RESULTS 2014

MADRID, FEBRUARY 27TH 2015

www.indracompany.com

indra

CONTENTS

1. INTRODUCTION

MAIN MILESTONES

Indra's revenues increased by +5% in local currency, increasing in all verticals. Backlog totaled €3,473m, with double digit growth in order intake in AMEA and Latam.
Recurrent operating margin reached 6.9%; free cash flow [1] generation reached €47m.
Net profit of -€92m, as a result of provisions, impairments and non recurring items from changes in estimates for a gross amount of €313m in projects, intangibles, goodwill and tax credits.
At the end of June, the company will host an Investor's Day to outline its strategic lines, operating plans and medium term financial indications.

2014 RESULTS

Revenues in 2014 grew +5% in local currency

Revenues reached €2,938m, growing +5% in local currency, despite the macro environment in some countries, especially in the last part of the year. Reported growth was +1% mainly due to Latam FX headwind.
Order intake grew +4% in local currency.
Order backlog reached €3,473m (+3% in local currency), representing 1.2x LTM revenues. Out of this backlog, €1,400m are to be executed in 2015.

Good performance in all geographies

The actively in Spain has stabilized (flat) after four years of decline (more than 10% in the last two years), with positive contribution from public clients. Order intake in Spain had a good start of the year.
Order intake and sales have increased at double digit growth rates in local currency (despite macro deterioration in Brazil).
Double digit growth in AMEA in order intake and backlog in local currency, as well as consolidating sales levels (€375m).
Better than expected performance in Europe & North America: +6% in local currency.

Pressure on operating margin continues

Ongoing pricing pressure and non optimal cost base in Spain.
Execution problems in certain projects in Latam and especially in Brazil.
Commercial efforts to facilitate the entering in new markets (mainly in AMEA).
FX headwind from Latam currencies.

FCF at €47m

Above 2013 levels, but below company's target (€100m).
Impacted by lower operating profitability, longer execution times for some projects, and delays in starting others which has implied delays in collecting down payments to 2015.

Non-recurring items in 2014 with almost no impact in financial position

Provisions, impairments and over costs in projects due to programs delays, re-schedules and cancelations, as well as changes in estimates as a result of events or litigious situations concurred in the last part of 2014 and beginning of 2015:

o Inventories	-€139m
o Clients	-€65m
o Onerous projects	-€27m
Total	-€231m

Goodwill impairment (-€21m: -€17m in Brazil and -€4m Indra Business Consulting).

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

Impairment of intangible assets (-€19m).
Tax credit impairment in Brazil (-€19m).
Plan for the adjustments and improvement in the efficiency of the recourses (-€17m).
Other impairments (-€6m).
Provision reversals for project risk provisions (+€24m) and labored contingencies (+€24m)
The pre tax amount of this non recurring items totaled -€313m and the amount after the reversal of the provisions is -€265m.
The total impact over the operating result of the Group of this items has been -€196m.

REVENUES AND ORDER INTAKE

GEOGRAPHIES

Spain (39% of total): sales +2%. Second consecutive quarter of growth. Clear improvement versus 2013 (-11%) and 2012 (-18%).
Latam (27% of total): sales +10% in local currency (-3% reported), +12% in 4Q14, despite macro backdrop (especially in Brazil). Order intake +11%.
Europe & North America (21% of total): sales +7% in local currency (+6% reported).
Security &

OPERATING PROFIT AND NET PROFIT

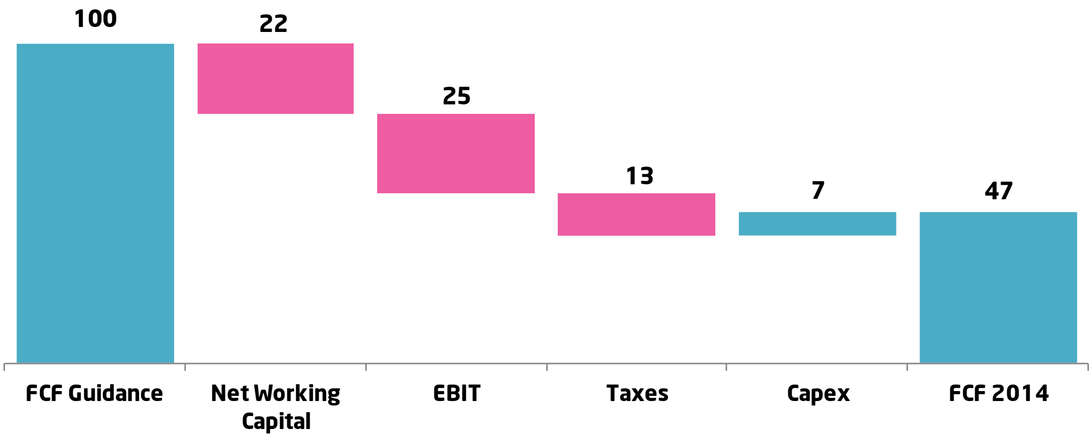
- Recurrent EBIT reaches €204m (-10%).
- Recurrent EBIT margin of 6.9% (versus 7.8% in 2013), below company's expectations at the beginning of the year.
  - Spain: Price pressure continued through the year 2014, without recovery signals, driving profitability slightly below expectations. Production costs adjustment process continued through the year.
  - Latam: Expected improvement in profitability, backed on the second half of the year, has not taken place. Worse than expected performance in Brazil and Chile, and better in Argentina. Latam remains as the region with the lower profitability. Additionally, Latam FX headwind has impacted group operating margin.
  - Europe & USA: profitability improves in the year and continues being the highest within the group, despite declines in the last quarter due to the ending of some projects.
  - AMEA: reduces profitability versus previous year mainly due to project mix. Due to the delay in launching some projects awarded in the last quarter, the area does not reach expectations for the year.
- During the last quarter the company has made a number of non-recurring items impacting EBIT by a gross amount of €294m, which net of the reversion of provisions stands at €246m, detailed later in this report. After such elements, EBIT drops to -€42m.
- Recurrent Net Profit (before non-recurring adjustments) has been €104m, -24% versus 2013.
- Net Profit (reported) for the year is -€92m, after the impact of the non-recurring items.

CAPEX AND NET WORKING CAPITAL EVOLUTION

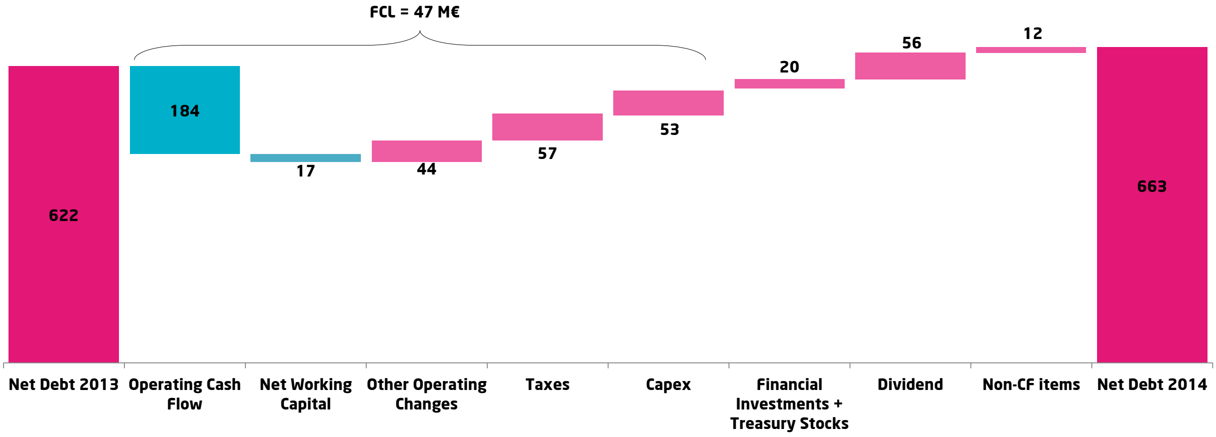
- Net working capital has reached 106 DoS excluding the impact from the non recurring items (write off in inventories and the increase of provision for doubtful accounts), that compares with 109 DoS in 2013.
- Net working capital totaled 81 DoS including these non-recurring elements.
- The improvement in the net working capital in Spain has not compensate the weak performance in Latam and delays in the collection of certain down payments:
  - In Spain, Spanish Public Administrations has decreased its debt levels as a result of the execution of the plan to regularize pending payments to suppliers in 1Q14 and the improvement in the payment terms of several Regional Governments.
  - In Latam, problems in execution and delays in the collection of certain projects at the end of the year, mainly in Brazil and Mexico, has been the main causes of the underperformance of the area.
  - Delays in the launching of certain projects with a relevant prepayments component, which are expected to collect in 2015.
- Net material and immaterial investments reached €57m (€42m immaterial and €15m material), in line with company expectations. Net financial investments totaled €13m (net of divestments and the consolidation of the temporary joint enterprises).

FREE CASH FLOW EVOLUTION

The generation of free cash flow in 2014 has reached €47m versus €52m in 2013 (€27m excluding the impact from the divestments made in 2013).
This cash flow is below the guidance stated by the company at the beginning of 2014 (€100m) as a result of the weaker performance of the net working capital, lower operating margins and higher tax payments.



Net debt at the end of the quarter has reached €663m (€622m in 2013), representing 2,5x net debt to recurrent EBITDA of the last twelve months and considers the ordinary cash dividend of €0.34 per share over 2013 results.
The elements affecting the evolution of the net debt are the following:



2. MAIN FIGURES

INDRA	2014 (€M)	2013 (€M)	Variation % Reported/Local Currency
Order Intake	3,013	3,029	(1) / 4
Revenues	2,938	2,914	1 / 5
Backlog	3,473	3,493	(1)
Recurrent Operating Profit (EBIT) (1)	204	226	(10)
Recurrent EBIT margin (1)	6.9%	7.8%	(0.9) pp
Non recurring items	(246)	(28)	783
Net Operating Profit (EBIT)	-42	198	(121)
EBIT margin	-1.4%	6.8%	(8.3) pp
Recurrent Net Profit (1)	104	138	(24)
Net Profit	-92	116	(179)
Net Debt Position	663	622	6
Free Cash Flow (2)	47	52	--

Earnings per Share (according to IFRS)	2014 (€)	2013 (€)	Variation %
Basic EPS	-0.561	0.706	(179)
Diluted EPS	-0.477	0.697	(168)
Recurrent diluted EPS (1)	0.604	0.830	(27)

(1) Before non recurring items
(2) 2013 FCF adjusted for the impact of the disposal of the business of advanced management of digital documentation were €27m

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 202,199 treasury shares representing 0.12% of total shares of the company.

	2014	2013
Total number of shares	164,132,539	164,132,539
Weighted treasury stock	282,131	93,096
Total shares considered	163,850,408	164,039,443
Total diluted shares considered	181,345,160	167,682,186

3. ANALYSIS BY SEGMENT

SOLUTIONS

	2014 €M	2013 €M	Variation % Reported	Variation % Local Currency
Order Intake	2,029	1,988	2	6
Revenues	1,887	1,888	(0)	4
Book-to-bill	1.08	1.05	2	
Backlog / Revs LTM	1.38	1.34	3	

Revenues have increased by +4% in local currency (flat in reported figures), which represents 64% of the company's total sales. All geographies have reported positive growth in local currency (almost flat in AMEA). The activity in Spain has stabilized (+1%), improving its performance versus previous years (-15% in 2013).
By verticals, it is worth to highlight the performance of Financial Services (with double digit growth) followed by Security & Defence, Public Administrations and Transport & Traffic (with low to mid single digit growth rates).
Order Intake was 8% above sales, increasing +6% in local currency (+2% in reported terms) as a result of the positive performance in verticals such as Financial Services, Transport & Traffic and Public Administrations. By regions, it is worth to spotlight Spain (with double digit growth rates and a significant contribution from the verticals of Transport & Traffic and Defence) and AMEA.
Order Backlog stood at €2,599m, which represents an increase of +3% in reported term. Book to bill ratio has increased by +3% to 1,38x (vs 1,34x in 2013).

SERVICES

	2014 €M	2013 €M	Variation % Reported	Variation % Local Currency
Order Intake	984	1,041	(5)	(0)
Revenues	1,051	1,026	2	7
Book-to-bill	0.94	1.01	(8)	
Backlog / Revs LTM	0.83	0.94	(12)	

Revenues have increased by +7% in local currency as a result of the positive evolution of the activity in all geographies with the exception of Europe & North America (with a very low weight in revenues). Factors such as the concentration of the international activity in Latam and the currency headwinds in most of the countries of the area negatively impacted the reported figures (+2%).
Order Intake remained flat in local currency (-5% in reported terms) affected by the weaknesses in the verticals of Telecom & Media and Energy & Industry.
Order Backlog decreased to €874m, representing 0.83x LTM sales as a consequence of the execution of multi-year projects contracted in previous years.

4. ANALYSIS BY VERTICAL

REVENUES	2014 €M	2013 €M	Variation %	
			Reported	Local Currency
Energy & Industry	473	479	(1)	3
Financial Services	485	470	3	9
Telecom & Media	322	355	(9)	2
PPAA & Healthcare	529	503	5	7
Transport & Traffic	620	611	1	5
Security & Defence	509	495	3	3
TOTAL	**2,938**	**2,914**	**1**	**5**

Energy & Industry

The activity in Energy & Industry vertical has increased by +3% increases in local currency (or -1% in reported terms).
Indra keeps its very strong positioning among key clients in the Energy sector, both at the domestic and international market.
Proprietary Solutions remains its consolidation pace in the areas of Industry & Consumption in Spain, especially in sectors such as Hotels, Airlines and Energy (commercial systems, efficiency, etc.).
The levels of activity in Latam remains strong (double digit growth rate in local currency), based on the solid trend of Indra's proprietary Solutions for the Electricity and Oil markets.

Financial Services

Sales in Financial Services vertical has increased by +9% in local currency, or +3% in euros.
The activity in Spain is performing very well (+7%), with positive growth rates in the Banking and Insurance business.
New business opportunities are emerging in the Banking sector in Spain (especially in Consultancy, BPO and Outsourcing), which may accelerate in the following quarters.
Revenues in Latam, where the activity remains based on the Services segment, has registered double digit growth rate in local currency.
It is worth to highlight the core insurance and core banking projects.

Telecom & Media

Revenues in Telecom & Media vertical has increased by +2% in local currency, or -9% in reported figures.
The impact of currency deprecations in several countries in Latam is more relevant in this vertical than in others (especially in Venezuela and Brazil), due to the higher weight of revenues from these geographies (c.40%) in this vertical.
The levels of activity in Latam are negatively affected by the weak macro backdrop, while the levels of activity in Europe have been affected by the repositioning of its international footprint of one of our top clients in the area.

Public Administrations & Healthcare

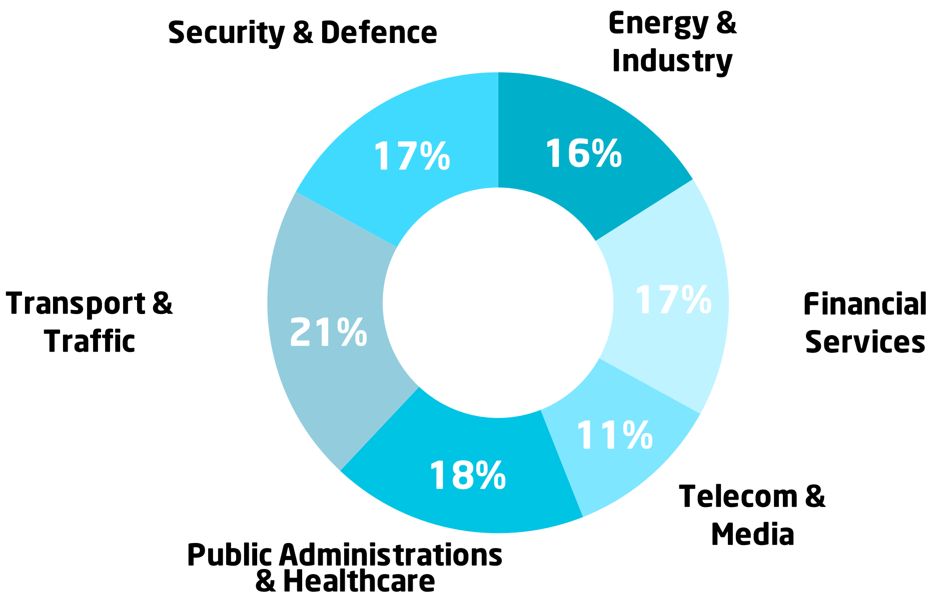
The activity in Public Administrations & Healthcare has registered a +7% growth in local currency, equivalent of a +5% in reported terms.
Despite the slowdown of the activity in the Healthcare segment, Spain has registered positive growth rates and enjoyed a greater dynamism than in previous years.
Latam maintains a positive performance with growth rates close to double digit in local currency.
The levels of activity in AMEA have been positively affected by the project to support the census process and voting systems in Iraq.
The double digit growth rate registered in the order intake of the area in 2014 points to a very positive evolution of the vertical in 2015.

Transport & Traffic

Sales in Transport & Traffic vertical have increased by +5% in local currency or +1% growth in reported terms.
Despite the fact that Indra has been awarded with several high speed train projects in Spain during the second half of the year, the activity in the area remains affected by due to the budgetary restrictions that are facing the public entities related with the management of the infrastructure programs in Spain, especially air traffic authorities.
Europe and Latam have registered very relevant growth rates in both railway and terrestrial transport systems and maritime traffic management systems.
The performance of AMEA has been affected by the finalization during the year of specific projects of air traffic management systems in Oman and India.
The prospects for 2015 are very positive as the company has been awarded by large contracts in the Middle East and Asia.

Security & Defence

Revenues in Security & Defence vertical has increased by +3% in local currency, or +3% in reported terms.
The level of activity in Spain remains under pressure (-5%), although at a slower pace than in previous years (with sales declining >25% in 2013, for example), affected by delays in certain specific technology projects for Ministry of Defence that will probably have a very positive contribution in the coming quarters.
AMEA has registered very positive growth figures (+30%), and already represents more than 13% of the revenues of the vertical. Europe & North America (60% of the sales of the vertical) are also posting very positive figures. Order intake has increased vigorously in 2014 in AMEA.
We expect relevant growth rates in revenues to continue in the future backed by the solid backlog accumulated throughout 2014.


Security & Defence
Energy & Industry
17%
16%
Transport & Traffic
21%
17%
Financial Services
11%
18%
Telecom & Media
Public Administrations & Healthcare

5. ANALYSIS BY GEOGRAPHY

REVENUES	2014		2013		Variation %	
	€M	%	€M	%	Reported	Local Currency
Spain	1,147	39	1,125	39	2	2
Latam	804	27	831	29	(3)	10
Europe & North America	612	21	577	20	6	7
Asia, Middle East&Africa	375	13	381	13	(2)	(0)
TOTAL	**2,938**	**100**	**2,914**	**100**	**1**	**5**

Spain

The performance of the activity in the Spanish market accumulates two consecutive quarters of positive evolution. Thus, total revenues in 2014 increased by +2% in 2014 (flat excluding the consolidation of the temporary joint enterprises in 4Q14) which implies a significant improvement versus previous years (-11% in 2013 and -18% in 2012).
The recovery has been leaded by the Public Sector, which shows a meaningful recovery in 2014 (+6%) versus the poor track record of the last years (with yearly annual drops exceeding 20% in the last years).
In the Private Sector persist the weak demand (with a slightly negative performance) and the bias towards Services versus Solutions projects.
The gradual recovery of the activity in the Public Sector might have a slowdown phase in the coming quarters as a result of the Regional and General Elections calendar for 2015.
Book to bill ratio (0,90x) has been similar to the one registered in 2013 (0,92x).
By verticals, Financial Services and Public Administrations are the verticals registering higher growth rates in 2014, while Transport & Traffic and Security & Defence are the ones delivering a better performance in the second half of the year.

Latam

The activity in Latam (sales+10% in local currency) has been affected by the depreciation of the majority of the currencies of the area (especially in Argentina and Venezuela), which implies a drop in revenues of -3% in euros.
Macro headwinds and the political backdrop in some countries (especially in Brazil) have negatively affected the activity in the area. However, verticals such as Transport & Traffic and Energy & Industry have delivered growth rates above +20% in local currencies.
Despite the weak macro backdrop (especially in Brazil) the activity has performed positively in the four quarter (+12% in local currency), especially in verticals such as Transport & Traffic and Energy & Industry.
Order intake has been above sales (book to bill ratio of 1,2x, above the 1,1x registered in 9M14 and in line with the 1,2x achieved in 2013).
By countries, Mexico and Colombia have registered double digit growth rates in local currency.

Asia, Middle East & Africa (AMEA)

Revenues in Asia, Middle East & Africa (AMEA) are similar to the ones delivered in 2013 in local currency (-2% in reported terms).
It is worth mentioning the favorable performance of the verticals of Security & Defence, Public Administrations and Energy & Industry.
During the year the company has ended the execution of certain large contracts in the area, affecting the performance of the region throughout the year.
Order intake has registered a positive performance (+10% in local currency), reaching a book to bill ratio above 1,3x (versus 1,2x in 2013).

Europe & North America

The activity in Europe & North America has increased by +7% in local currency (+6% in reported figures), registering a certain slowdown in the second half of the year in line with our previously reported indications.
Security & Defence and Transport & Traffic represent the majority of the activity in the area.
We would like to highlight the positive performance of Germany, Italy, Belgium, Norway and Turkey, as well as the favorable evolution of certain countries in the East of Europe.

6. ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

INCOME STATEMENT

Revenues were €2,938m, increasing by +5% in local currency. Revenues in reported terms (in euros) have increased slightly (+1%).

Contribution margin (14.3%), decreased -0.7 pp versus 2013:

Contribution margin in Solutions (16.0%) has decreased -0.6 pp versus the same period of the previous year, mainly due to the slowdown of the activity in Latam and the short term commercial investment that requires the international expansion (especially in AMEA).

Contribution margin in Services was 11.2%, -0.7 pp lower versus 2013, as pricing pressure in some verticals and geographies (mainly in Spain and Latam) continues.

D&A reached €64m versus €52m in 2013 as a result of the R&D subsidies recognition and amortization commented in previous earnings report. Excluding this impact, D&A is expected to be similar to the one registered in 2013.

Recurrent operating profit (EBIT before non recurring items) accounted for €204m, slightly below 2013 one (€226m), and the recurrent EBIT margin in 6.9%.

During the fourth quarter the company has included non recurring items affecting the EBIT level by a gross amount of €294m that net of the reversion of provisions totaled €246m, which we will explain in detail in the flowing pages. After these adjustments, EBIT for 2014 reached -€42m.

Net financial expenses were €54m compared to €64m in 2013, thanks to the optimization of Indra's financial resources, and other financial costs, with no impact of cash.

Share of profits of associates and other investees reached -€0.2m versus €12m in 2013, which included the disposal of Indra's 12.77% stake in Banco Inversis S.A. ("Inversis"), with capital gains of approximately €15m before taxes.

Tax rate stood at 29% once excluded the non recurring items (versus 20.4% in 2013), reflecting the lack of usage of the tax credits in Brazil.

Attributable (recurrent) profit (excluding non recurring items) reached €104m, decreasing by -24% versus 2013.

Net Profit reached -€92m, negatively affected by the total gross non recurring items totaled €313m.

NON RECURRING EFFECTS

A number of non recurring items have been registered during the fourth quarter for a total gross amount, before reversal of provisions, of €313m, due to changes in estimates resulting from several factors and events that have taken place in the last part of 2014 and beginning of 2015. The summary of such items is:

Concept	(€M)
Provisions, impairments y over-runs	-231
Impairment of Goodwill	-21
Impairment of Tax credit	-19
Impairment of Intangible assets	-19
Efficiency improvement costs	-17
Other	-6
Total before provisions reversal	**-313**
Provisions reversal	48
Total after provisions reversal	**-265**

The non recurring items, for a gross amount of €313m, are netted by the reversion of two provisions for a total of €48m (€24m of project risk provisions and €24m of personnel provisions) which are foreseen not to be used, resulting in a net figure of €265m.
These €265m of after provisions reversals non-recurring items have a negative impact of €246m in EBIT (with the remaining €19m impacting directly the tax charge).

Provisions, impairments & over-runs

Corresponds to provisions, impairments & over-runs from programs delays, re-programming and cancelations, as well as change in estimates due to events or court situations that took place in the last part of 2014 and beginning of 2015. The breakdown is as follows:

Vertical Market	(€M)
Energy & Industry	-26
Financial Services	-26
Telecom & Media	-3
Public Administrations	-50
Transport & Traffic	-61
Security & Defence	-65
Total provisions, impairments and over-runs	**-231**

Goodwill Impairment

As part of the ordinary review of the business plans used for the assessment of the goodwill of the different businesses of the Group, new hypothesis on the business that reflect the macro situation and the new market conditions have been considered in order to realize new estimates over the business in Brazil and Indra Business Consulting.

As a result of the above, there has been an impairment of €21m:

Brazil: €17m (€85m after the impairment

Indra Business Consulting: €-4m (€24m after the impairment)

Fixed Asset Impairment

As part of the annual ordinary review of the business plans associated with the main intangible assets (capitalized R&D), new estimates have been considered regarding a specific asset.
The application of this new scenario required an impairment of €19m.

Tax Credit Impairment

Although the tax losses carry forwards do not expire in Brazil (but only 30% of the earnings before tax can be used as a base for compensation), only has been considered as an asset those carry forwards that are considered to be used according to the updated business plan (€34m), registering for this reason an impairment of €19m.

The breakdown by nature of the non-recurring items is the following:

	(M €)
Inventories	-139
Clients	-65
Fixed Intangible Assets	-19
Goodwill	-21
Other	-3
Non-recurring items to EBIT after prov. rever.	**-246**
Provisions reversals	48
Non-recurring items to EBIT before prov. rever.	**-294**
Tax credit impairment	-19
Total non-recurring items	**-313**

The company believes that these non-recurring items reflect the current impact from the changing market conditions suffered by Indra in 2014 and the changes in estimates coming from new circumstances (and hypothesis) and last available information.

BALANCE SHEET AND CASH FLOW STATEMENT

By the end of the year, net working capital stood at 106 days of equivalent LTM revenues, excluding the impact of non-recurring items.

Indra invested €42m in Intangible assets (net of subsidies), slightly below the €46m of last year.

Payments for tangible assets reached €15m, versus €10m recorded in 2013.

Financial investments amounted to €13m (net of divestments and the consolidation impact of the joint business units).

Free cash flow during the period was €47m, versus the €27m of last year (adjusted for the divestment previously mentioned).

Net debt position at the end of 2014 amounted to €663m (€622m in 2013), equivalent to 2.5x LTM recurrent EBITDA.

In 2014 the balance of the non-recourse factoring lines amounted to €187m.

HUMAN RESOURCES

The total workforce at the close of 2014 stood at 39,130 employees, +2% up on 2013. It is worth noting the increase of resources in AMEA (+19%) in line with the higher number of professionals in Philippines due to the development strategy carried out in an offshore factory in the country as well as the higher needs of resources in the north of Africa.

It is worth to highlight the decrease of the workforce in Latam as a result of the finalization of certain projects intensive in terms of personnel, and in line with the strategy of increasing the number of value added projects.

Final Workforce	2014	%	2013	%	Variation %
Spain	21,461	55	20,702	54	4
Latam	14,388	37	14,893	39	-3
Europe & North America	1,788	5	1,694	4	6
Asia, Middle East & Africa	1,493	4	1,259	3	19
TOTAL	**39,130**	**100**	**38,548**	**100**	**2**

7. OTHER EVENTS OVER THE PERIOD

There were no other events over the period to be highlighted

8. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

On January 29th 2015 Indra reported to the Spanish Stock Exchange Commission (CNMV) that in the session held that date with the previous report of the Nomination, Remuneration and Corporate Governance Committee, the Board of Directors adopted by unanimity the following agreements, considered as extraordinary items in the agenda at the request of several proprietary directors:

1.- To appoint Mr. Fernando Abril-Martorell Hernández through cooptation procedure.
2.- To accept Mr. Javier Monzón de Cáceres resignation, presented at the request of the Board of Directors following the revocation of his executive powers.
3.- To appoint Mr. Abril-Martorell as Chairman of the Board of Directors and member of the Strategy Committee, with executive character.
4.- To nominate Mr. Javier Monzón as Honorary President, in recognition of his contribution to the Company.

ANNEX 1: CONSOLIDATED INCOME STATEMENT

	2014 €M	2013 €M	Variation €M	%
Revenues	**2,937.9**	**2,914.1**	**23.8**	**1**
Other income	93.3	75.1	18.2	24
Materials consumed and other operating expenses	(1,353.5)	(1,333.0)	(20.4)	2
Personnel expenses	(1,405.5)	(1,453.5)	48.0	(3)
Other results	(4.1)	75.5	(79.6)	NA
Gross Operating Profit (recurrent EBITDA)	**268.2**	**278.1**	**(9.9)**	**(4)**
Depreciations	(64.2)	(51.9)	(12.3)	24
Recurrent Operating Profit (EBIT before non recurring items)	**203.9**	**226.2**	**(22.3)**	**(10)**
Recurrent EBIT margin (before non recurring items	***6.9%***	***7.8%***	***(0.9)***	--
Non recurring Items	(246.4)	(27.9)	(218.5)	783
Net Operating Profit (EBIT)	**(42.5)**	**198.3**	**(240.8)**	**(121)**
EBIT Margin	***-1.4%***	***6.8%***	***(8.3)***	--
Financial results	(54.3)	(64.0)	9.7	(15)
Share of profits (losses) of associates and other investees	(0.2)	12.4	(12.6)	NA
Earnings Before Taxes	**(97.0)**	**146.7**	**(243.7)**	**(166)**
Income tax expenses	6.6	(30.0)	36.6	(122)
Profit for the period	**(90.4)**	**116.7**	**(207.1)**	**(177)**
Attributable to minority interests	(1.5)	(0.9)	(0.6)	NA
Net Profit	**(91.9)**	**115.8**	**(207.7)**	**(179)**
Net Profit recurrent	104.3	138.0	(33.8)	(24)

Figures not audited

ANNEX 2: INCOME STATEMENTS BY SEGMENTS

1. Solutions

	2014 €M	2013 €M	Variation €M	Variation %
Net sales	**1,887**	**1,888**	**(1)**	**-0**
Contribution margin	303	314	(12)	-4
Contribution margin/ Net revenues	***16.0%***	***16.6%***	***(0.6) pp***	
Results from associates	0	1	(0)	--
Segment result	**303**	**315**	**(12)**	**-4**

2. Services

	2014 €M	2013 €M	Variation €M	Variation %
Net sales	**1,051**	**1,026**	**25**	**2**
Contribution margin	118	123	(5)	-4
Contribution margin/ Net revenues	***11.2%***	***11.9%***	***(0.7) pp***	
Results from associates	(4)	0	(4)	--
Segment result	**114**	**123**	**(8)**	**-7**

3. Total consolidated

	2014 €M	2013 €M	Variation €M	Variation %
Revenues	**2,938**	**2,914**	**24**	**1**
Consolidated contribution margin	421	437	(16)	-4
Contribution margin/ Revenues	***14.3%***	***15.0%***	***(0.7) pp***	
Other non-distributable corporate expenses	(217)	(211)	(6)	3
Recurrent operating profit (EBIT before non recurring items)	**204**	**226**	**(22)**	**-10**
Non recurring Items	(246)	(28)	(219)	783
Net operating profit (EBIT)	**(42)**	**198**	**(241)**	**-121**

Figures not audited

ANNEX 3: CONSOLIDATED BALANCE SHEET

	2014 €M	2013 €M	Variation €M
Property, plant and equipment	127.3	144.1	(16.8)
Intangible assets	289.8	285.9	3.9
Investments in associates and other investments	89.5	79.5	10.1
Goodwill	583.3	605.9	(22.7)
Deferred tax assets	116.0	87.1	28.9
Non-current assets	**1,206.1**	**1,202.6**	**3.5**
Non-current net assets held for sale	7.7	7.6	0.1
Operating current assets	1,841.2	2,059.8	(218.7)
Other current assets	132.5	143.9	(11.3)
Cash and cash equivalents	293.9	363.1	(69.2)
Current assets	**2,275.2**	**2,574.4**	**(299.1)**
TOTAL ASSETS	**3,481.3**	**3,776.9**	**(295.7)**
Share Capital and Reserves	942.5	1,125.2	(182.7)
Treasury stock	(1.6)	(1.3)	(0.4)
Equity attributable to parent company	**940.9**	**1,124.0**	**(183.1)**
Minority interests	12.7	10.7	2.0
TOTAL EQUITY	**953.6**	**1,134.7**	**(181.1)**
Provisions for liabilities and charges	40.4	99.3	(58.9)
Long term borrowings	825.7	789.9	35.9
Other financial liabilities	8.9	4.0	4.9
Deferred tax liabilities	1.8	16.1	(14.3)
Other non-current liabilities	35.0	40.0	(5.0)
Non-current liabilities	**911.9**	**949.3**	**(37.4)**
Current borrowings	130.9	195.7	(64.8)
Operating current liabilities	1,193.0	1,191.4	1.6
Other current liabilities	292.0	305.8	(13.8)
Current liabilities	**1,615.8**	**1,692.9**	**(77.1)**
TOTAL EQUITY AND LIABILITIES	**3,481.3**	**3,776.9**	**(295.6)**
Net debt	***662.7***	***622.5***	***40.3***

Figures not audited

ANNEX 4: CONSOLIDATED CASH FLOW STATEMENT

	2014 €M	2013 €M	Variation €M
Profit before taxes	(97.0)	146.7	(243.7)
Adjusted for:			
- Depreciations	64.2	51.9	12.3
- Provisions, capital grants and others	199.5	(9.6)	209.2
- Share of profit / (losses) of associates and other investees	3.3	(0.7)	4.0
- Net financial result	49.5	60.3	(10.8)
- Dividens received	0.4	1.1	(0.7)
Operating cash-flow prior to changes in working capital	**220.0**	**249.7**	**(29.7)**
Receivables, net	(45.0)	35.0	(80.0)
Inventories, net	46.7	0.7	46.0
Payables, net	14.9	(70.4)	85.3
Change in working capital	**16.7**	**(34.6)**	**51.3**
Other operating changes	(44.3)	(28.0)	(16.3)
Income taxes paid	(52.6)	(34.9)	(17.7)
Cash-flow from operating activities	**139.8**	**152.2**	**(12.4)**
Tangible, net	(14.9)	(9.9)	(5.0)
Intangible, net	(41.8)	(46.3)	4.5
Investments, net	(12.9)	(14.1)	1.2
Interest received	4.9	4.4	0.5
Net cash-flow provided/(used) by investing activities	**(64.7)**	**(65.9)**	**1.2**
Changes in treasury stock	(6.9)	(2.5)	(4.4)
Dividends of subsidiaries paid to minority interests	(0.2)	(0.2)	(0.0)
Dividends of the parent company	(55.6)	(55.8)	0.2
Short term financial investment variation	2.2	(1.5)	3.7
Increases (repayment) in capital grants	5.3	3.4	2.0
Increase (decrease) in borrowings	(44.3)	319.2	(363.5)
Interest paid	(46.2)	(51.6)	5.4
Cash-flow provided/(used) by financing activities	**(145.7)**	**210.9**	**(356.7)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(70.6)**	**297.2**	**(367.8)**
Cash & cash equivalents at the beginning of the period	**363.1**	**69.8**	**293.2**
Foreign exchange differences	1.4	(4.0)	5.4
Net change in cash and cash equivalents	(70.6)	297.2	(367.8)
Cash & cash equivalents at the end of the period	**293.8**	**363.1**	**(69.2)**
Long term and current borrowings	(956.6)	(985.5)	28.9
Net debt/ (cash) position	***662.7***	***622.5***	***40.3***
Free Cash Flow *(1)*	**47.1**	**52.1**	**-5.0**

(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.

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