verticals posted **double digit rates of growth** –worth mentioning PPAA & Healthcare and Financial Services. Security & Defence and Telecom & Media which showed a decrease in sales due to the negative impact of the domestic market.

Order backlog

- Order **backlog** reached **€3,470m** (+7% versus 2011), and **represents 1.2x** last twelve month (LTM) **revenues**.

Income statement and Balance Sheet

- **Operating Profit** (EBIT after extraordinary costs) reached €217m, 19% below the figure obtained in 2011, and **Net Profit** (Net Profit after extraordinary costs) reached €133m, **27% below** 2011. During 2012 Indra has incurred in €32m of **extraordinary expenses**, slightly above the €30m expected for the year, aimed at improving the operating efficiency of the company in the Spanish market.
- **Recurrent Operating Profit** (EBIT before extraordinary expenses) stood at €249m, **7% below** the figure obtained in 2011, resulting in a **Recurrent Operating Margin** of 8.5%, in line with Q3 12 trend and in the mid point of the target of the company.
- **Recurrent Net Profit** (Net Profit before extraordinary costs) reached €157m, **13% below** the figure reached the previous year.
- **Net working capital** maintained a stable trend compared to the first nine months of the year (105 days of sales) and at year end is equivalent to **104 days of annualised revenues,** in line with the 100-110 days range expected for the full year.
- Indra's investment strategy has remained unchanged in the **development** of its **Solutions' offering.** During the year, **payments** for tangible and intangible (net of subsidies) assets amounted €74m (within the targeted range of €65-75m). Payments for financial investments, net of disposals, reached €53m, which mainly include the acquisition of Indra Navia in Norway and other deferred payments from acquisitions.
- **Net debt** at the end of 2012 reached **€633m** (versus €661m at the end of September), resulting in a ratio of **2.1x LTM recurrent EBITDA.**

TRADING UPDATE AND 2012 TARGETS

The position achieved by Indra in the different **international markets** leads to **expect relevant growth rates** in such markets for 2013, which compensates the decline in activity that the company foresees will continue experiencing in the Spanish market, so that **total revenue growth be positive**, with an also **positive cash flow performance**.

Although 2012, after several years of negative performance, has been a certainly tough and negative year for Indra in **Spain**, the **weak macro environment** and the cost reduction measures undertaken by the main economic agents, private and public, will continue to have a negative impact in large part of Indra's areas of activity and clients in the Spanish market. In this market it cannot be ruled out a double digit revenue decline (although smaller than last year's), with negative impact in operating performance. To reduce as much as possible such negative impact, the company will **continue implementing actions** to **adequate resources** and operating costs, expecting to incur in extraordinary costs of €20m in 2013.

The expected behavior of the **international markets** will result in such markets accounting for around 60% of total revenues in 2013, with **Latam** posting an **specially positive** performance, sustaining relevant order intake and revenues growth rate,s as well as an improving profitability.

To address such material growth rates and to fully leverage their future potential, the company will continue selectively developing and **adjusting** its own **solutions** offer **portfolio** to the requirements of the markets with most relevant demand.

Management of the **balance sheet** will be a **first order priority** in 2013 and following years, the company expecting a reduced growth in net working capital while exploring selective divesting opportunities. With all this, the company foresees to **maintain** an **adequate shareholders' remuneration policy** without increasing its financial leverage.

Even with this positive evolution, profitability generated in the **international** markets will **not fully compensate** the negative **impact** from the **Spanish** market in 2013, taking into account that some of the efficiency improvement measures undertaken will not have full impact in the whole of 2013.

In the context mentioned in the previous paragraphs, and taking into account that order backlog at the beginning of the year represents 45% revenues coverage (a level similar to last years'), together with recurrent order intake and the nature of contracts in advanced negotiation stage, Indra expects to reach the following **targets** in **2013**:

- **Revenue** growth slightly positive
- **Order intake** similar or ahead of revenues
- **Recurrent EBIT margin** (before extraordinary expenses) around 8%
- **Net working capital** in the range of 100-110 equivalent days of sales
- **Net capital expenditures** around €70m

As has been mentioned in previous reports, the company has launched in 2012 several **initiatives** to **optimize management processes and production efficiency**, with a global view that encompasses all vertical and geographical markets. These initiatives, which will continue being implemented in 2013 and following years, add to the ones already implemented to strengthen managerial, commercial and access to different markets where Indra is developing its presence. All this, jointly with **investments** in developing and aligning the offer **portfolio**, are aimed to consolidate Indra's position in the international markets, with relevant and **sustainable growth rates**, as well as **increasing profitability** and **cash flow generation.**

The sum of these initiatives -which together with the specific actions to adequate resources and costs will allow to quickly **reverting** the **current negative** profitability **performance** of the **Spanish market**, once it initiates its recovery-, is already bearing tangible fruit in Latam and will progressively materialize in other geographies; thus **progressively recovering Indra its growth and high profitability profile**.

2. MAIN FIGURES

The table below shows Indra's 2012 main figures, 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	2012 (€M)	2011 (€M)	Variation (%)
Order Intake	3,193.2	2,975.8	*7*
Revenues	2,941.0	2,688.5	*9*
Backlog	3,470.3	3,230.9	*7*
Recurrent Operating profit (1)	248.8	267.8	*(7)*
Recurrent EBIT margin (1)	8.5%	10.0%	*(1.5) pp*
Extraordinary costs	(31.6)	0.0	*na*
Net Operating Profit (EBIT)	217.2	267.8	*(19)*
Attributable Profit	132.7	181.0	*(27)*
Adjusted Attributable Profit (1)	157.3	181.0	*(13)*
Net debt position	*633.3*	*513.6*	*23*

(1) Before extraordinary costs

Earnings per Share (according to IFRS)	2012 (€)	2011 (€)	Variation (%)
Basic EPS	0.8159	1.1129	*(27)*
Diluted EPS	0.8159	1.1129	*(27)*
Diluted EPS (adjusted)	0.9675	1.1129	*(13)*

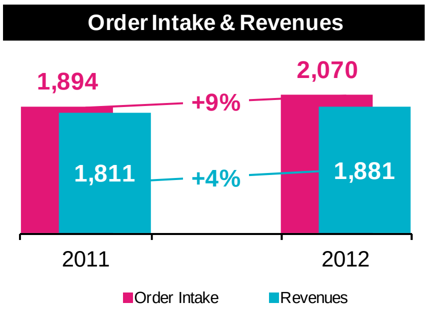
- **Basic EPS** is calculated by dividing net profit for the period by the total number of outstanding shares less weighted treasury shares at the close of the period.
- Treasury shares and total shares are weighted in accordance with the number of days they have been on the company's balance sheet during the year.
- **Diluted EPS** is the same as basic EPS given the company has not issued convertible shares or any other similar financial instruments.

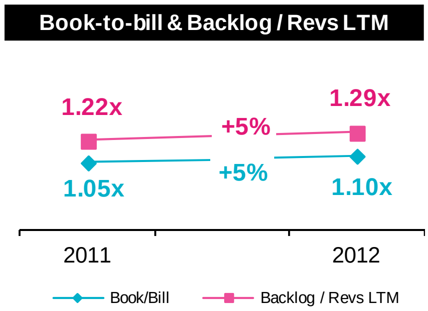
	2012	2011
Total number of shares	164,132,539	164,132,539
Weighted treasury stock	1,538,122	1,491,128
Total shares considered	**162,594,417**	**162,594,411**

- At the close of December 2012 the company held 11,041 treasury shares, representing 0.01% of total shares in the company.

3. ANALYSIS BY SEGMENT

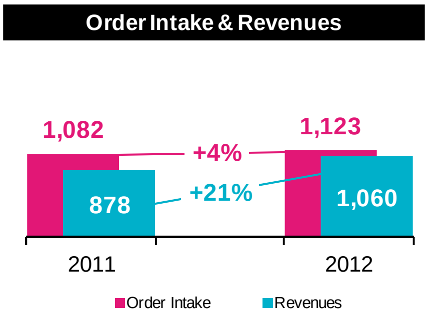
SOLUTIONS

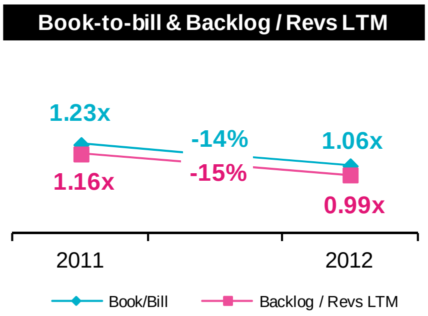




- **Revenues** have grown **4%** versus the previous year, showing a strong growth in Transport & Traffic, PPAA & Healthcare and Energy & Industry verticals, having offset the decline registered in Security & Defence, Telecom & Media and Financial Services. It's worth to highlight the good performance of the Transport & Traffic vertical during the last quarter of the year.
- **Solutions** represented 64% of total sales of the company in 2012.
- **Order Intake** increased by **9%**, a figure which is **10% ahead** of **sales** (book-to-bill at 1.10x, above the ratio registered by the end of 2011) with a positive performance mainly in emerging markets and especially in the Asia and Africa areas, as mentioned in 9M 12's report. All vertical markets, excluding Security & Defence and Financial Services, recorded positive growth rates. Defence & Security weak performance during the last quarter of the year has impacted on the order intake's level at the year end.
- **Order backlog** reached €2,426m, representing an increase of 9%. Order backlog / LTM sales ratio reached 1.29x, 5% above 2011's level (1.22x)
- Indra remains committed to consolidate its position as a leading supplier of **proprietary Solutions** in high potential market segments. The level of investments dedicated to evolve our solutions is maintained, amongst others, in intelligent networks in energy and utilities, air and rail transport, as well as in specific areas of security and defence.

SERVICES





- **Sales** reached €1.060m, posting a **21%** growth versus previous year. The double digit increase registered in the international market, supported mainly by the good performance of the acquisitions of Galyleo in Italy and Politec in Brazil, has compensated the weakness in the Spanish market.
- **Order intake grew by 4%** versus the previous year. All vertical markets registered positive growth rates excluding Telecom & Media, conditioned by the higher order intake registered in 2011, where Indra was awarded with a relevant outsourcing project in the media field (in the Spanish market).
- Order intake during the period was 6% above sales **(book-to-bill ratio** at **1.06x).**
- **Order backlog** shows an **increase** of **3%** and stands at a similar level of LTM revenues.
- **Services** have represented **36%** of the **total revenues**.

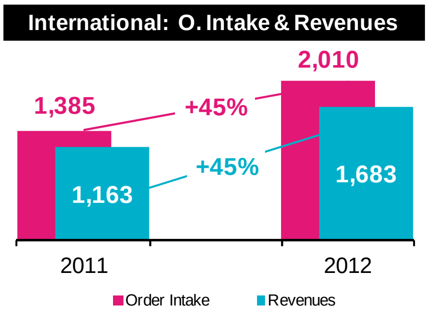
4. ANALYSIS BY VERTICAL

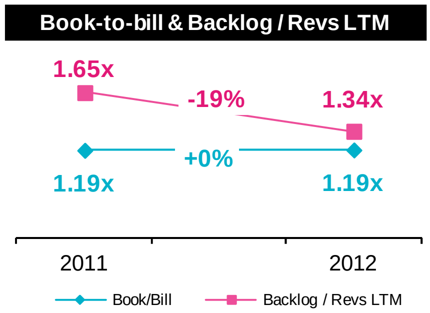
REVENUES	2012 (€M)	2011 (€M)	Variation €M	Variation %
PPAA & Healthcare	516.9	390.5	126.4	32
Financial Services	464.4	386.4	78.0	20
Energy & Industry	460.4	407.8	52.6	13
Transport & Traffic	667.1	597.2	69.9	12
Telecom & Media	369.0	396.8	(27.8)	(7)
Security & Defence	463.2	509.8	(46.6)	(9)
TOTAL	**2,941.0**	**2,688.5**	**252.5**	**9**

- **Public Administrations & Healthcare** has posted the best performance (+32%) on the back of the positive evolution of international markets, which has more than compensated the double digit decrease in the Spanish market. By regions, it is worth highlighting the performance in Latam and Asia, Middle East & Africa. In spite of the weakness in the Spanish market, Indra is selectively positioned as a relevant supplier in those institutional clients that have initiated a process of concentrating and rationalising their IT needs.
- **Financial Services** shows a 20% growth during the period. Indra has managed to maintain the same level of activity in the Spanish market than the previous year, thanks to its strategic position within the institutions that are leading the concentration process in the banking industry and in spite of the general trend of costs control and budget restrictions by clients. In the international markets, the company continues to grow in different clients as it consolidates its presence as a local player, reinforced after the acquisition of Politec.
- **Energy & Industry** has increased by 13% and maintains a tendency of strong growth in Latam that more than compensates the performance of the Spanish market. Indra's scope of investment in this area not only includes the electric field, but also infrastructure and services management in the oil and water management systems' field, where important references have been achieved.
- **Transport & Traffic** has reached 12% growth, showing a strong performance in the last quarter of the year, supported, amongst others, by the commercial synergies obtained in the areas of air traffic management and airports since the acquisition, in the second quarter of 2012 of Indra Navia. The performance of the Spanish market, which registers negative rates of growth, has been significantly impacted by the budget restrictions that the main institutional operators (ADIF, RENFE, DGT, AENA amongst others) are being subject to.
- **Telecom & Media** has registered a decline of 7%, conditioned, as expected, by the significant increase in activity during the last two years and the weakness of the Spanish market, where operators are strongly reducing investments in new projects and in some cases the scope of some relevant contracts. However, the international market –especially in Latam- has had a good performance during 2012.
- **Security & Defence's** level of revenues has declined 9% during the year. As announced in Q3-12 results reports, the decline of the level of activity that the Spanish market has registered in the last months of 2012 has led to negative growth rates for the vertical, in spite of the positive performance of the international activity.

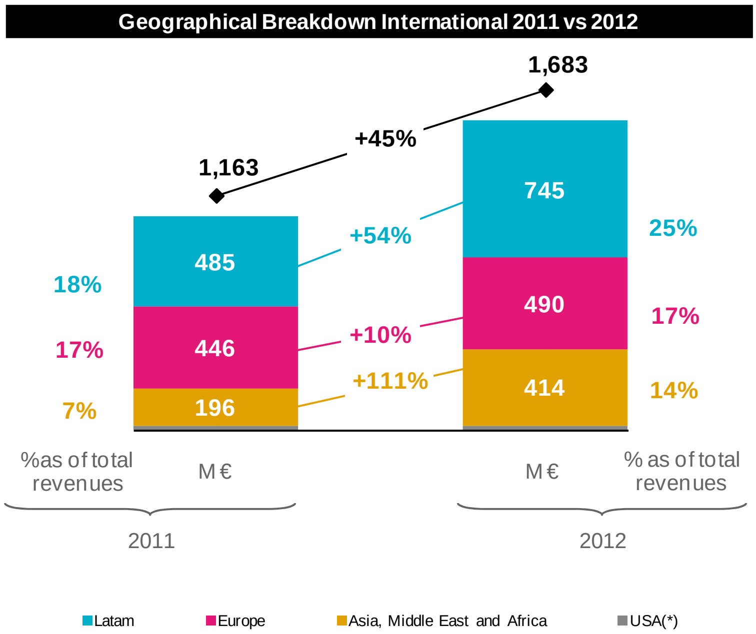
5. ANALYSIS BY GEOGRAPHY

International market:



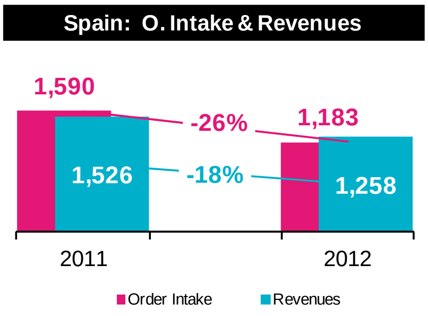


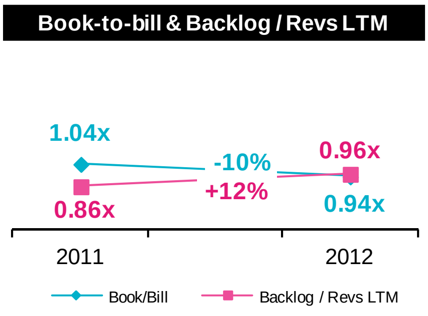
- **Revenues** in the international markets increased by 45% compared to 2011, reaching €1,683m and representing 57% of the company sales. Excluding the acquisitions of Galyleo in Italy, Politec in Brazil and Indra Navia in Norway, **growth** reached approximately **25%**.
- **Order intake** grew by **45%** to €2,010m, being 19% ahead of sales (international **book-to-bill** at **1.19x,** in line with 2011 ratio).
- **Backlog** increased by **18%** in 2012, and represents **1.34x** the international **LTM sales**.
- **Latin America** continues to show a strong positive trend, with a **54%** increase and now represents **25%** of total **group sales**. Brazil, Mexico, Colombia, Peru and Chile continue to post significant growth, while the company consolidates its presence in other countries.
- **European market** has grown **10%** during 2012, with a positive performance of the Italian and English market, while USA & Canada (1% of total group sales) have registered a 6% decline.
- **Asia, Middle East and Africa's** revenues have posted a **111%** increase, mainly driven by the positive performance of PPAA & Healthcare. Order intake in this geographic area has also shown positive evolution as the company has contracted several relevant projects in different areas of activity.



* USA: 2012: €34m (-6%)

Spanish market:





- The **weakness** of the **Spanish market**, anticipated in previous reports, is reflected in the **decreasing** revenues which dropped **18%** at year end. Spanish market sales stood at €1,258m and represent **43**% of **total group** sales (57% in 2011).
- All verticals, except Financial Services which posted the same level of revenues than last year, have registered negative rates of growth, not only due to the lower levels of activity derived from the budget restrictions of institutional clients in the Transport & Traffic and Defence fields, but also to the existing price pressure stemmed from the deteriorating macro environment.
- **Order intake decreased by 26%** and **book-to-bill** stands slightly below 1x (0.94x) compared with 1.04x reached at the end of 2011.
- **Backlog/LTM** ratio during the year 2012 reached **0.96x,** above the figure registered in 2011 (0.86x).

6. ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

Income statement

- **Contribution margin** reached 15.9%, down 1.4 pp versus 2011, reflecting pricing pressure, higher revenue growth in the Services segment versus Solutions and the commercial efforts done by the company for its international expansion.
    - Contribution Margin in Solutions decreased 1.1 pp to 17.6% versus 2011.
    - Contribution Margin in Services decreased 1.6 pp to 12.8% versus 2011.
- **Recurrent operating profit** (EBIT before extraordinary costs) reached €249m, 7% below the figure reported in 2011.
- **Recurrent operating margin** (EBIT before extraordinary costs/Sales) stood at 8.5%, accomplishing the targeted range of between 8% and 9% for the full year.
- During the full year 2012 Indra has incurred in €32m of extraordinary costs, dedicated to improve the productive efficiency of Indra, mainly in Spain. After these extraordinary expenses, **Operating profit (EBIT)** reached €217m.
- **Overheads** accounted for 7.4% of revenues compared to 7.3% in the previous year.
- **Net financial expenses** reached €54m compared to €38m during the same period last year. The increase derives from the higher average debt position, its average cost and the accounting effect (but no cash out) of long term R&D loans with zero interest rate cost and of the accounted interests expenses from the acquisitions made primarily in Brazil and Italy.
- **Tax rate** stood at 22%, at similar levels as 2011.
- **Recurrent net profit** reached €157m (€133m including the impact from extraordinary costs), and decreased 13% versus the previous year.

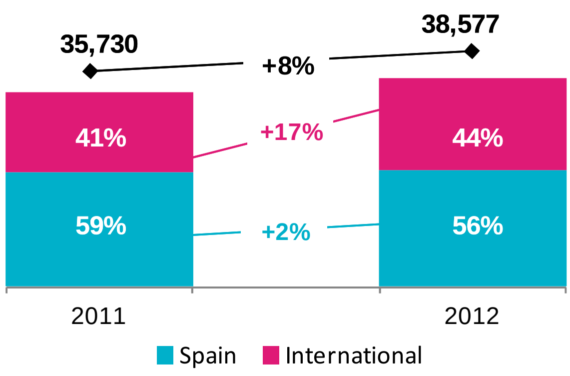
Balance Sheet and **Cash Flow Statement**

- **Net working capital** reached €834m, equivalent to 104 days of revenues, in the middle point of the targeted range of 100-110 days of revenues. This level is in line with the 105 days of revenues registered in Q3-12 and 6 days of revenues higher than the one registered in 2011.
- Despite the economic environment, Indra maintains its commitment in developing Solutions through its R+D activity. Indra invested €51m in **intangible assets** (net of subsidies), figure lower than the one in 2011 (€69m).
- Payments for **tangible assets** reached €24m -including around €4m of investments in different projects- versus €42m in 2011.
- No news regarding **Financial investments,** which amounted 53€, in line with previous quarter. They include the divestment recorded during the year (Administradora de Archivos), and the acquisition of Indra Navia for €38m, as well as other deferred payments from other acquisitions.

- **Treasury stock** position by year end is almost not-existent (0.01% of total outstanding shares).
- **Net debt** position stood at €633m by the end of the year, equivalent to 2.1x LTM recurrent EBITDA, versus €661m reported at the end of Q3-12 and versus €514m in 2011.

Human Resources

- **Total workforce** at the close of the year 2012 stood at 38,577 employees, 3% higher than Q3-12 and 8% higher than the end of 2011.
- **International workforce** (slightly above 17,000 professionals) represents 44% of the total workforce, registering a 17% growth compared to December 2011:
  - Latin America represents circa 37% of the total workforce, showing a 16% growth versus the end of the previous year.
  - Asia, Middle East and Africa count with over 1,000 professionals, registering a 30% growth.
- **Final workforce** in **Spain** increased only marginally (+2%) versus the December 2011, and reaches 21,550 employees. This figure should be analysed taking into consideration that:
  - A number of international projects in the Solutions segment are developed in a large extend from Spain. Although these professionals are assigned to the international markets, they are located in Spain.
  - The negative performance of revenues in the Spanish market is due to pricing pressure rather than to a decrease in the volume of activity, meaning that the company needs to adequate its workforce to satisfy this volume of activity.
  - A relevant long term outsourcing contract put in force during the fourth quarter of the year, aimed at increasing the efficiency of one of Spain's largest financial institutions, implied adding 800 professionals in order to execute the project.



7. OTHER EVENTS OVER THE PERIOD

There were no relevant events to be highlighted during the period.

8. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

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

APENDIX 1: CONSOLIDATED INCOME STATEMENT

	2012 €M	2011 €M	Variation €M	%
Revenue	**2,941.0**	**2,688.5**	**252.5**	***9***
Other income	83.2	83.8	(0.6)	*(1)*
Materials consumed and other operating expenses	(1,335.0)	(1,282.4)	(52.5)	*4*
Personnel expenses	(1,397.9)	(1,194.0)	(203.9)	*17*
Results on non-current assets	8.6	17.6	(8.9)	*NA*
Gross operating profit (EBITDA) recurrent	**299.9**	**313.4**	**(13.4)**	***(4)***
Depreciations	(51.2)	(45.6)	(5.6)	*12*
Net operating profit (EBIT) recurrent	**248.8**	**267.8**	**(19.0)**	***(7)***
EBIT margin (recurrent)	***8.5%***	***10.0%***	***(1.5)***	***--***
Extraordinary costs	(31.6)	0.0	NA	*NA*
Net operating profit (EBIT)	**217.2**	**267.8**	**(50.6)**	***(19)***
EBIT margin	***7.4%***	***10.0%***	***(2.6)***	***--***
Financial result	(53.8)	(37.7)	(16.0)	*42*
Share of profits / (losses) of associates and other investees	(0.2)	3.2	(3.4)	*NA*
Earnings befote tax	**163.3**	**233.3**	**(70.0)**	***(30)***
Income tax expenses	(35.7)	(52.2)	16.5	*(32)*
Profit for the period	**127.6**	**181.1**	**(53.5)**	***(30)***
Attributable to minority interests	5.1	(0.1)	5.2	*NA*
Net Profit attributable to the parent company (reported)	132.7	181.0	(48.3)	*(27)*
Net Profit attributable to the parent company (recurrent)	**157.3**	**181.0**	**(23.7)**	***(13)***

Figures not audited.

APENDIX 2: INCOME STATEMENTS BY SEGMENTS

1. Solutions

	2012 €M	2011 €M	Variation €M	%
Net sales	**1,881.1**	**1,810.8**	***70.4***	***4***
Contribution margin	331.3	337.9	*(6.6)*	*(2)*
Contribution margin / Net revenues	***17.6%***	***18.7%***	***(1.1) pp***	
Results from associates	(0.6)	0.0	(0.6)	--
Segment result	**330.7**	**337.9**	***(7.2)***	***(2)***

2. Services

	2012 €M	2011 €M	Variation €M	%
Net sales	**1,059.8**	**877.7**	***182.1***	***21***
Contribution margin	135.8	126.5	*9.3*	*7*
Contribution margin / Net revenues	***12.8%***	***14.4%***	***(1.6) pp***	
Results from associates	0.0	0.0	0.0	--
Segment result	**135.8**	**126.5**	***9.3***	***7***

3. Consolidated Total

	2012 €M	2011 €M	Variation €M	%
Revenue	**2,941.0**	**2,688.5**	***252.5***	*9*
Consolidated contribution margin	467.1	464.4	2.7	1
Contribution margin / Revenues	***15.9%***	***17.3%***	***(1.4) pp***	
Other non-distributable corporate expenses	(218.3)	(196.7)	*(21.6)*	*11*
Net operating profit (EBIT) recurrent	**248.8**	**267.8**	***(19.0)***	***(7)***
Extraordinary costs	(31.6)	0.0	*(31.6)*	-
Net operating profit (EBIT)	**217.2**	**267.8**	***(50.5)***	***(19)***

Figures not audited.

APENDIX 3: CONSOLIDATED BALANCE SHEET

	2012 €M	2011 €M	Variation €M
Property, plant and equipment	166.4	171.9	(5.5)
Intangible assets	280.3	243.3	37.1
Investment in associates and other investments	68.5	66.4	2.1
Goodwill	645.3	624.6	20.7
Deferred tax assets	164.1	138.0	26.2
Non-current assets	**1,324.7**	**1,244.2**	**80.5**
Non-current assets held for sale	9.1	10.1	(1.1)
Operating current assets	2,176.3	2,017.6	158.7
Other current assets	176.1	169.8	6.3
Short term financial investment	0.0	1.2	(1.2)
Cash and cash equivalents	69.8	81.9	(12.1)
Current assets	**2,431.3**	**2,280.7**	**150.6**
TOTAL ASSETS	**3,755.9**	**3,524.9**	**231.1**
Share capital and reserves	1,089.0	1,061.0	28.0
Treasury stock	(0.1)	(15.2)	15.1
Equity attributable to parent company	**1,088.9**	**1,045.8**	**43.1**
Minority interests	20.7	21.4	(0.7)
TOTAL EQUITY	**1,109.6**	**1,067.2**	**42.4**
Provisions for liabilities and charges	75.0	109.3	(34.4)
Long term borrowings	398.1	314.4	83.8
Other financial liabilities	6.2	7.6	(1.5)
Deferred tax liabilities	97.7	79.5	18.2
Other non-current liabilities	123.4	116.8	6.7
Non-current liabilities	**700.4**	**627.6**	**72.8**
Current borrowings	305.0	281.2	23.8
Operating current liabilities	1,342.5	1,261.7	80.8
Other current liabilities	298.4	287.1	11.3
Current liabilities	**1,945.9**	**1,830.0**	**115.9**
TOTAL EQUITY AND LIABILITIES	**3,755.9**	**3,524.9**	**231.1**
Net debt position	***633.3***	***513.6***	***119.7***

Figures not audited.

APENDIX 4: CONSOLIDATED CASH FLOW STATEMENT

	2012 €M	2011 €M	Variation €M
Profit before tax	163.3	233.3	*(70.0)*
Adjusted for:			
- Depreciations	51.2	45.9	*5.3*
- Provisions, capital grants and others	(16.5)	7.8	*(24.3)*
- Results on non-current assets	4.3	(0.4)	*4.7*
- Share of profits / (losses) of associates and other investees	0.6	(1.0)	*1.6*
- Share options expense	0.0	1.1	*(1.1)*
- Net financial result	55.3	37.7	*17.5*
+ Dividends received	0.0	0.0	*0.0*
Operating cash-flow prior to changes in working capital	**258.1**	**324.4**	***(66.3)***
Receivables. net	47.2	(39.7)	*86.9*
Inventories. net	(86.8)	(91.9)	*5.1*
Payables. net	(38.4)	29.6	*(68.0)*
Change in working capital	**(77.9)**	**(101.9)**	***24.0***
Other operating changes	22.0	(50.3)	*72.4*
Income taxes paid	(49.3)	(75.2)	*25.9*
Cash flow from operations	**152.9**	**96.9**	***56.0***
Property, plant and equipment. net	(23.6)	(42.1)	*18.4*
Intangible assets, net	(62.0)	(84.0)	*22.1*
Subsidies for R&D	11.2	14.9	*(3.7)*
Investments, net	(52.9)	(45.4)	*(7.5)*
Interest received	4.0	3.8	*0.2*
Cash-flow provided/ (used) by investing activities	**(123.3)**	**(152.8)**	***29.5***
Changes in treasury stock	6.5	(3.6)	*10.1*
Dividends of subsidiaries paid to minority interests	0.0	(0.3)	*0.3*
Dividends of the parent company	(109.3)	(110.9)	*1.6*
Short term financial investment variation	0.4	0.0	*0.4*
Increase (repayment) in capital grants	3.8	7.9	*(4.0)*
Increase (decrease) in borrowings	105.3	146.4	*(41.1)*
Interest paid	(47.5)	(31.0)	*(16.4)*
Cash-flow provided / (used) by financing activities	**(40.7)**	**8.5**	***(49.2)***
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(11.1)**	**(47.4)**	***36.3***
Cash and cash equivalents at the beginning of the period	**81.9**	**129.0**	***(47.0)***
Foreign exchange differences	(1.0)	0.4	*(1.4)*
Net change in cash and cash equivalents	(11.1)	(47.4)	*36.3*
Cash and cash equivalents at the end of the period	**69.8**	**81.9**	***(12.1)***
Long term and current borrowings	(703.1)	(595.6)	*(107.5)*
NET DEBT POSITION	***633.3***	***513.6***	***119.7***

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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