

**indra**

# Investors Presentation

Leading the Future

October 2024



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# Indra's Vision and Main Figures

Become the Spanish multinational of reference in  
& Aerospace and Advanced Digital Technologies

Defence



Defence

19%



Air Traffic  
Management

8%



Mobility

8%



Minsait

64%

*% of Total Sales*

**€4.3Bn**

Revenues 2023

**€446m**

EBITDA 2023

*10,3% EBITDA margin*

**€347m**

EBIT 2023

*8,0% EBIT margin*

**>140**

Countries

**~58,000**

Employees

**€373m**

In R&D

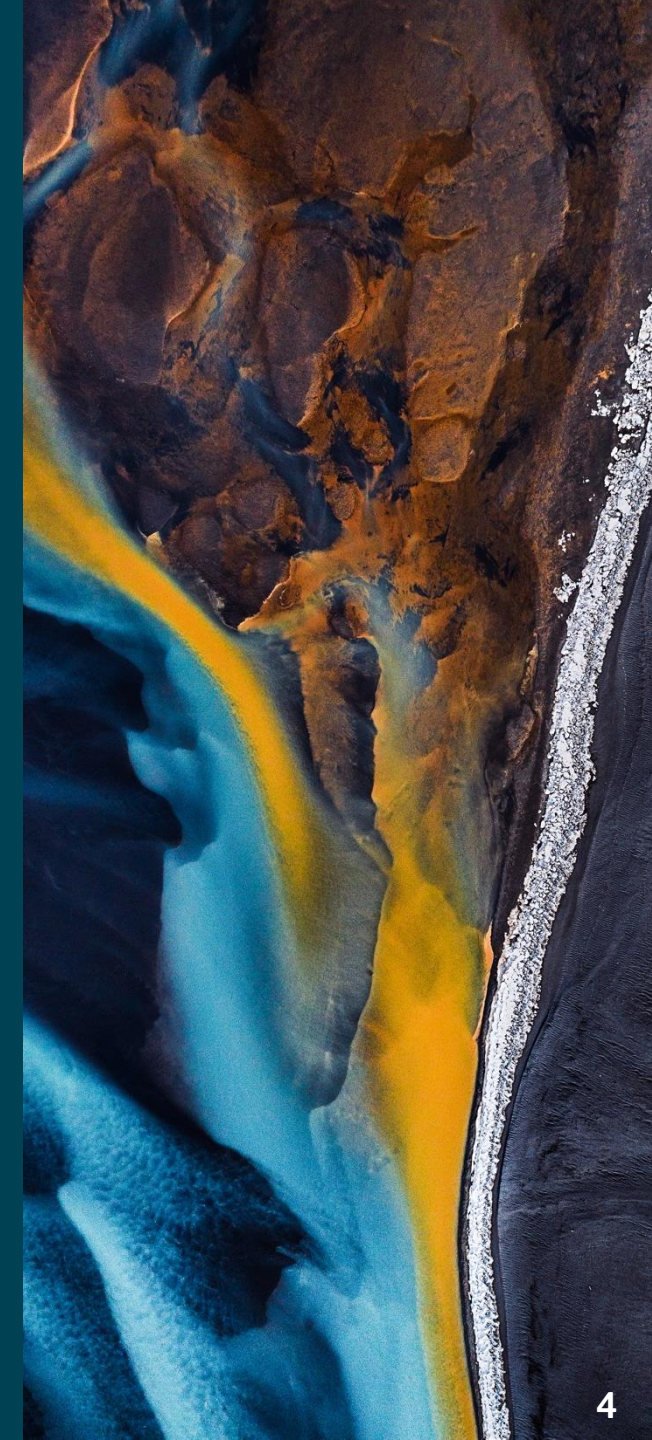
# Main Figures by Division

Defence	2023	2022	Variation (%)
	(€m)	(€m)	Reported / Local currency
Backlog	2,953	2,953	(0.0) / 0.0
Net Order Intake	817	1,338	(38.9) / (38.9)
Revenues	817	662	23.4 / 23.5
EBITDA	163	132	23.6
EBITDA Margin %	20.0%	19.9%	0.1 pp
Operating Margin	152	115	32.3
Operating Margin %	18.6%	17.3%	1.3 pp
EBIT	146	111	31.8
EBIT margin %	17.8%	16.7%	1.1 pp
Book-to-bill	1.00	2.02	(50.5)
Backlog / Revs LTM	3.61	4.46	(19.0)

Air Traffic Management	2023	2022	Variation (%)
	(€m)	(€m)	Reported / Local currency
Backlog	737	679	8.5 / 10.5
Net Order Intake	371	504	(26.5) / (24.5)
Revenues	361	299	20.8 / 25.1
EBITDA	57	43	32.8
EBITDA Margin %	15.8%	14.4%	1.4 pp
Operating Margin	46	33	39.8
Operating Margin %	12.8%	11.0%	1.8 pp
EBIT	44	31	42.1
EBIT margin %	12.3%	10.4%	1.9 pp
Book-to-bill	1.03	1.69	(39.2)
Backlog / Revs LTM	2.04	2.27	(10.2)

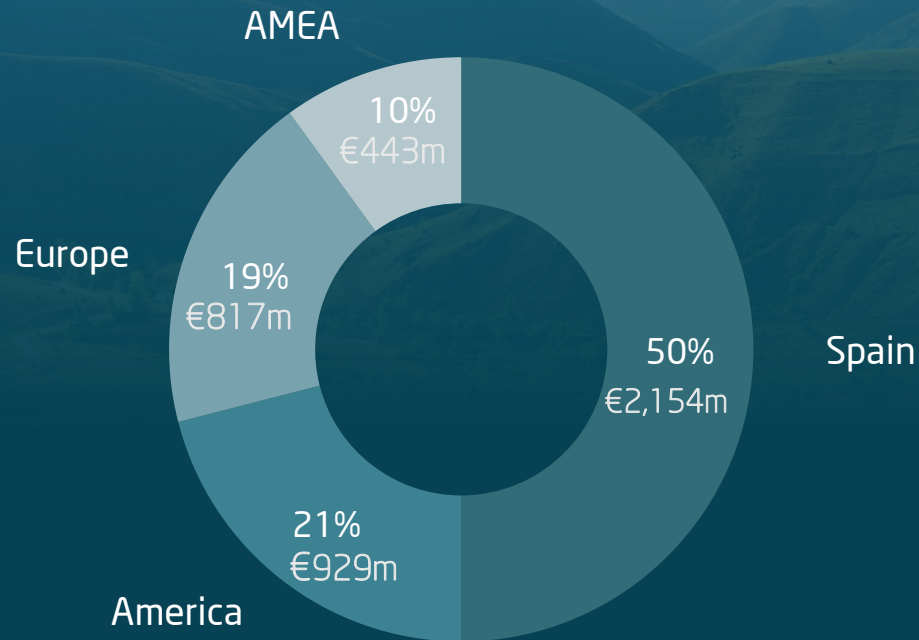
Minsait	2023	2022	Variation (%)
	(€m)	(€m)	Reported / Local currency
Backlog	2,172	1,742	24.7 / 25.2
Net Order Intake	3,047	2,615	16.5 / 18.6
Revenues	2,798	2,542	10.1 / 11.6
EBITDA	214	205	4.5
EBITDA Margin %	7.7%	8.1%	(0.4) pp
Operating Margin	196	187	4.4
Operating Margin %	7.0%	7.4%	(0.4) pp
EBIT	151	142	6.3
EBIT margin %	5.4%	5.6%	(0.2) pp
Book-to-bill	1.09	1.03	5.9
Backlog / Revs LTM	0.78	0.69	13.2

Mobility	2023	2022	Variation (%)
	(€m)	(€m)	Reported / Local currency
Backlog	914	934	(2.1) / (2.0)
Net Order Intake	348	321	8.3 / 7.6
Revenues	366	348	5.3 / 5.8
EBITDA	12	20	(43.2)
EBITDA Margin %	3.2%	5.8%	(2.6) pp
Operating Margin	9	19	(52.1)
Operating Margin %	2.5%	5.5%	(3.0) pp
EBIT	6	17	(64.2)
EBIT margin %	1.6%	4.8%	(3.2) pp
Book-to-bill	0.95	0.92	2.9
Backlog / Revs LTM	2.50	2.69	(7.1)

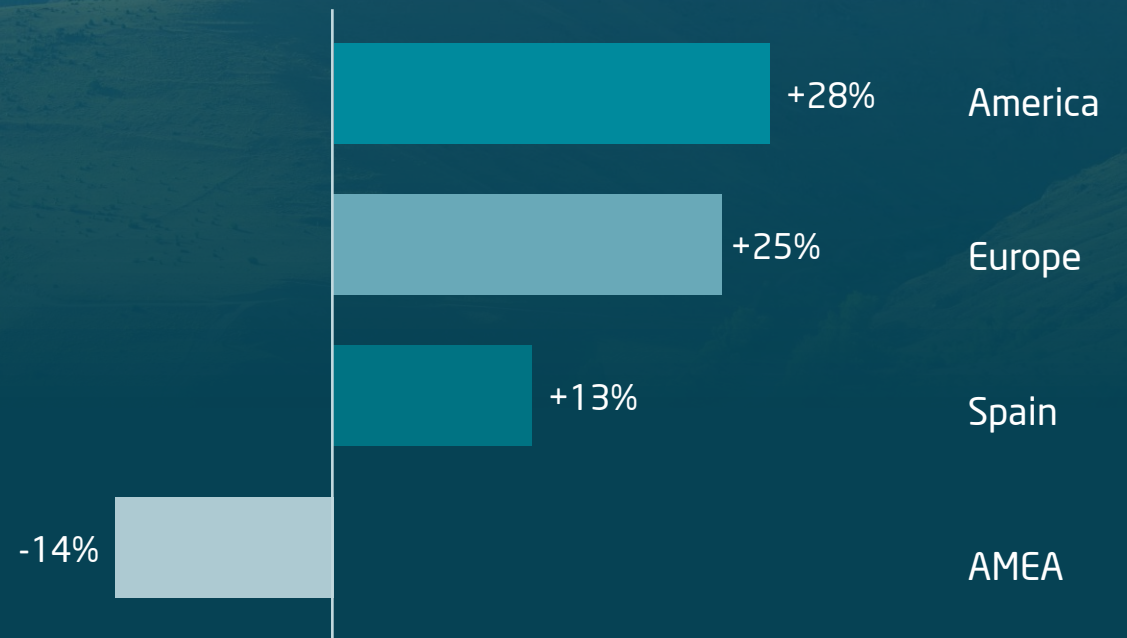


# Revenues breakdown by Geography

**Sales 2023**  
€4,343m



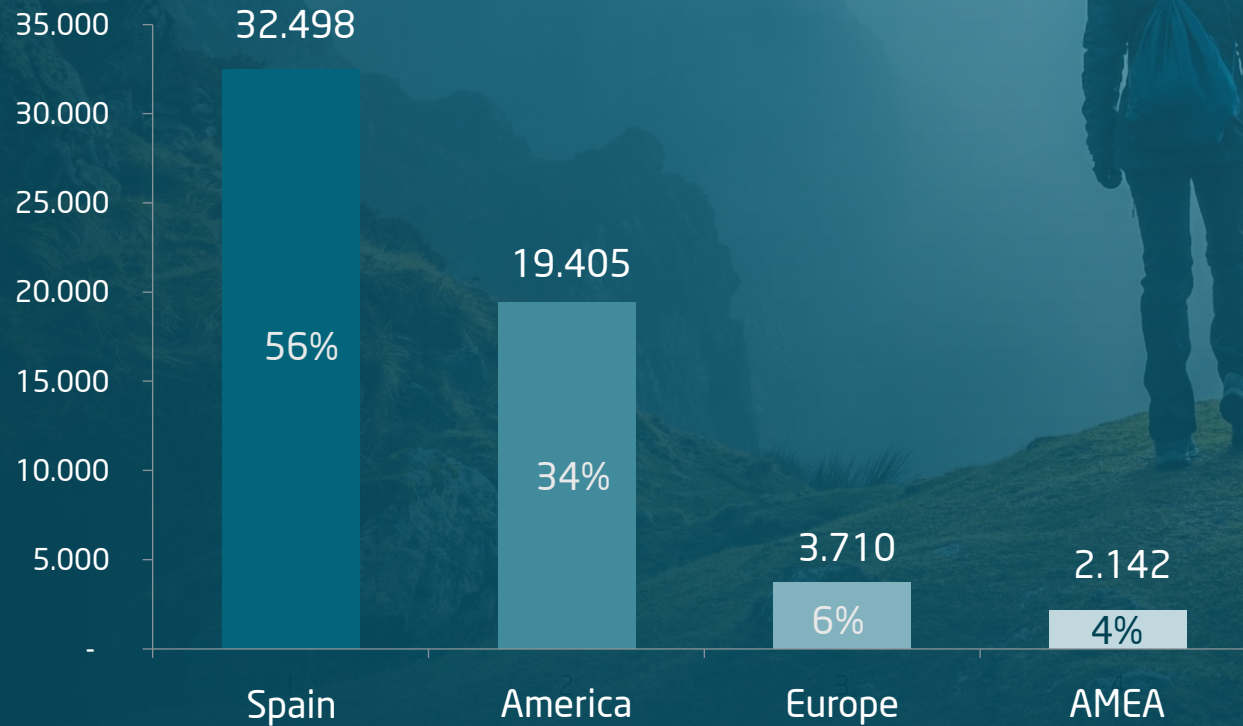
**Revenue Growth 2023 vs 2022**  
(figures in Local currency)



# Key Workforce Figures

## Employees by Region 2022

57,755



Employee commitment

73%



Employee attrition rate

12%



Employee promotions

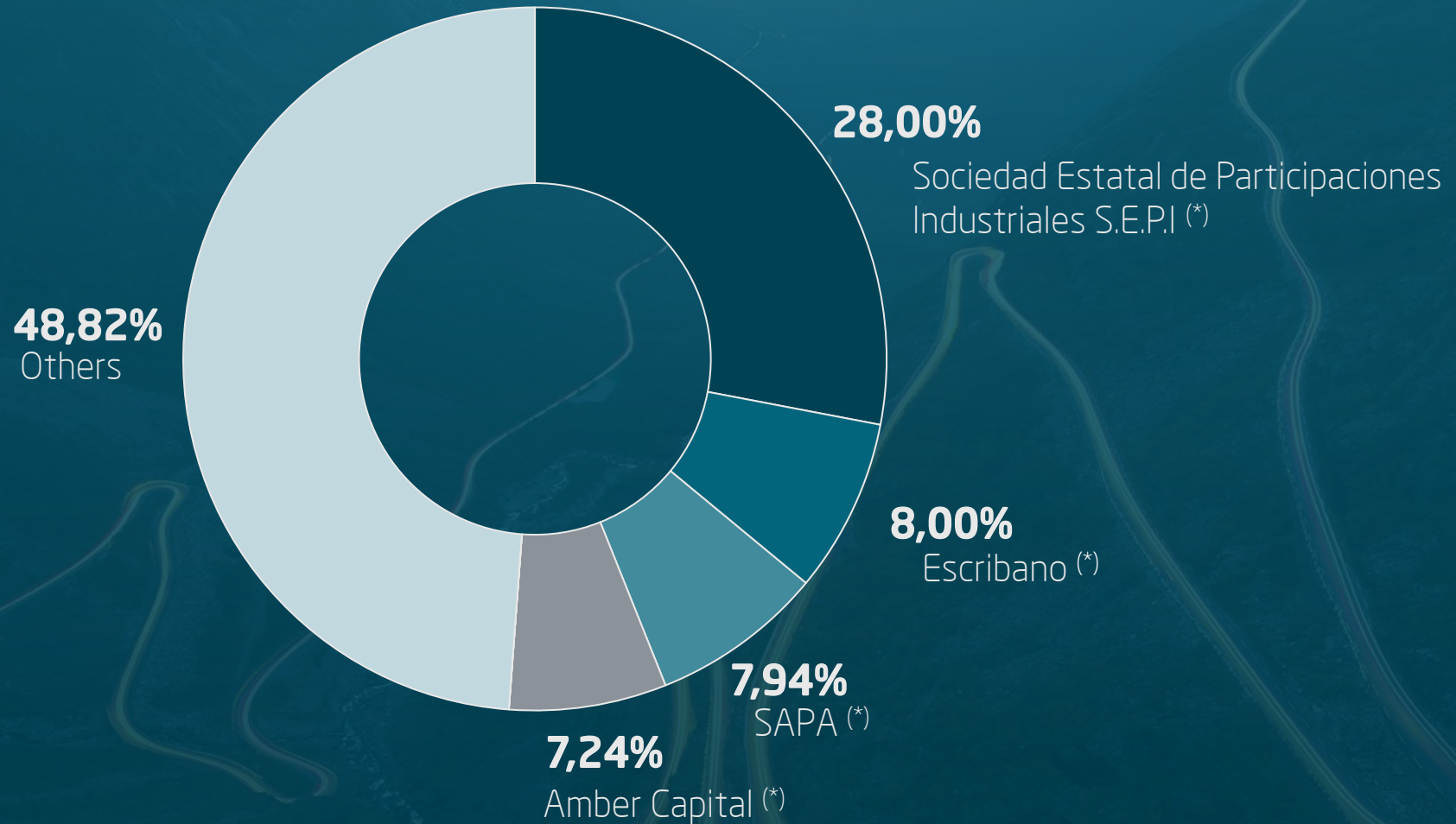
26%



Diversity

32%

# Main Shareholders









(\*) Board of Directors representation  
CNMV data. Identified shareholders with a position in excess of 3%

Figures updated as of 17/10/2024

The data provided in this section includes the information provided by the shareholders to the Spanish National Securities Market Commission (CNMV), and with regard to the shareholders who are represented on the Board of Directors, the information which has been notified to the Company.

# Key ESG achievements

## Relevant presence in the main ESG indexes


 Now a Part of <b>S&amp;P Global</b>	 FTSE4Good	 SUSTAINALYTICS
<b>TOP 1%</b> N°1 industry leader in DJSI World 2021, 2022 & 2023 S&P Sustainability Award <b>Gold Class</b>	<b>Member</b> <b>Best score</b> in governance, Human Rights, labor standards, and Climate Change	<b>Low ESG Risk</b> Demonstrating strong management of ESG relevant issues with a solid corporate governance
 MSCI	 PLATINUM <b>2023</b> ecovadis Sustainability Rating	 CDP DRIVING SUSTAINABLE ECONOMIES
<b>AA</b> High performance on <b>corporate governance,</b> <b>emissions</b> and <b>Clean Tech.</b> <b>opportunities</b>	<b>Platinum Top 1%</b> Fulfilling most stringent <b>environmental, labor</b> <b>practice</b> and <b>human rights</b> requirements	<b>A List</b> Leading <b>climate action</b> with first-class practices on <b>climate change</b>

## Committed to talent



**Recognized as a Top Employer for 5 years** for the outstanding work environment and talent development practices


## Supporting gender equality



Listed in the **Bloomberg Gender Equality Index 2023** for gender equality best practice

- 32% women on staff

## Acting on Climate Change



SCIENCE BASED TARGETS  
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- **2030: -50%** scope 1 and 2 and -14% scope 3 emissions
- **2040:** carbon neutral, -50% scope 3 emissions
- **2050:** net zero



# Main Figures 2015-2023

	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
<b>Backlog (€m)</b>	3,193	3,129	3,612	4,065	4,511	5,229	5,459	6,309	6,776
<b>Order Intake (€m)</b>	2,651	2,744	3,248	3,437	3,686	3,858	3,714	4,778	4,583
<b>Revenues (€m)</b>	2,850	2,709	3,011	3,104	3,204	3,043	3,390	3,851	4,343
<b>EBITDA (€m)</b>	131	229	266	293	343	230 <sup>(2)</sup>	349 <sup>(3)</sup>	400	446
<b>EBIT (€m)</b>	45 <sup>(1)</sup>	162	196	199	221	120 <sup>(2)</sup>	256 <sup>(3)</sup>	300	347
<b>EBIT margin</b>	1.6% <sup>(1)</sup>	6.0%	6.5%	6.4%	6.9%	4.0% <sup>(2)</sup>	7.5% <sup>(3)</sup>	7.8%	8.0%
<b>Net profit Reported (€m)</b>	-641	70	127	120	121	-65	143	172	206
<b>CAPEX (€m) net of subsidies</b>	37	28	40	79	76	39	-11	39	15
<b>FCF (€m)</b>	-50	184	186	168	8	83	289	253	312
<b>Net Debt (€m)</b>	700	523	588	483	552	481	240	43	107

(1) Before non-recurrent items of €687m

(2) Before non-recurrent items of €153m

(3) Includes non-recurrent items of €10m

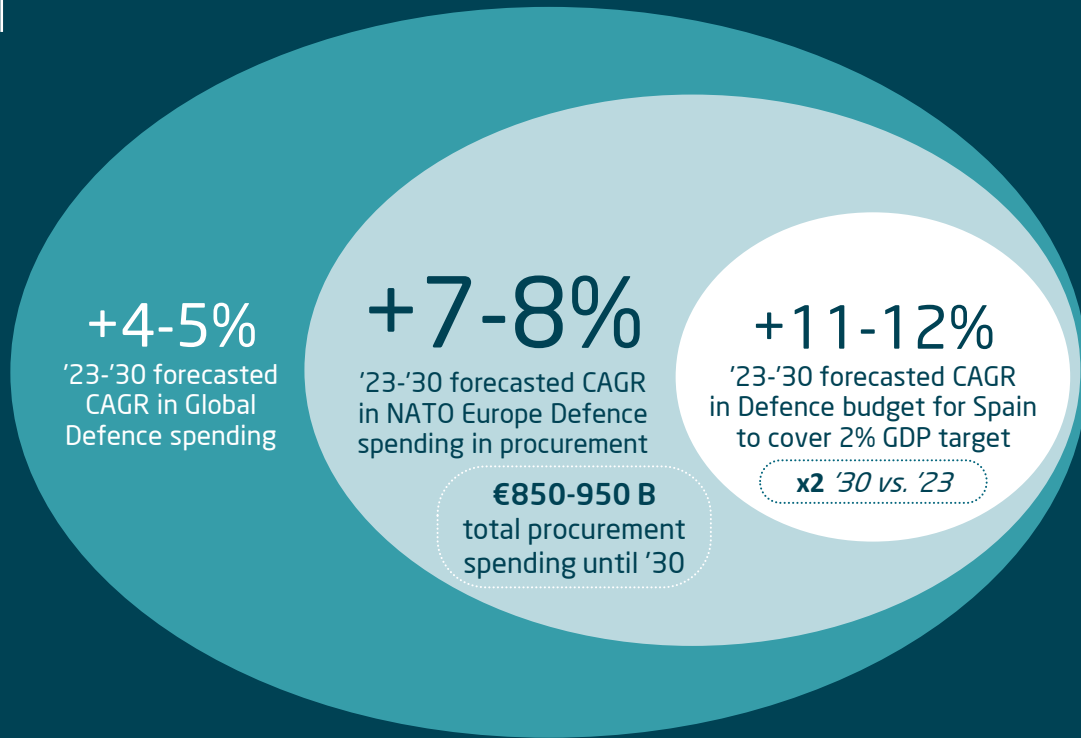


# Long-term Strategic vision '24-'30

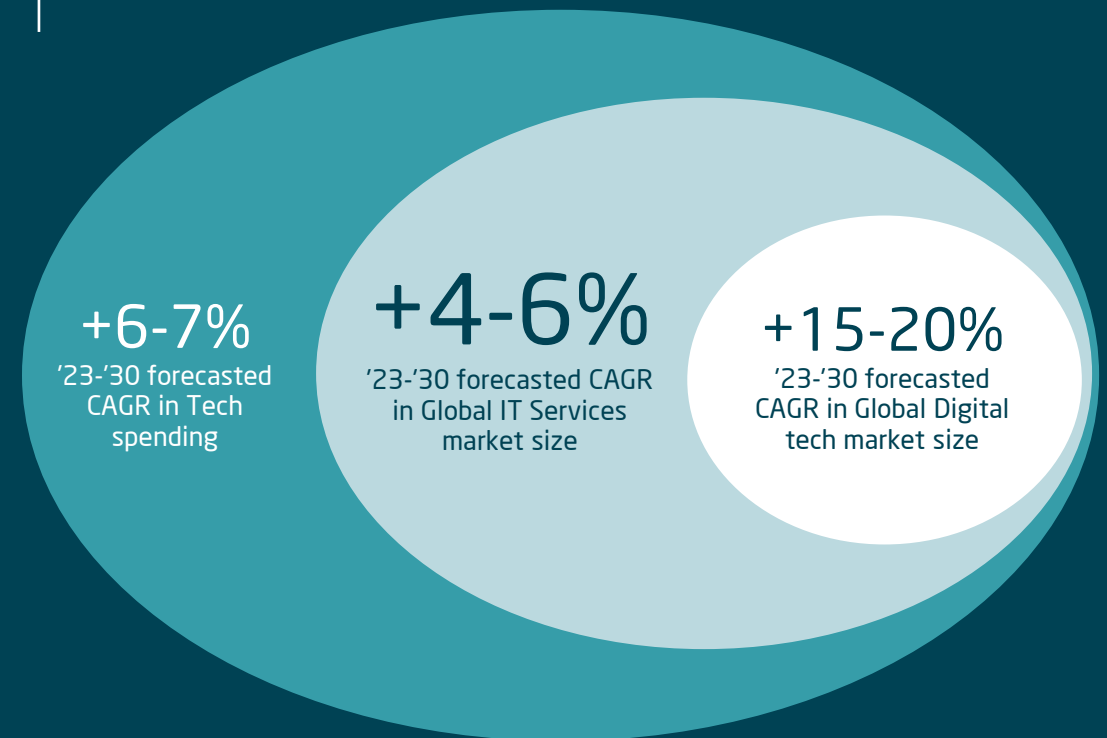
# Market Environment

## Growth in Defence & Technology

### Defence



### Technology



# Market Drivers |

## Five underlying drivers shaping Defence & Technology

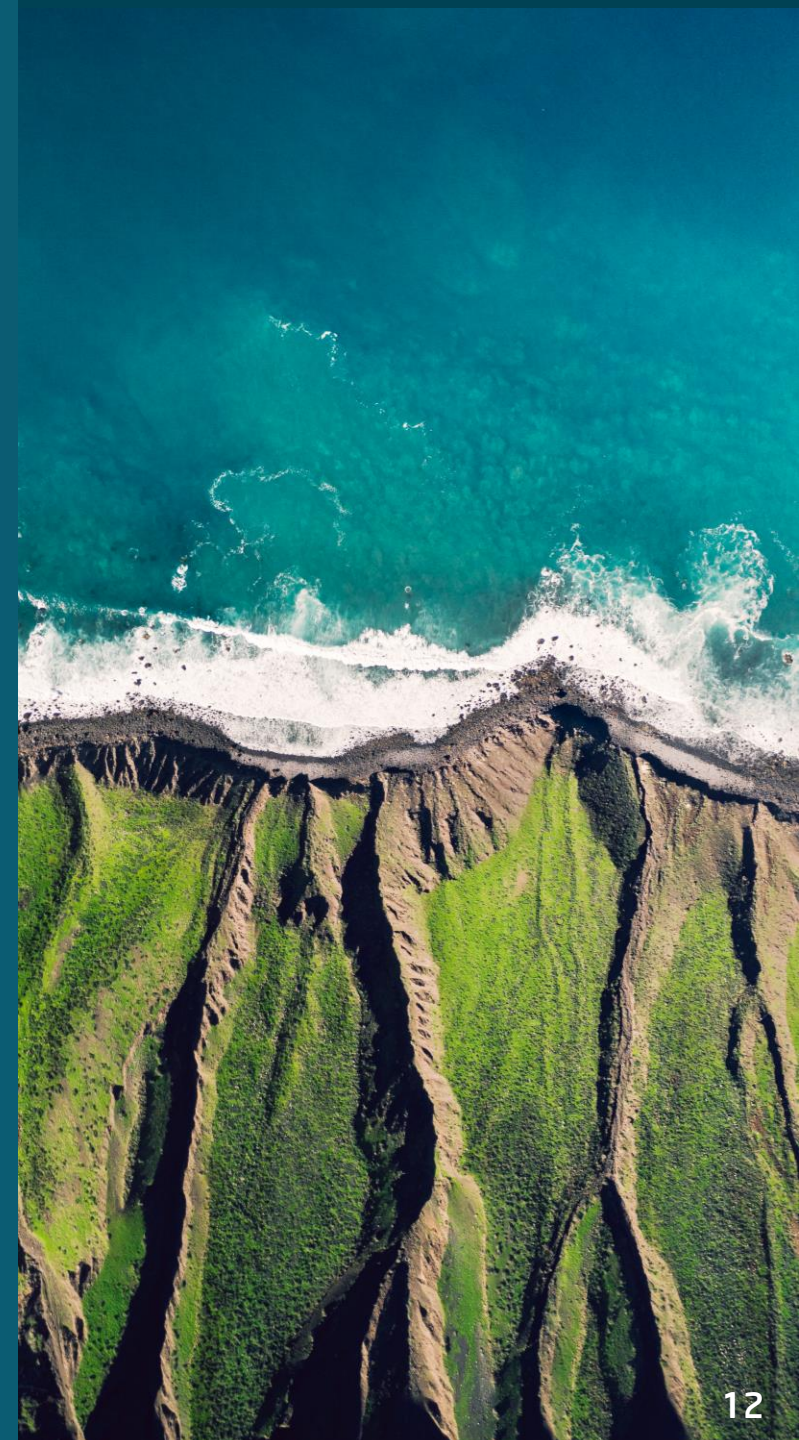
01 Enduring and increasing military conflicts

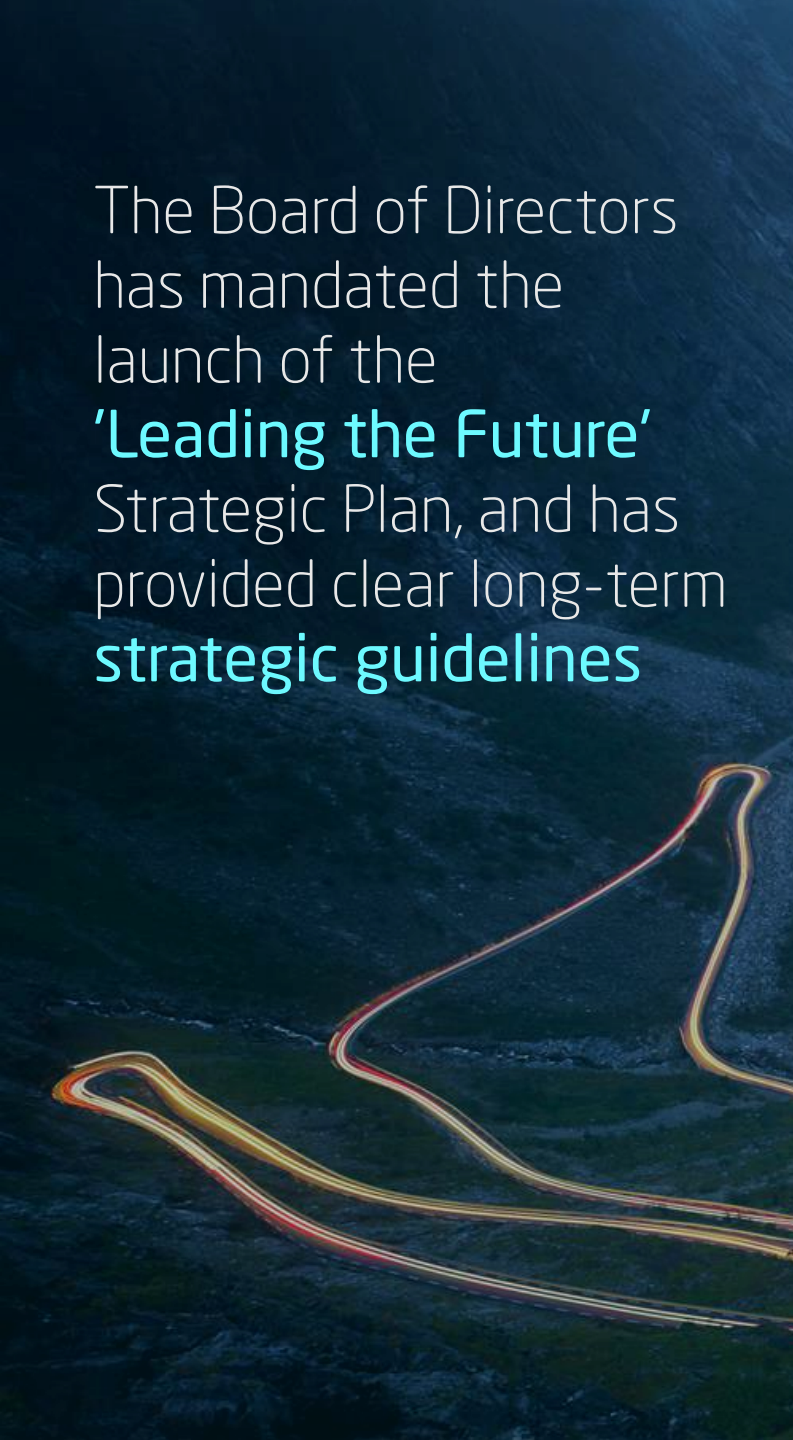
02 New Defence investment cycle in Europe, leading to new programmes with active Spanish participation

03 Increasing relevance of technology and share of Defence Systems due to Europe's operational platform modernization

04 Integration of Land, Sea & Air with new Space & Cyberspace domains emphasizes the need for multidomain interoperability

05 New wave of digitalization led by AI, Cloud & Cybersecurity as game-changer of society and economy





The Board of Directors has mandated the launch of the **'Leading the Future'** Strategic Plan, and has provided clear long-term **strategic guidelines**

01. Accelerate transition to a **multidomain national reference** in **Defence**
  - Evolve to a Global System Integrator and Domestic Coordinator in Air & Land
  - Develop the Space domain, creating a European Tier-1 business with end-to-end capabilities
02. Reach **Global ATM leadership**, scaling-up in North America & Asia-Pacific and expanding into unmanned traffic management
03. Become the advanced **technology & services ecosystem Coordinator** across industries in Europe & LatAm
  - Foster the development of most advanced digital technologies and capabilities in AI, Cloud & Cybersecurity
04. **Divest non-core assets** and proactively **boost acquisitions and partnerships/alliances**
05. Reinforce **brands** to continue being the **preferred employer** for the **high-value technological talent** in priority geographies

# Strategic Lines

## 'Leading the Future' pivots around seven strategic lines

### Business strategic lines

1. Focus on Defence & Aerospace



Defence



Air Traffic Management

2. Create a Space NewCo



Space

3. Increase Minsait's autonomy with partner(s)



Minsait

### Cross-Group strategic lines

4. Strengthen presence in new 'home markets'

5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

6. Increase investment in technological R&D

7. 'Double down' on critical talent

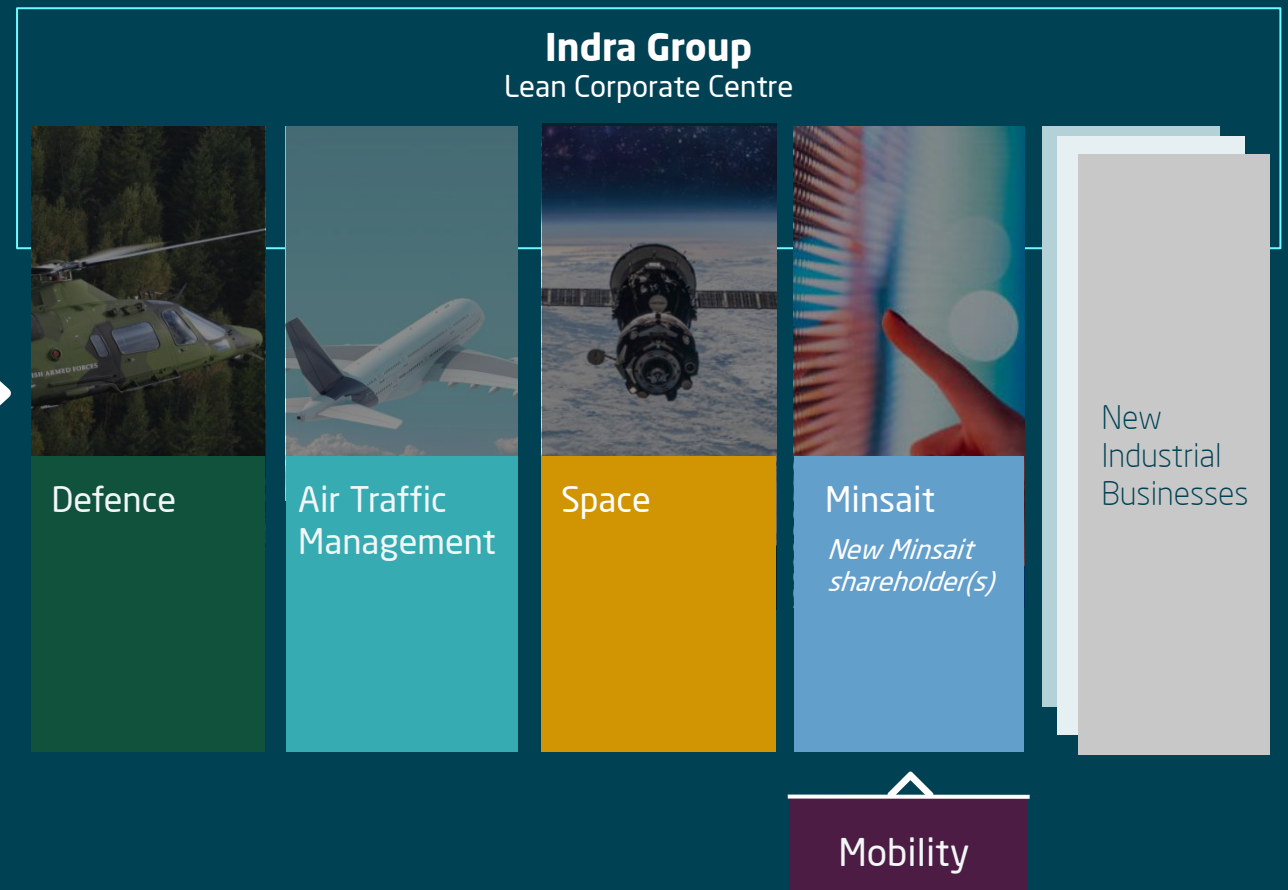
# Indra's Future Structure

## Indra will evolve towards a more flexible Group structure

### INDRA'S CURRENT STRUCTURE



### INDRA'S FUTURE STRUCTURE



Indra Defence  
vision



Evolve into a **Land, Air & Cyberspace Spanish Coordinator** in European programmes

Become a **Defence Systems Integrator of reference**

Transform the business from  
**National to International**



# 1. Focus on Defence & Aerospace | Defence

Become a multidomain System Integrator;  
Act as Coordinator in specific programmes



Air



Land



Sea



Cyberspace



Space

## Large programmes & integrated systems

National Coordinator in European programmes  
International air Defence Systems Integrator

National Coordinator in European programmes  
System Integrator of reference at European/ international level

Integrator of specific naval systems at National and European level

Coordinator of National and European cooperation cyberspace Defence programmes

National leader and European Tier-1 company  
Detailed in strategic line #2: Create a Space NewCo

## Aftermarket

Evolution towards **Aftermarket 4.0** and **more sophisticated** models bringing **higher recurrence** and **margin**

Indra will **leverage the ecosystem** to achieve the Defence vision



**Europe**  
(M&A & partnerships)



**Middle East**  
(Local JVs / partnerships)



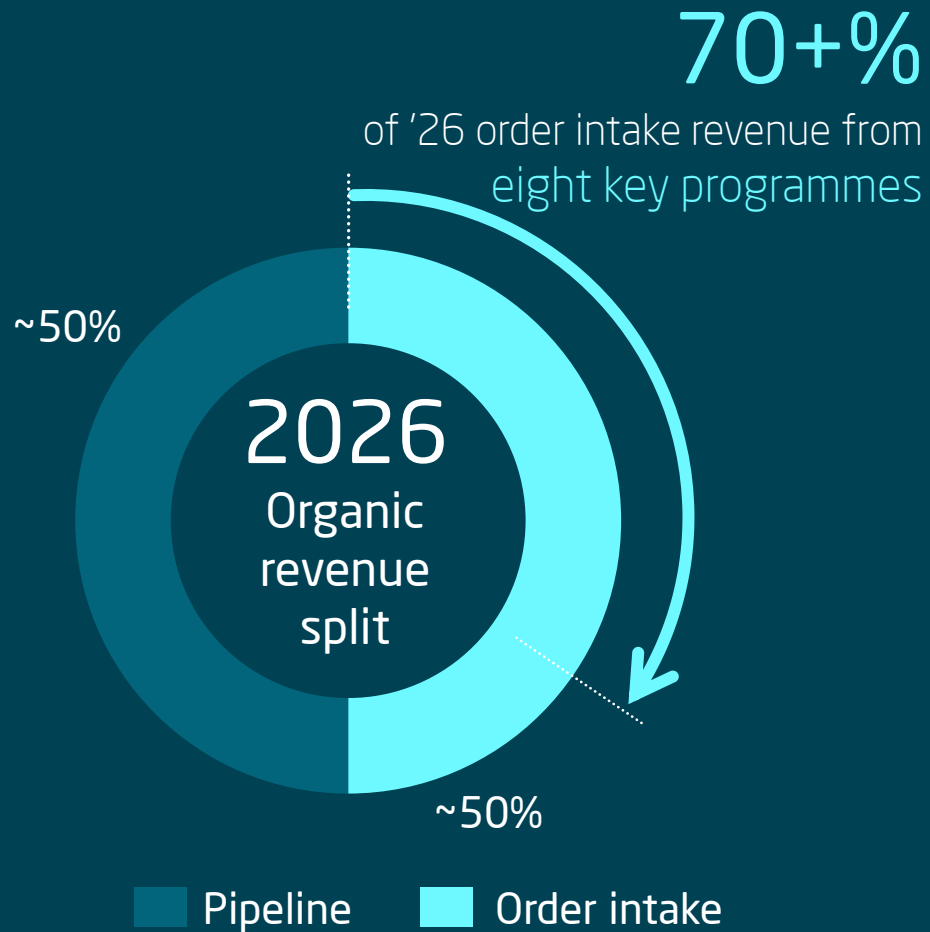
**U.S.**  
(Local partnerships)



**Rest**  
(Export)

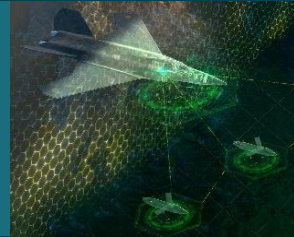
# 1. Focus on Defence & Aerospace | Defence

50% of '26 organic sales already committed, of which 70+% are from eight programmes



## FCAS

National Coordinator for NGWS programme, & international leader for the Sensors pillar



## Eurofighter

Supply of next-generation Radar & Electronic Defence Systems



## NH-90

Integration of Self-protection & Simulation Systems



## A-400M

Supply of Surveillance & Self-Protection Systems



## MKIII (Tiger)

Modernization of Tiger helicopters with Mission & Electronic Defence Systems



## Chinook

Supply of Mission & Electronic Defence Systems



## VCR 8x8

Integration of Mission & Situational Awareness Systems in ~350 vehicles



## F110

Integration of Electronic Defence Systems & next-generation Sensors



# 1. Focus on Defence & Aerospace | Defence

We will focus on six tech categories integrated into 11 client-focused solutions



# Indra Air Traffic Management vision



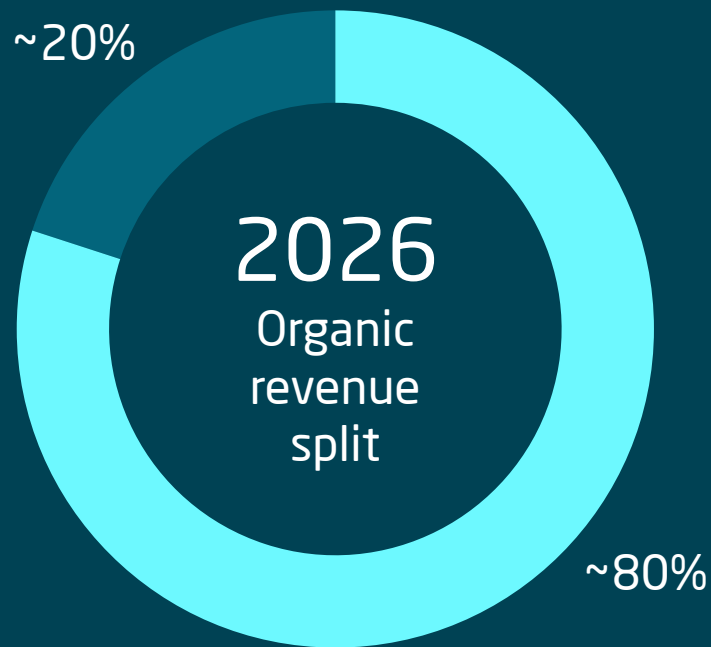
Maintain **leadership** in Air Traffic Management  
in **Europe, Middle East and Latin America**

Reach the **number one position globally** by  
strengthening our core presence in **North  
America and Asia-Pacific**

Extend the **automation technological solution** to  
Middle East, Latin America and Asia

# 1. Focus on Defence & Aerospace | ATM

Indra will expand its European ATM leadership to other regions & market segments



- Backlog & high-probability pipeline
- Identified opportunities



Europe

## European leadership consolidation

- Reinforce **iTEC** alliance, pushing forward new **automation** solutions
- Capture **surveillance** system renewal programmes



North America



Asia-Pacific

## Expansion of leadership to North America and Asia-Pacific/India

- Integration of acquisitions (*e.g. SELEX*) and scale-up with alliances & bolt-ons to strengthen positioning towards incoming **U.S.** programmes
- Capture large **system renewal opportunities** and develop **Single Sky** programmes and **technology-partner-like alliances** in Asia-Pacific



UTM

## Development of local unmanned traffic management platform and opportunities

(*e.g. U-Space Service Provider*)

# 1. Focus on Defence & Aerospace | Defence & ATM

## Illustrative example of Radar operations turnaround

AS-IS		TO-BE	
60	Annual units in production	>	x3 Annual units in production
10-30%	Radar commonalities between markets for main radar families (e.g. ATM and air defence, air defence and naval platforms)	>	+60% Radar commonalities between markets for main radar families (e.g. ATM and air defence, air defence and naval platforms)
18	Radar families	>	13 Radar families evolving from 2025 to 2030
•	~30%	Design and prototyping lead time reduction	→
•	~50%	Production lead time reduction	→
•	~20%	Radar delivery cost reduction	→

# Indra Space vision

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**Tier-1 European player** with global footprint  
and presence in main European programmes

**Dual civil-military offering** with  
**end-to-end capabilities** alongside the value chain

**International ecosystem of shareholders**  
**and partners** to accelerate growth

## 2. Create a Space NewCo

Increasing relevance of **communications** for Spain's & Europe's strategic autonomy



Space as the 5<sup>th</sup> domain in Defence, key for EU's strategic autonomy in **communications**

Next-gen satellite-based **communications**, navigation & surveillance

IoT & M2M use cases, broadband **communications**, data analytics, ...

Wide-spread presence of **Defence and ATM players** in the Space industry **with dedicated divisions** and strong M&A activity

Thales Elbit Systems

RTX Lockheed Martin

Northrop Grumman

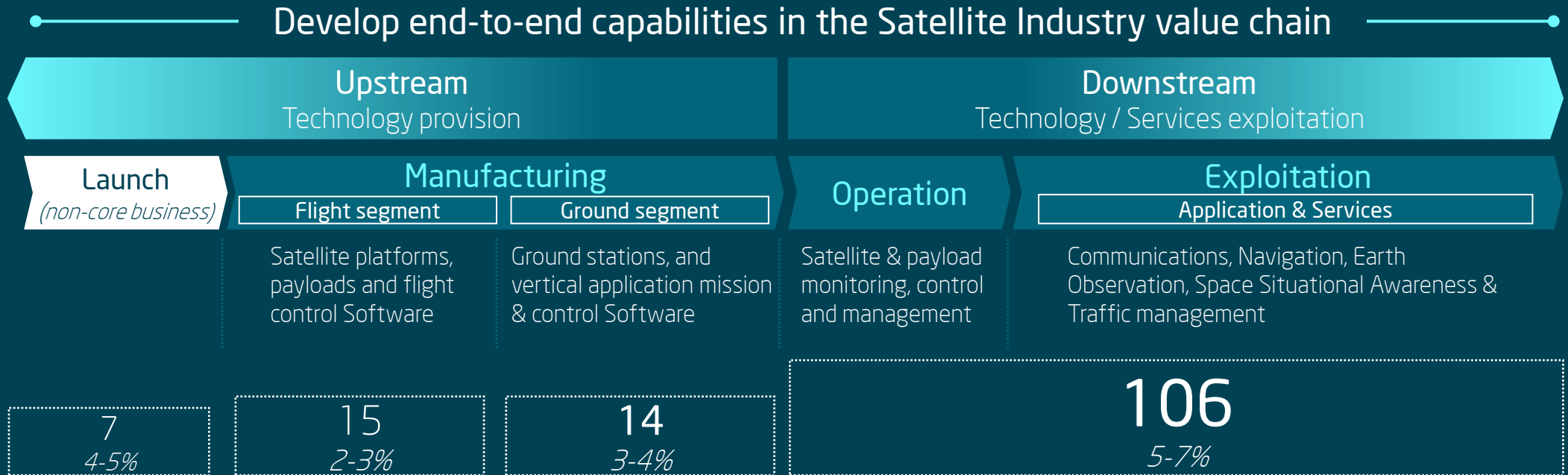
Airbus Defence & Space

BAE Systems



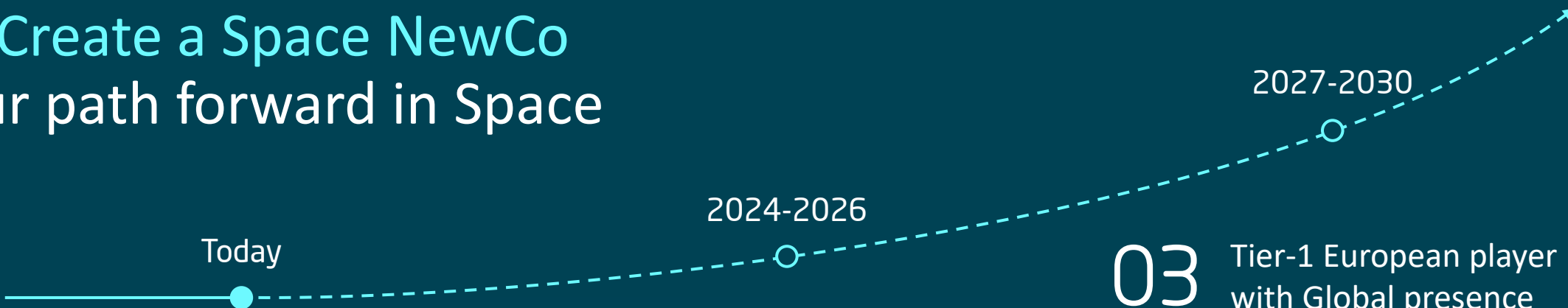
## 2. Create a Space NewCo

Indra's Space business will be the cornerstone of a NewCo with end-to-end capabilities

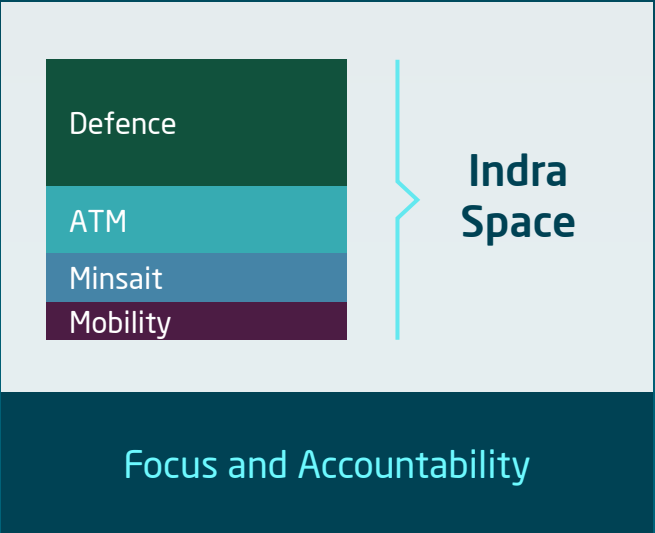


# 2. Create a Space NewCo

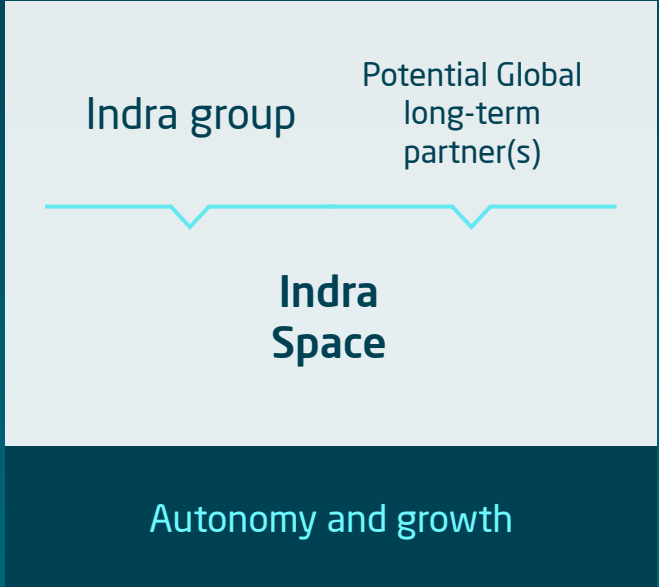
## Our path forward in Space



**01** Aggregate current capabilities



**02** Creation of a NewCo



**03** Tier-1 European player with Global presence



Indra's vision  
for Minsait

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Become one of the **main European and Latin American IT Services players**

Aggressively rebalance portfolio towards most-advanced **digital business** lines

Accelerate expansion into **higher-value geographies**

### 3. Increase Minsait's autonomy

01

Higher operating **autonomy** inside the Group, with **dedicated governance**

02

**Partner** with minority or majority **strategic shareholder(s)** to boost ambitious growth plan

03

**Mobility** as new business line to leverage Minsait capabilities

04

**Divestment of non-core businesses**

05

Reinforce **group-wide digital capabilities** to provide services to other Indra's businesses

### 3. Increase Minsait's autonomy

New partner(s) will be the cornerstone of Minsait's growth & repositioning plan

01



#### Operational excellence

Capture efficiencies through Gen AI roll-out; optimize unitary costs of production pyramids

02



#### Sales effectiveness

Deploy a proactive commercial model around priority offerings and target clients; develop joint sales plans with large techs

03



#### Maximization of value offer

Focus on digital: AI, Cloud, Cybersecurity & other high-potential tech (*AR/VR, IoT, IT-OT, blockchain*)

04



#### Consolidation of international presence

Focus on value geographies (Europe, Middle East); scale-up LatAm operations



Unique management of business & tech talent

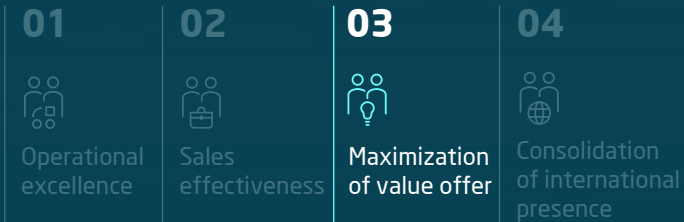



Systematization of M&A (*bolt-ons*) to reinforce shift towards digital and value geographies


# 3. Increase Minsait's autonomy

## Maximization of value offer

### Focus on digital



 Unique management of business & tech talent

 Systematization of M&A



#### Artificial Intelligence

Data/ knowledge, foundational models, integration, use cases/ implementation in business processes

#### Cloud

Modernization of traditional applications (*new architectures, new technologies*) and cloud migration

#### Cybersecurity

Advanced services (*AI/ anticipation*), next-gen solutions (*information security and operations security*)

#### Payments

Value chain end-to-end proprietary software, in an as-a-Service format, for processors, end clients and fintechs

#### Sustainability

Digital assets/ use cases on energy transition, environment protection, circular economy, financial inclusion

#### Other high-potential technologies

New relationship models (*AR/VR*), physical operations automation (*IoT, edge, IT-OT, 5G/6G*), blockchain/ ledgers

# Strategic Lines

## 'Leading the Future' pivots around seven strategic lines

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1. Focus on Defence & Aerospace

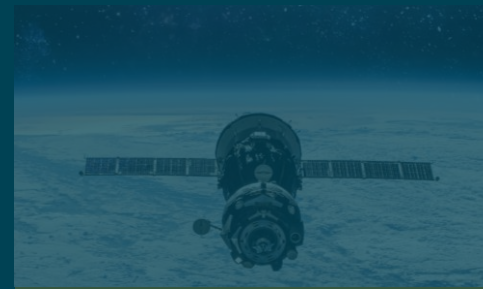


Defence



Air Traffic Management

2. Create a Space NewCo



Space

3. Increase Minsait's autonomy with partner(s)



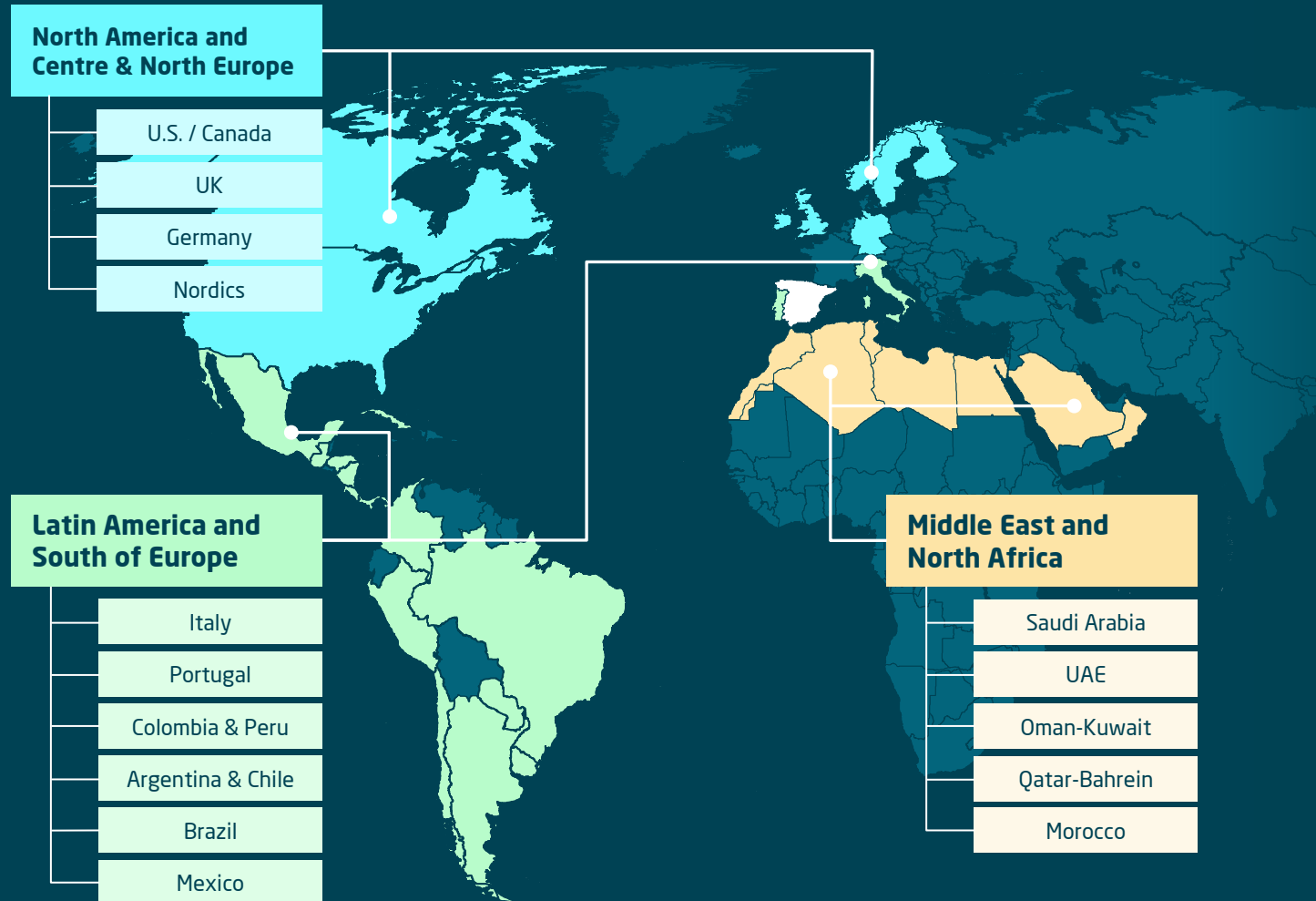
Minsait

### Cross-Group strategic lines

4. Strengthen presence in new 'home markets'
5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)
6. Increase investment in technological R&D
7. 'Double down' on critical talent

# 4. Strengthen presence in new 'home markets'

## Roll-out of three new clusters of 'home markets'



- 01** Implementation of three clusters of Home markets to strengthen local positioning and proximity to clients
- 02** Responsibility of the regions over the implementation of plans **locally** and in coherence with the global Group
- 03** Businesses accountable for P&L
- 04** Export model in Rest of the World

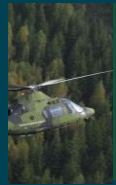


# 5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

## M&A

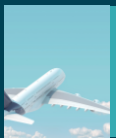
## Alliances

### Acquisitions – M&A operations rationale



#### Defence

- Reinforce capabilities in **Land** domain
- Develop home markets in **Western Europe**
- Strengthen **sensors, Edge avionics** and **C-UAS** capabilities



#### ATM

- Develop **North American** market
- Reinforce **tower capabilities**



#### Space

- **Scale-up NewCo** at Global level
- **Acquire end-to-end capabilities** in **Upstream & Downstream**, with civil-military duality



#### Minsait *(inc. Mobility)*

- **Strengthen** capabilities in **digital technologies**
- Expand in high-value geographies: **Europe and Middle East**

### Divestitures

- **Divest** non-core assets

*Alliances/JVs  
to be developed in  
next slide*

# 5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

M&A

Alliances

Acquisitions

Divestitures

## Alliances/JVs – Main alliances

Navantia

✓ Co-development of combat cloud, naval Command & Control and ship simulator

Escribano

✓ Co-development of directed energy-based actuators for C-UAS systems

Tecnobit

✓ Consolidation of electro-optical systems (IRST) and co-development of photonic technology

Thales

✓ Co-development of next-generation civil & military radar technology

Lockheed Martin

✓ Global collaboration agreement in multiple areas of activity (*e.g., radars, simulation, electronic warfare*)

Hyperscalers

(Microsoft, AWS, Google)

✓ Alliances to drive joint business plans and strengthen the digital offering

SAP, Salesforce

✓ Minsait as Top partner implementing software solutions in multiple business areas

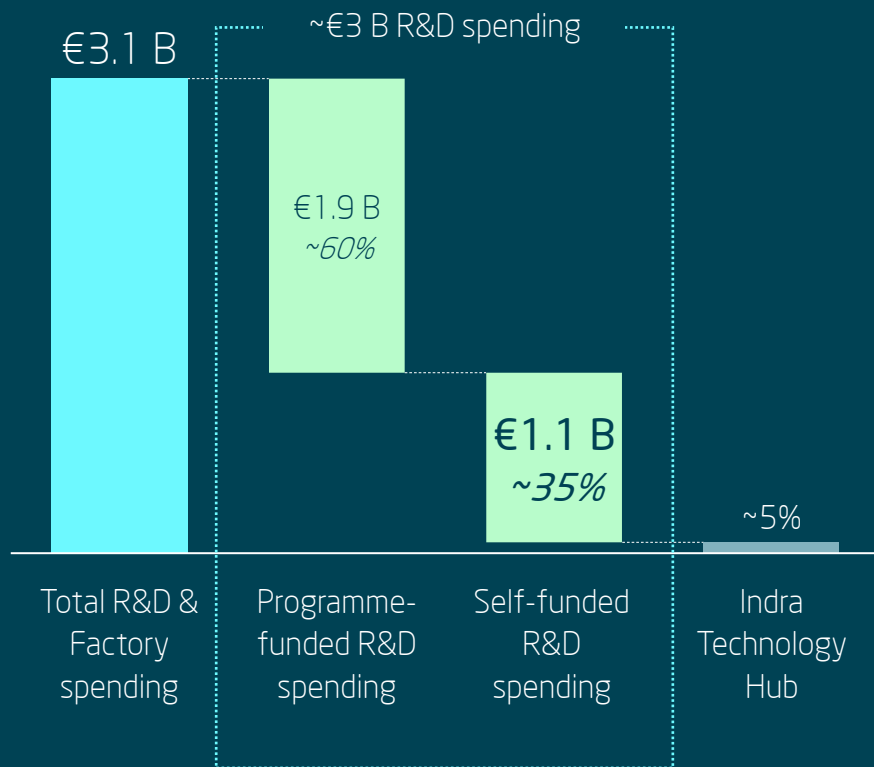
EDGE



JV based in Abu Dhabi for the development and manufacturing of next-generation radars to be marketed in non-NATO territories

# 6. Increase Investment in Tech R&D

We will invest €3.1 B in tech development until '30; €1.1 B self-funded



## Digital technologies

AI

Cloud/Edge Computing

IoT

VR/AR

- Expand current Systems, Functions and Applications to new limits
- Enable new intelligent, autonomous, reconfigurable & cognitive Systems



## Cutting-edge technologies

Microelectronics / SiP<sup>1</sup>

AESA / Gallium Nitride

Photonics

- Improve performance, compactness and electronic integration

Directed energy

Advanced optronics

Quantum

- Become forerunners in new technological developments

## 7. 'Double Down' on Critical Talent

Indra will cultivate a truly differential culture, pivoting around five pillars



Creation of **5,000+** high-value technology and digital jobs until 2026

# We will reaffirm ourselves as market reference for ESG

## Main '24-'26 ESG commitments

- **Accelerate decarbonisation** roadmap: Net Zero across all value chain by 2040
- Adopt **eco-design** criteria in all **new products**
- Improve **sustainability** in our **supply chain**
- Incorporate best practices for **responsible use of AI & data privacy in our solutions**
- Increase **diversity at leadership & management levels**
- Strengthen **oversight of ESG risks by governance bodies**



Comprehensive ESG Plan structured around **16 strategic lines** with **more than 15 KPIs**

### Indra is currently recognized by most relevant ESG ratings

Dow Jones	>	Top 1 in sector
MSCI	>	AA ( <i>2nd best score</i> )
Sustainalytics	>	Low ESG risk
ecovadis	>	Platinum score



# Financial projections

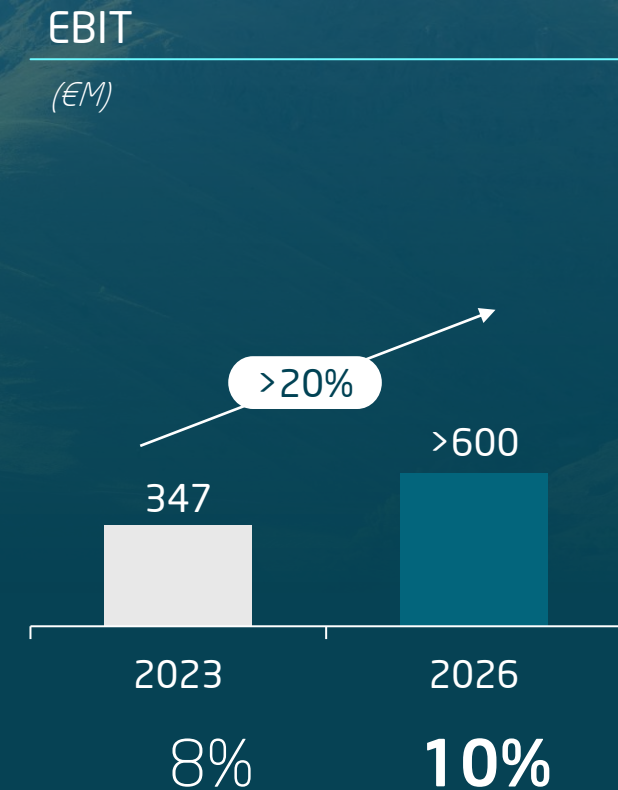
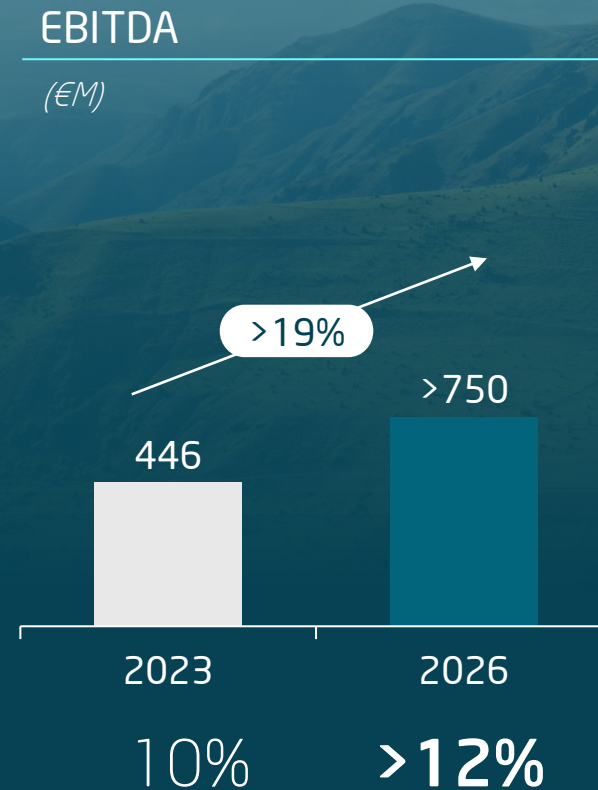
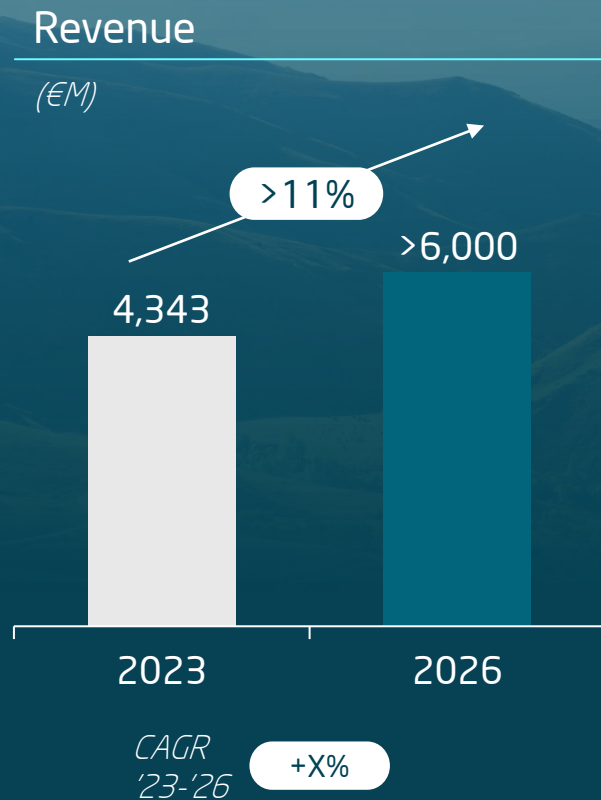
# Leading the Future



	2023	2026	2030
<b>Revenue</b>	€4.3 B	€6 B	€10 B
<b>EBITDA</b>	10.3%	>12%	>14%
<b>EBIT</b>	8.0%	10%	12%
<b>FCF</b>	€0.9 B cumulative '24-'26	€2-2.5 B cumulative '27-'30	>€3 B '24-'30





# '23-'26 Strategic Plan Financials

## We will accelerate growth in EBITDA and EBIT





# '23-'26 Strategic Plan Financials | Business Overview

		Organic			Organic		Organic		Organic	
		Revenue Evolution			EBITDA Evolution		EBIT Evolution		FCF	
		2023 (€M)	2026 (€M)	CAGR '23-'26	2023 (€M, % revenue)	2026 (€M, % revenue)	2023 (€M, % revenue)	2026 (€M, % revenue)	2024-2026 (€M, cumulative)	
	Defence	773	1,100	+12%	156 20%	220 20%	140 18%	185 17%	800	
	ATM	361	500	+11%	57 16%	80 16%	44 12%	67 13%		
	Space	44	60	+11%	7 15%	10 16%	6 13%	8 13%		
	Minsait <i>(inc. Mobility)</i>	3,165	3,640	+5%	226 7%	340 9%	157 5%	265 7%		
Indra (€M)		4,343	5,300		446 10%	650 12%	347 8%	525 10%		
		CAGR 23-'26		+7%	CAGR 23-'26		+13%	CAGR 23-'26		+15%

# Capital Allocation Priorities



## M&A Acceleration

Allocate >75% of acquisitions spend on **Defence & Aerospace**

Minsait's **firepower** expected to **increase** with the arrival of a new **partner**

Focus of M&A targets in **Spain, Western Europe, Middle East & North America**

M&A transactions will be **aligned** with **strategy** and **growth story**, and **accretive** for shareholders



## Continued increase in technology investment

**+€1.2 B** technology spending **until 2026**

- ~€0.7 B programme-funded R&D spending
- ~€0.4 B other R&D spending
- ~€0.1 B Indra Technology Hub



## Financial stability & greater shareholder returns

**2026 Net Financial Debt / EBITDA of 1.0x** – below industry peers – with a maximum threshold of up to 2.0x in '24-'26 period

Dividend practice **in line** with current payout ratios (~20%), consistent with company strategy

## '23 vs. '26 EBITDA

Defence & Aerospace contribution to EBITDA increasing significantly within 2023 to 2026 period

2023 EBITDA split



2026 EBITDA split

Minsait



# 'Leading the Future' ambitious growth plan

€6,000 M  
Revenue  
2026

>12%  
EBITDA margin  
2026

10%  
EBIT margin  
2026

€900 M  
FCF  
2024-26

01. | **Focus on Defence & Aerospace**, becoming a multidomain European reference in Defence, and the global leader in Air Traffic Management
02. | Create a **Space NewCo** with international partners to consolidate as **Tier-1 European player** with end-to-end capabilities
03. | Increase **Minsait autonomy's** within the Group through a new partner to accelerate the deployment of the ambitious growth plan
04. | Roll-out **three new clusters of home markets** to boost local positioning
05. | **Divest non-core assets** and **expand our ecosystem** to consolidate our footprint and acquire new capabilities for our portfolio
06. | Invest **>€3B in technology development until 2030**, of which €1B self-funded, including the new **Indra Technology Hub**
07. | Deploy a truly recognizable & shared **'Indra Way' culture** that embraces diversity, fosters accountability and translates into pride of belonging

A hand is pointing at a bar chart displayed on a tablet screen. The chart shows several vertical bars of varying heights. The background is a blurred office setting with a blue tint.

Anex I:

Last Quarterly Results

# Where we are going

**indra**

**H124:**

Double-digit growth in Revenue, EBITDA, Net Income and Free Cash Flow

**We want to become the Spanish multinational of reference in Defence & Aerospace and Advanced Digital Technologies**

## Defence & Aerospace

### Defence

- Working to become a Defence Systems Integrator of reference through our new Organizational Model, establishing the role of System Owners
- Dividend payment (59.6M€) received from investment in ITP

### ATM

- Focus on geographic expansion in key geographies: North America and Asia Pacific
- Entry of NAV Canada into iTEC Alliance as an important cross border milestone

## Advanced Digital Technologies

### Minsait

- 50% of H1 24 sales from Digital and Solutions
- Significant advancements in AI

### Mobility

- Planned integration of Mobility into Minsait as a driver towards a digital portfolio with capabilities in Artificial Intelligence, Cloud, Cybersecurity, etc.

**Launch of the technology Roadmap to identify the key future technologies, capabilities and products in which to invest the €3bn R&D budget**

# Case for change

---

We are placing all our efforts on the successful implementation of our Strategic Plan 'Leading the Future' through a strengthened organization

CFO  
appointment

Regional  
Director  
appointments

Appointment  
to Executive  
Chairman

# 1H24

## Main headlines

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### Financial headlines: Strong 2Q24 performance

- Revenues (+15%), EBITDA (+22%), Net Income (+27%) and FCF (+27%) growing at double-digit rates
- Backlog and Order intake grew by +5% and +7% respectively
- Increased operating profitability (EBITDA and EBIT margin improvement)
- All Guidance metrics increased

### Business headlines: Significant progress in the implementation of 'Leading the Future'

- Accelerated Strategic Plan implementation by closely tracking business, operations and transformation progress and improvements with an automated tool
- Landed the geographic model introduced at our Capital Markets Day in March: 3 focus regions, with 11 Home Markets, and a pure international export business
- Key developments in our M&A strategy (already advanced conversations) and Joint Ventures and alliances (Lockheed Martin & EDGE group)



# 1H24 Group Financial Results Headlines

## Backlog

€ 7,148m

+4.8%

## Order Intake

€ 2,681m

+6.7%

## Revenues

€ 2,304m

+14.5%

## EBITDA Margin

10.0% (€230m +22% YoY)

+0.6pp

## Operating Margin

9.1% (€210m +26% YoY)

+0.8pp

## EBIT Margin

7.8% (€179m +29% YoY)

+0.9pp

## Net Income

€ 114m

+27.4%

## Free Cash Flow

€ 69m

+26.7%

## Net Debt

€ 93m

0.2x Net Debt/EBITDA



# 2Q24 Group Financial Results Headlines

## Revenues

€ 1,186m

+8.3%

## EBITDA Margin

9.6% (€113m +17% YoY)

+0.7pp

## Operating Margin

8.9% (€105m +15.9% YoY)

+0.6pp

## EBIT Margin

7.5% (€89m +20.8% YoY)

+0.8pp

## Net Income

€ 53m

+15.4%

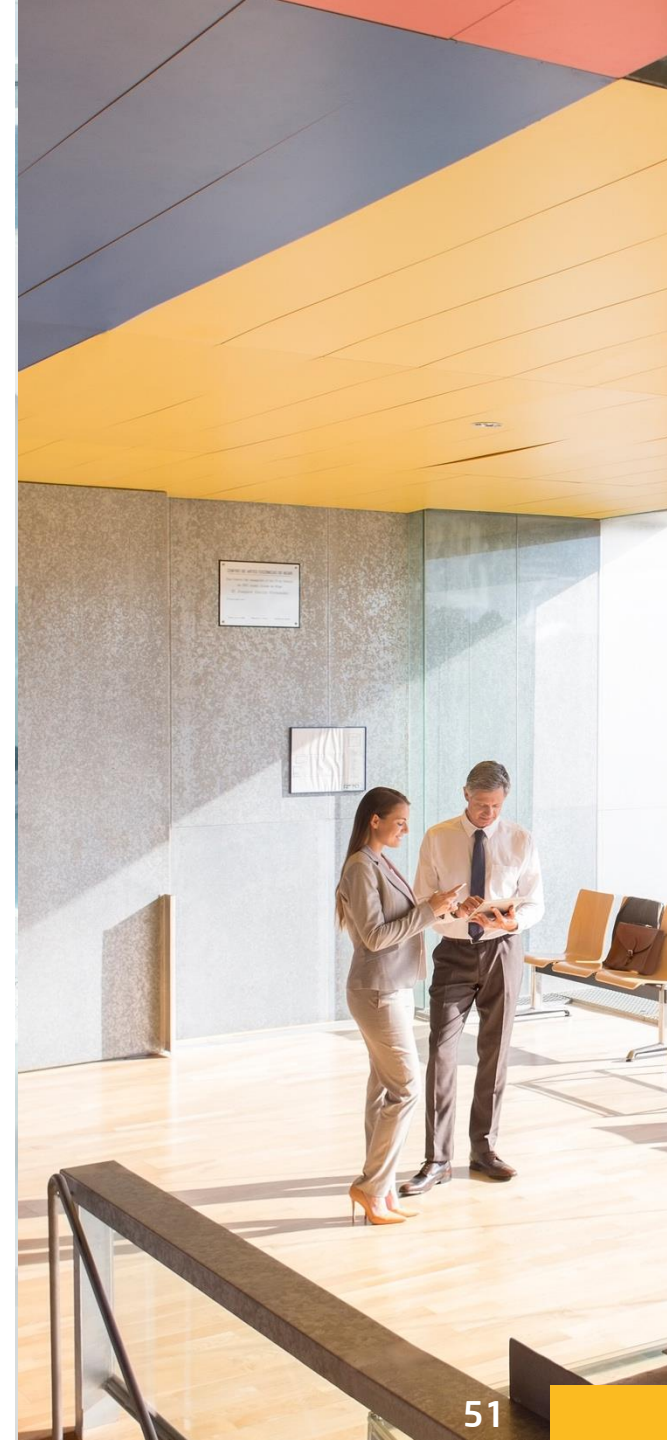
## Free Cash Flow

€ 1m

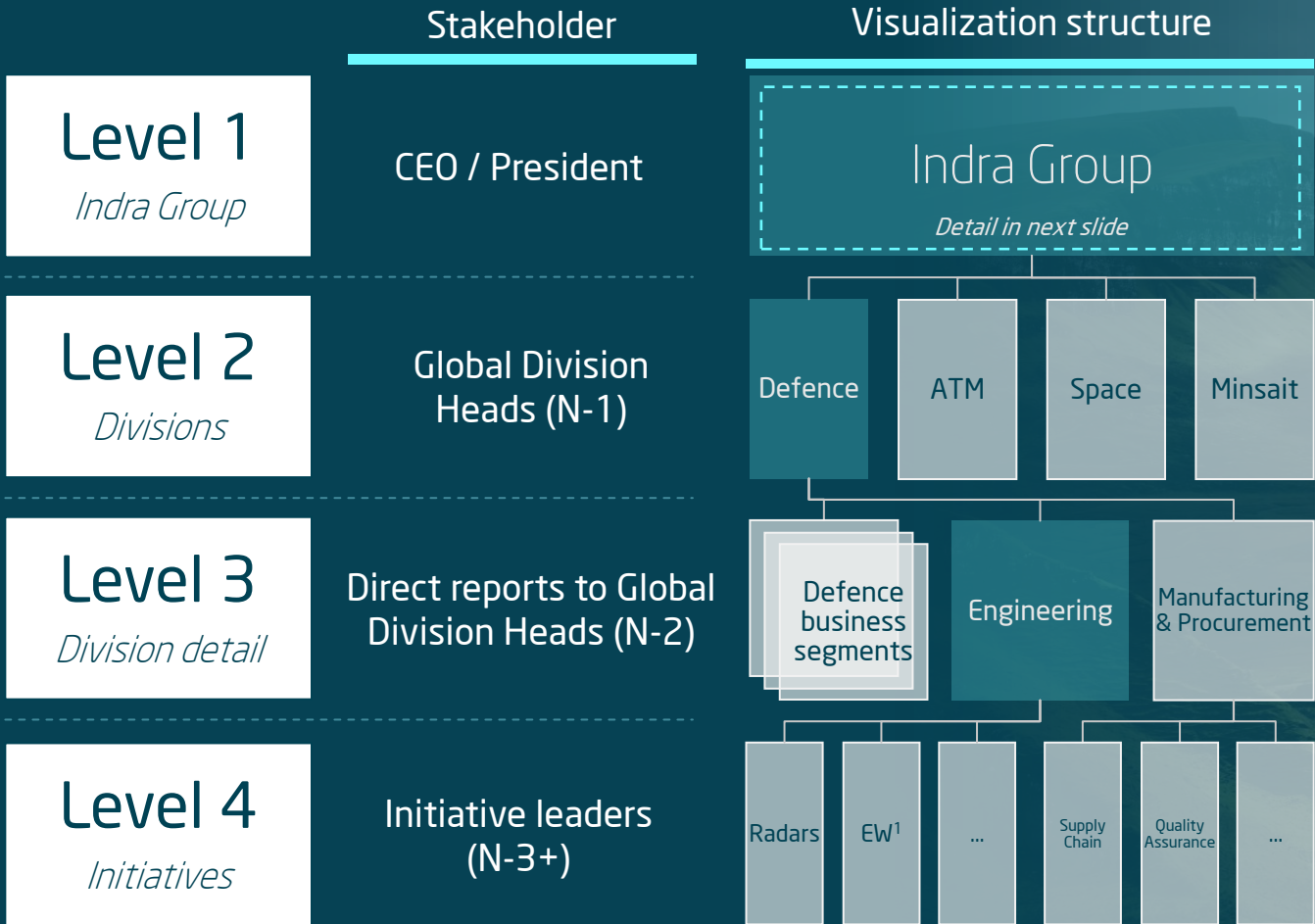
- 2Q24 Revenues increased +8%, showing growth in all four divisions
- EBITDA and EBIT Margins improved to 9.6% (vs 8.9%) and 7.5% (vs 6.7%) respectively
- EBITDA and EBIT growing at double-digit rates in absolute terms
- Net Income up +15%

# New 2024 Guidance after a solid 1H24

	2023 Results	2024 Guidance	2024 New Guidance
Revenues (in local currency)	€4,398m	> €4,650m	> €4,800m
EBIT	€347m	> €400m	> €415m
FCF	€312m	> €250m	> €260m



# We have successfully launched an automated Scorecard tool, focused on granular monitoring of the Strategic Plan's KPIs



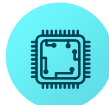
## Four types of KPIs



Financial



Commercial



Operational





Talent & People

1. Electronic Warfare



# Three focus regions, with 11 Home Markets, and a pure international export business

**North America and Centre & North Europe**

**Home Markets**




 EE.UU.  UK<sup>1</sup>




**Simplified structure**

 Germany  Norway





**Latin America and South of Europe<sup>2</sup>**

**Home Markets**

 Italy  Brazil  Mexico  Chile

 Portugal  Peru  Colombia

**Simplified structure**

 Philippines  Argentina  Uruguay  Panama

**Middle East and North Africa**

**Home Markets**

 KSA<sup>3</sup>  EAU<sup>3</sup>

**Simplified structure**

 Azerbaijan  Morocco

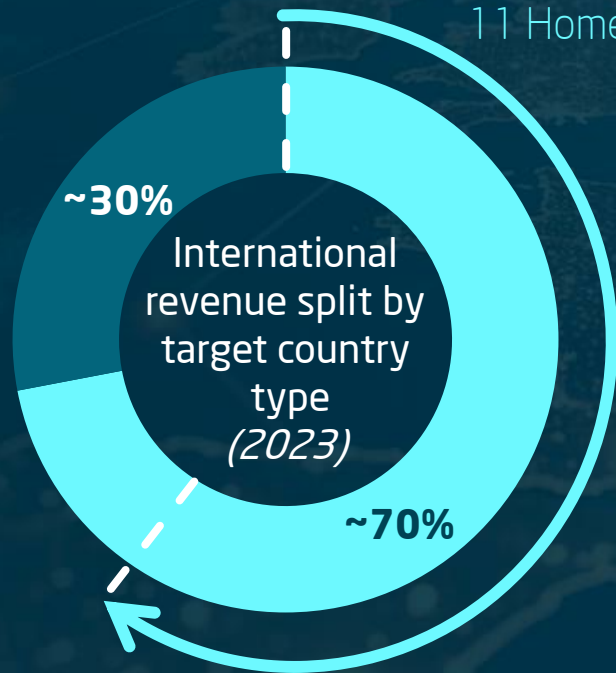
**International**

   Countries with local structure in the Cluster    Export countries in the Cluster  International  Countries without sales

1. Will service British Islands; 2. Including PALOPS & Philippines; 3. Potential shared structure

# As a result, Indra Group will rationalize its international footprint

**60%**  
of revenue from  
11 Home Markets



■ Export countries ■ Countries with local structure

Note: Countries with local structure may include export sales

## Key impacts

From **45 to 19** countries with a local structure, of which **11 are home markets**

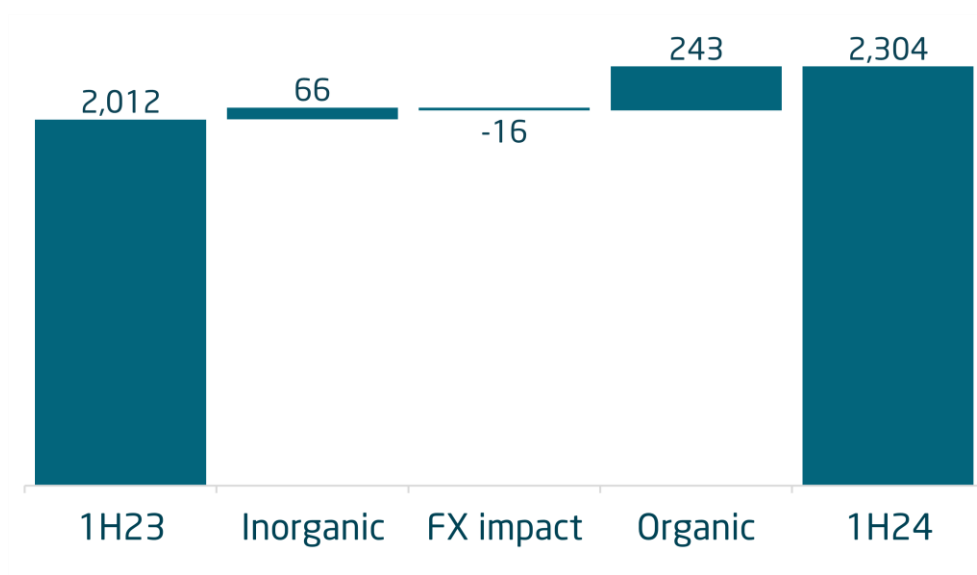
**+70%** of international revenue generated in the countries with local structure

Reduction of **55-65** permanent legal entities

# Sales reached Double-Digit Growth in 1H24

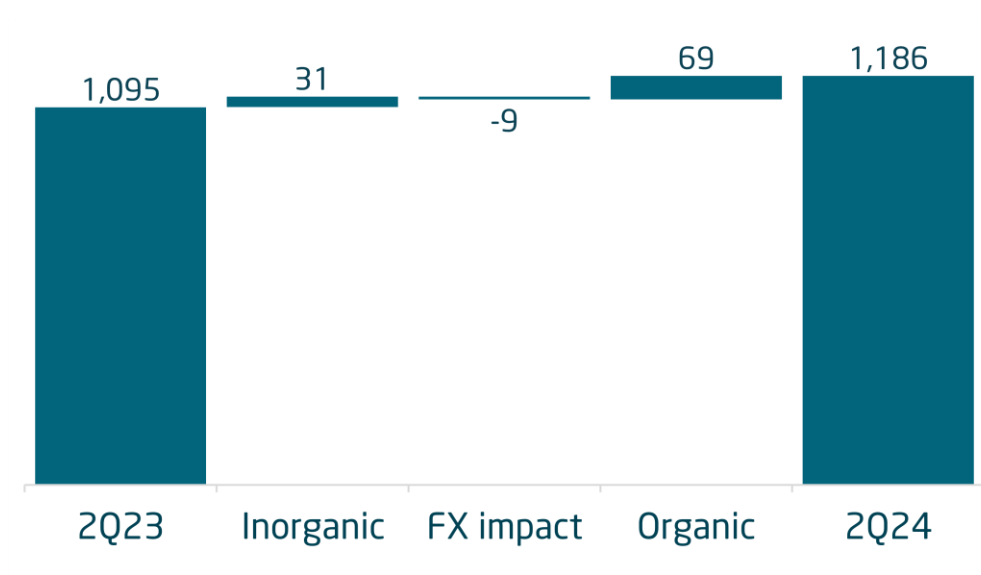
## 1H24 Revenues

Reported	+ 15%
Local Currency	+ 15%
Organic	+ 12%



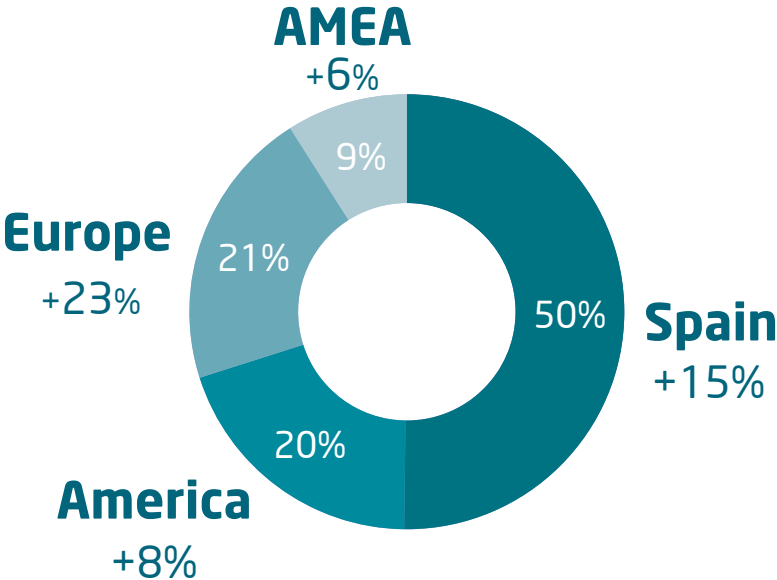
## 2Q24 Revenues

Reported	+ 8%
Local Currency	+ 9%
Organic	+ 6%



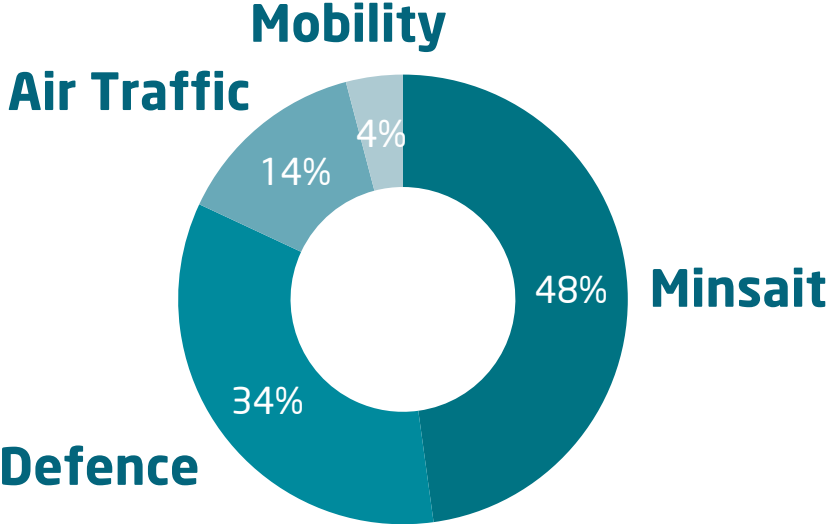
# Breakdown by Geography and Division

1H24 Revenues breakdown by Geography



International Business covering 50%

1H24 EBITDA breakdown by Division



Defence, ATM and Mobility EBITDA represent +50%

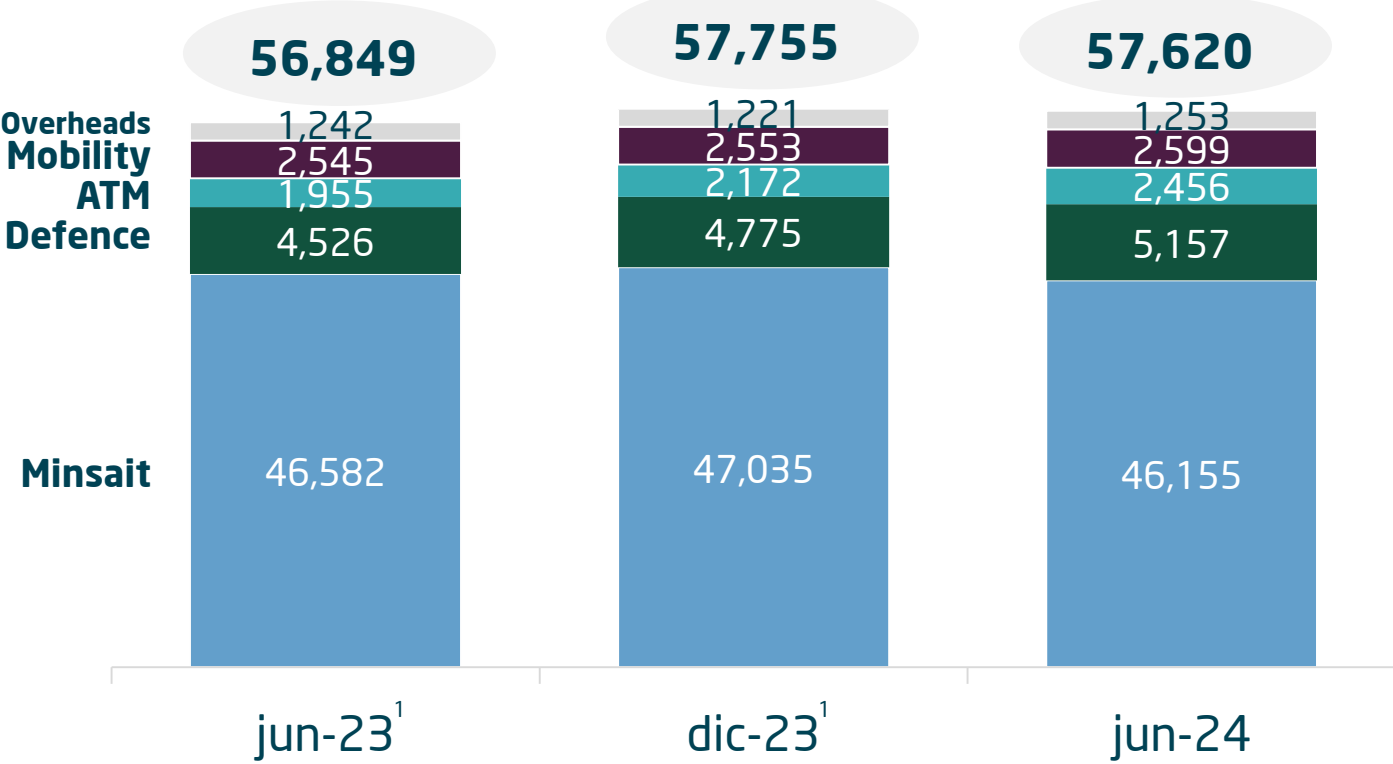


# Group Workforce Evolution



Workforce increased +1% compared to 1H23

Revenue LTM/Employee increased +13% vs June 2023 and +7% vs December 2023



1. Reclassifications in 2023 data between divisions and overheads due to the new organization announced in 2023



# Defence 1H24

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 3,003m	€ 493m	€ 446m
-2.3%	+5.9%	+30.7%
<b>EBITDA Margin</b>	<b>Operating Margin</b>	<b>EBIT Margin</b>
17.6% <small>(€78m +25% YoY)</small>	16.1% <small>(€72m +25% YoY)</small>	15.5% <small>(€69m +28% YoY)</small>
-0.8pp	-0.8pp	-0.4pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.11x	3.26x	
1.36x in 1H23	4.22x in 1H23	

## Defence

- Order Intake grew +6% mainly due to the Integrated Systems and Simulation areas
- Sales +31% bolstered by FCAS
- Space showed +36% revenue growth
- EBIT Margin standing at 15.5%

# Defence 2Q24

## Revenues

€ 255m

+16.6%

## EBITDA Margin

16.3%(€42m +7.6% YoY)

-1.3pp

## Operating Margin

15.6%(€40m +5.3% YoY)

-1.7pp

## EBIT Margin

14.9%(€38m +8.5% YoY)

-1.1pp

## Defence

- Revenues +17% also backed by FCAS
- EBITDA and EBIT grew at high single digit rate
- Space showed +34% revenue growth
- Q2 Margins affected by the implementation of the Strategic Plan and one-off costs related to potential acquisitions

# Air Traffic Management 1H24

## Air Traffic Management

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 820m	€ 289m	€ 207m
+12.8%	+57.1%	+32.8%
<b>EBITDA Margin</b>	<b>Operating Margin</b>	<b>EBIT Margin</b>
15.5% <sub>(€32m +30% YoY)</sub>	12.1% <sub>(€25m +25% YoY)</sub>	11.9% <sub>(€25m +30% YoY)</sub>
-0.4pp	-0.7pp	-0.2pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.40x	1.99x	
1.18x in 1H23	2.26x in 1H23	

- Order Intake up +57% mainly due to the Canada and Colombia contracts
- Sales +33% boosted by the organic growth in all geographies and the inorganic contribution of Park Air in UK and Selex in USA
- EBIT Margin standing at 11.9%

# Air Traffic Management 2Q24

## Revenues

€ 90m

+7.5%

## EBITDA Margin

13.3% (€12m +7.0% YoY)

-0.1pp

## Operating Margin

9.6% (€9m -9.2% YoY)

-1.7pp

## EBIT Margin

9.4% (€8m -1.6% YoY)

-0.8pp

## Air Traffic Management

- Sales +8% bolstered by Azerbaijan, UK and Norway projects
- EBITDA posted +7% growth

# Mobility 1H24

## Backlog

€ 897m

-5.3%

## Order Intake

€ 153m

-8.6%

## Revenues

€ 172m

+13.2%

## EBITDA Margin

5.5%<sub>(€9m)</sub>

+6.8pp

## Operating Margin

4.7%<sub>(€8m)</sub>

+6.7pp

## EBIT Margin

3.8%<sub>(€7m)</sub>

+7.0pp

## Book-to-Bill

0.89x

1.10x in 1H23

## Backlog/Revs LTM

2.32x

2.90x in 1H23

## Mobility

- Sales +13% driven by growth in all geographies, standing out America and Europe
- EBITDA Margin improved to 5.5% from -1.3%
- EBIT Margin also improved to 3.8% from -3.2%

# Mobility 2Q24

## Revenues

€ 93m

+9.0%

## Operating Margin

5.2%(€5m n.m.)

+11.3pp

## EBITDA Margin

5.3%(€5m n.m.)

+11.9pp

## EBIT Margin

4.3%(€4m n.m.)

+12.1pp

## Mobility

- Sales +9% boosted by Mexico, Spain and UK projects
- EBITDA Margin improved to 5.3% from -6.6%
- EBIT Margin also improved to 4.3% from -7.8%

# Minsait 1H24

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 2,428m	€ 1,746m	€ 1,479m
+17.2%	+3.0%	+8.5%
<b>EBITDA Margin</b>	<b>Operating Margin</b>	<b>EBIT Margin</b>
7.4% <sub>(€110m +7% YoY)</sub>	7.1% <sub>(€104m +13% YoY)</sub>	5.3% <sub>(€79m +12% YoY)</sub>
-0.1pp	+0.3pp	+0.1pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.18x	0.83x	
1.24x in 1H23	0.77x in 1H23	

## Minsait

- Strong commercial push with Backlog growing +17% and Order Intake +3%
- Revenues up +9%, backed by PPAA & Healthcare, Energy & Industry and Financial Services
- EBIT grew 12 thanks to increased operating leverage, better mix and continuous focus on cost efficiency
- Digital and Solutions joint sales +13% in 1H24 and accounted for 50% of Minsait sales



# Minsait 2Q24

## Revenues

€ 747m

+5.8%

## EBITDA Margin

7.3% (€55m +4.0% YoY)

-0.2pp

## Operating Margin

6.9% (€52m +6.6% YoY)

0.0 pp

## EBIT Margin

5.2% (€39m +4.9% YoY)

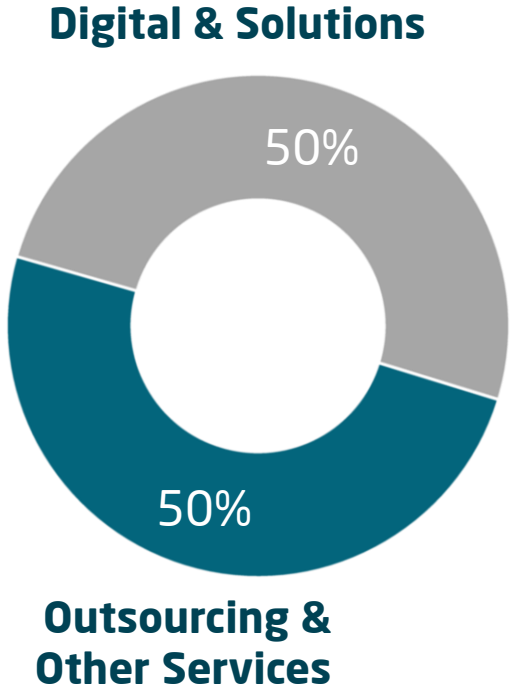
0.0pp

Minsait

- Revenues up +6%, all verticals grew except for Telecom & Media
- Minsait's Operating Margin and EBIT Margin stood at 6.9% and 5.2% respectively, same profitability than in 2Q23

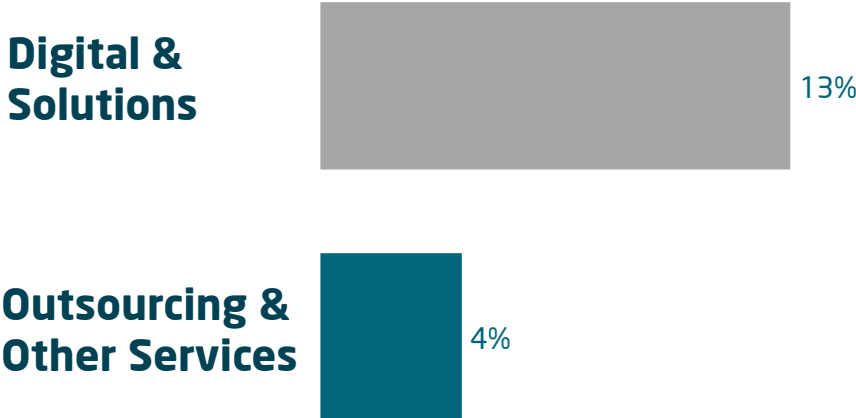
# Minsait Revenues by Horizontal Lines: Digital & Solutions grew +13% and Represents 50% of Minsait's Sales

## 1H24 Revenues



## Revenue Growth 1H24 vs 1H23

(reported figures)



## Revenue Growth 2Q24 vs 2Q23

(reported figures)

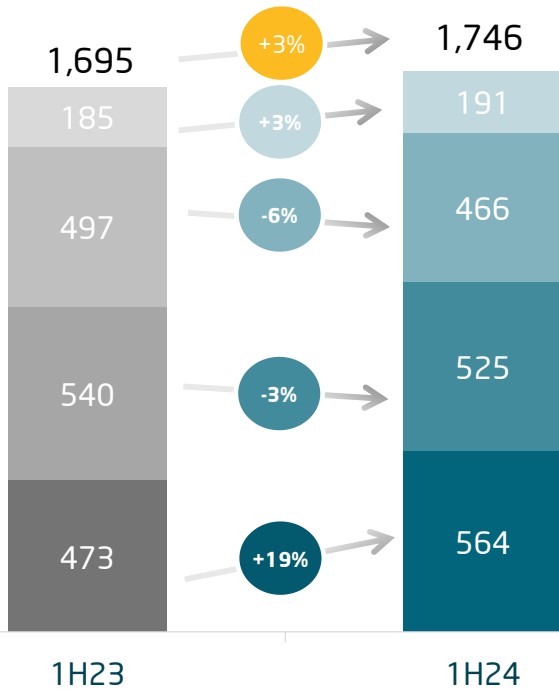


# Minsait's Order Intake and Revenues Posting Growth



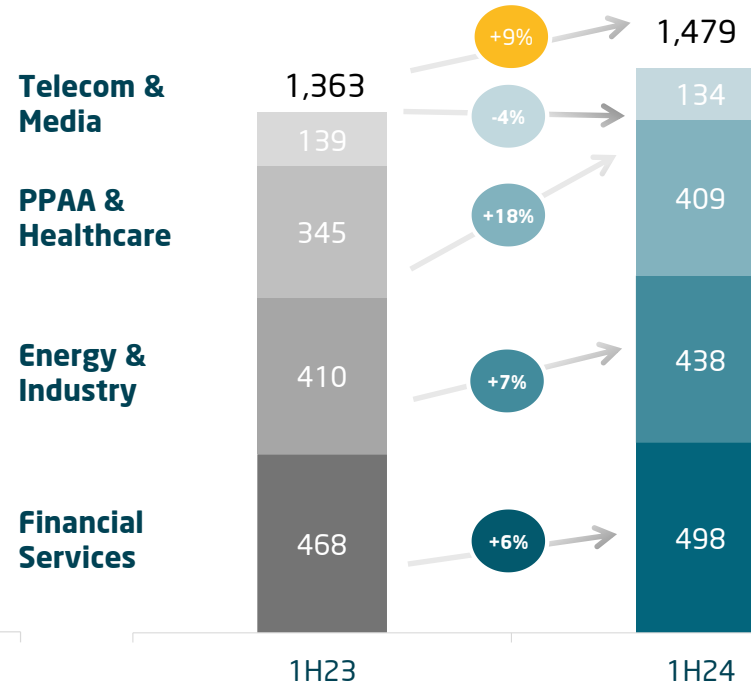
## 1H24 Order Intake (€m)

Reported



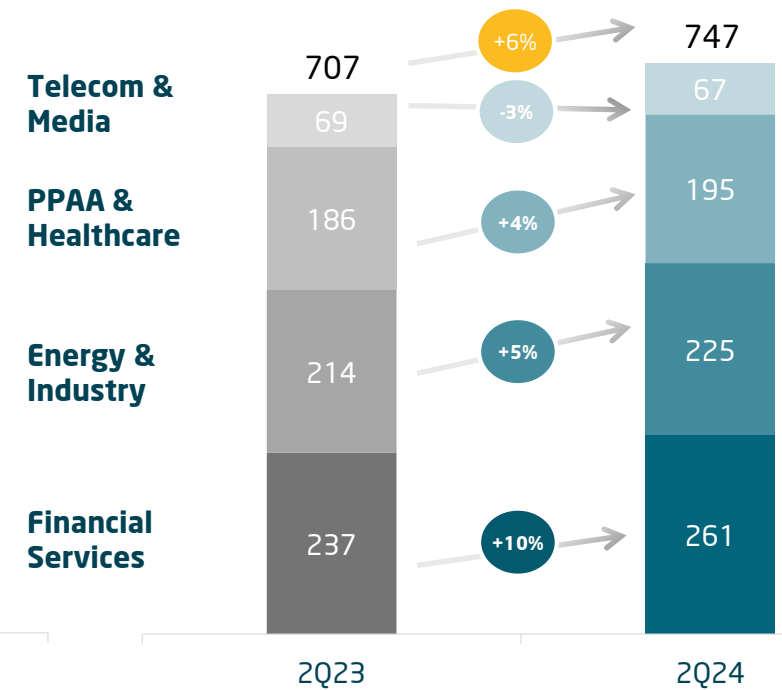
## 1H24 Revenues (€m)

Reported

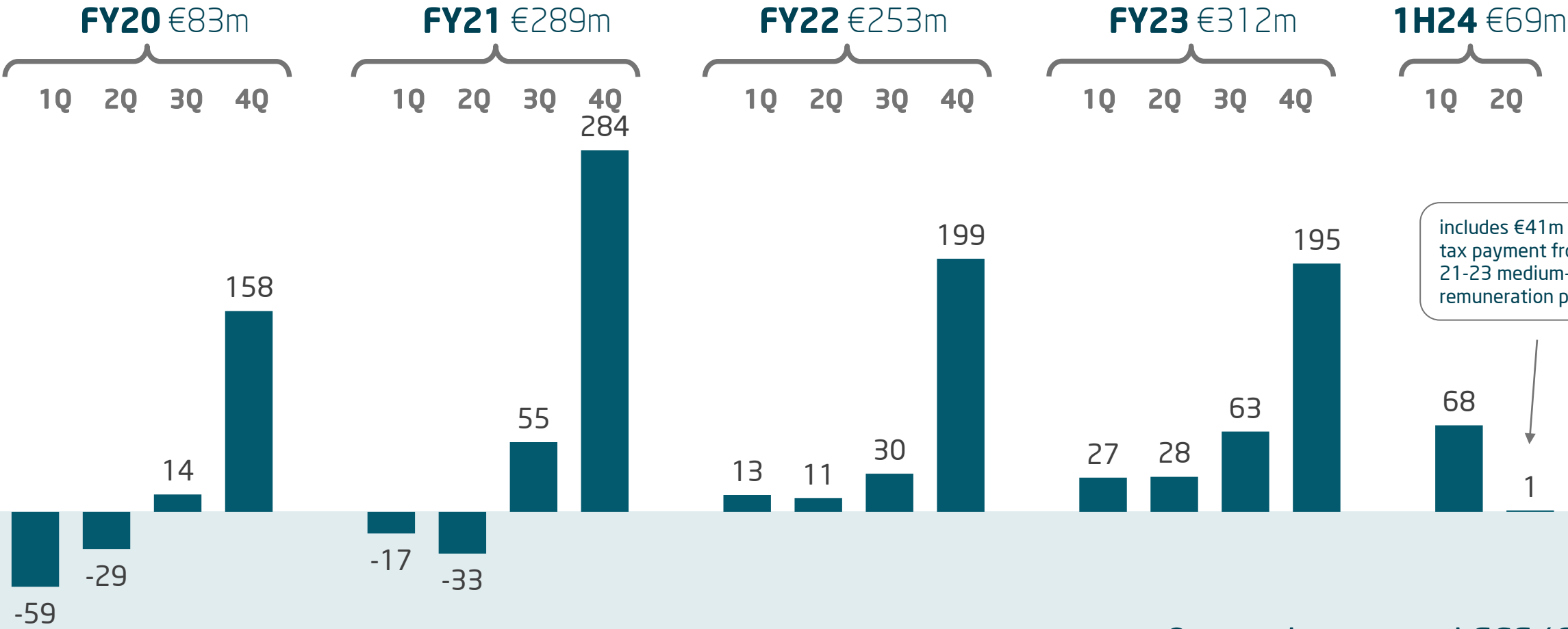


## 2Q24 Revenues (€m)

Reported



# 1H24 FCF Generation

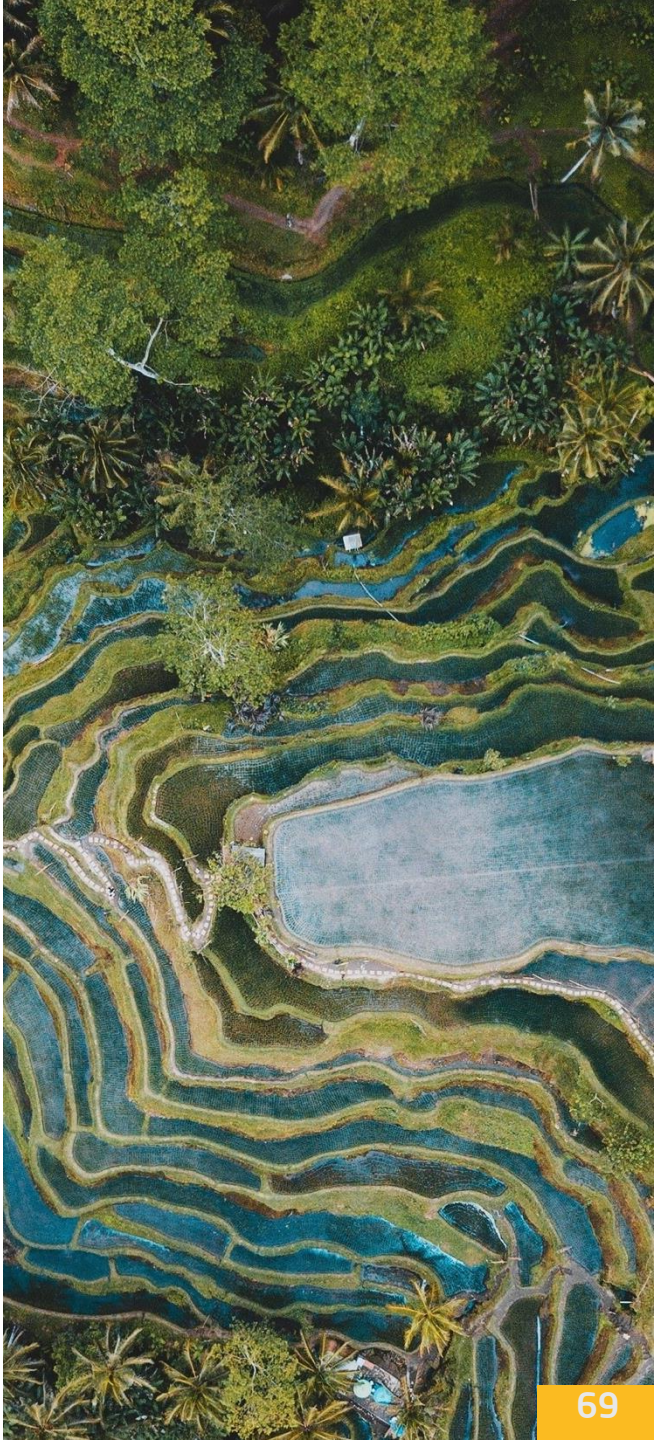
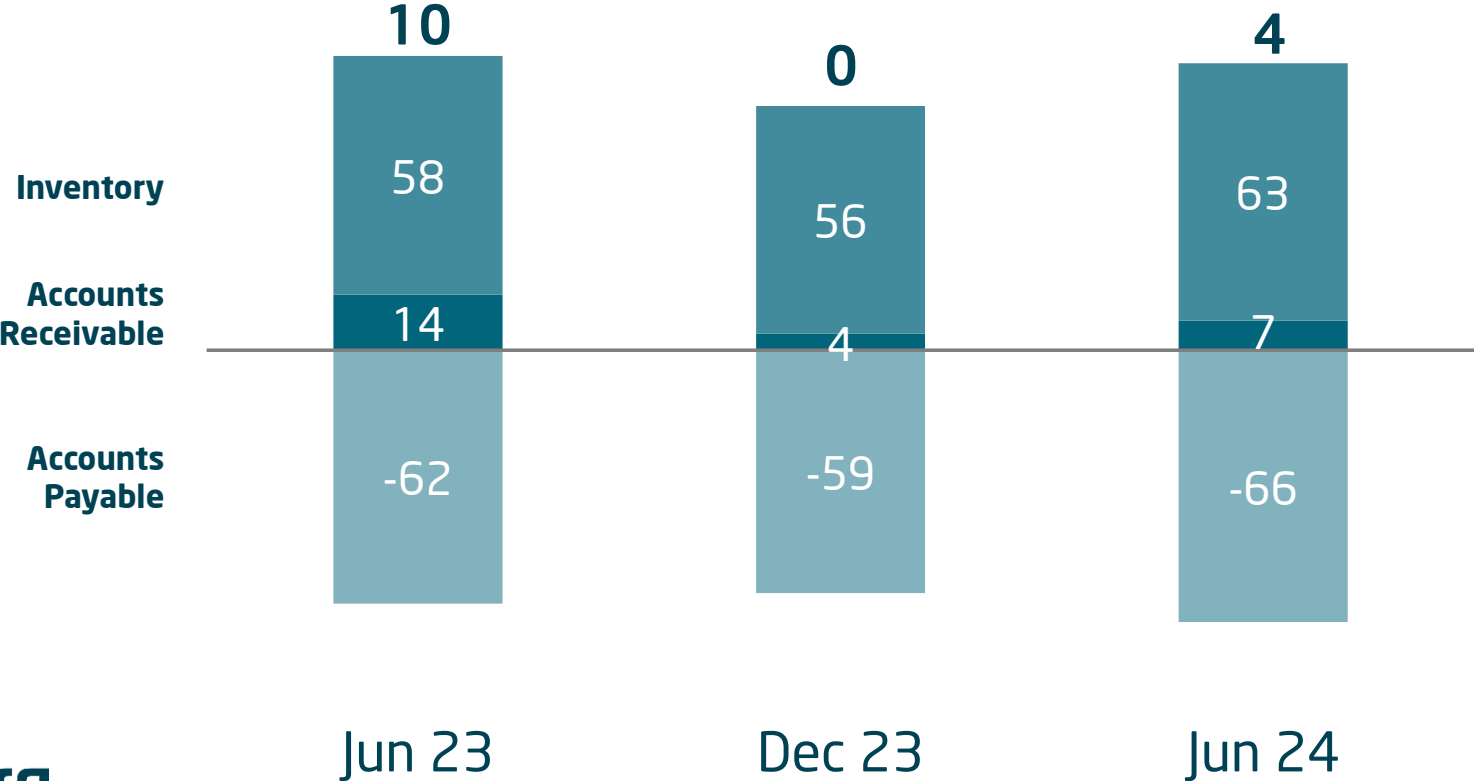


includes €41m income tax payment from the 21-23 medium-term remuneration plan

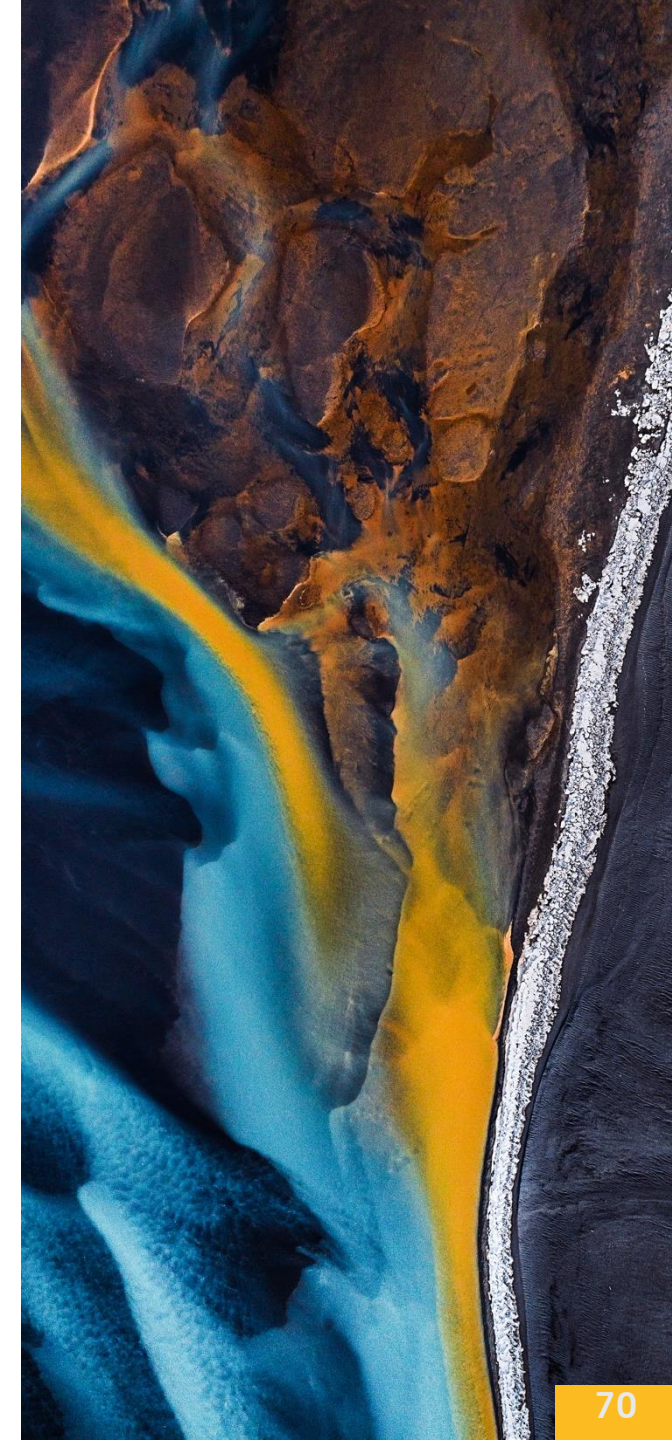
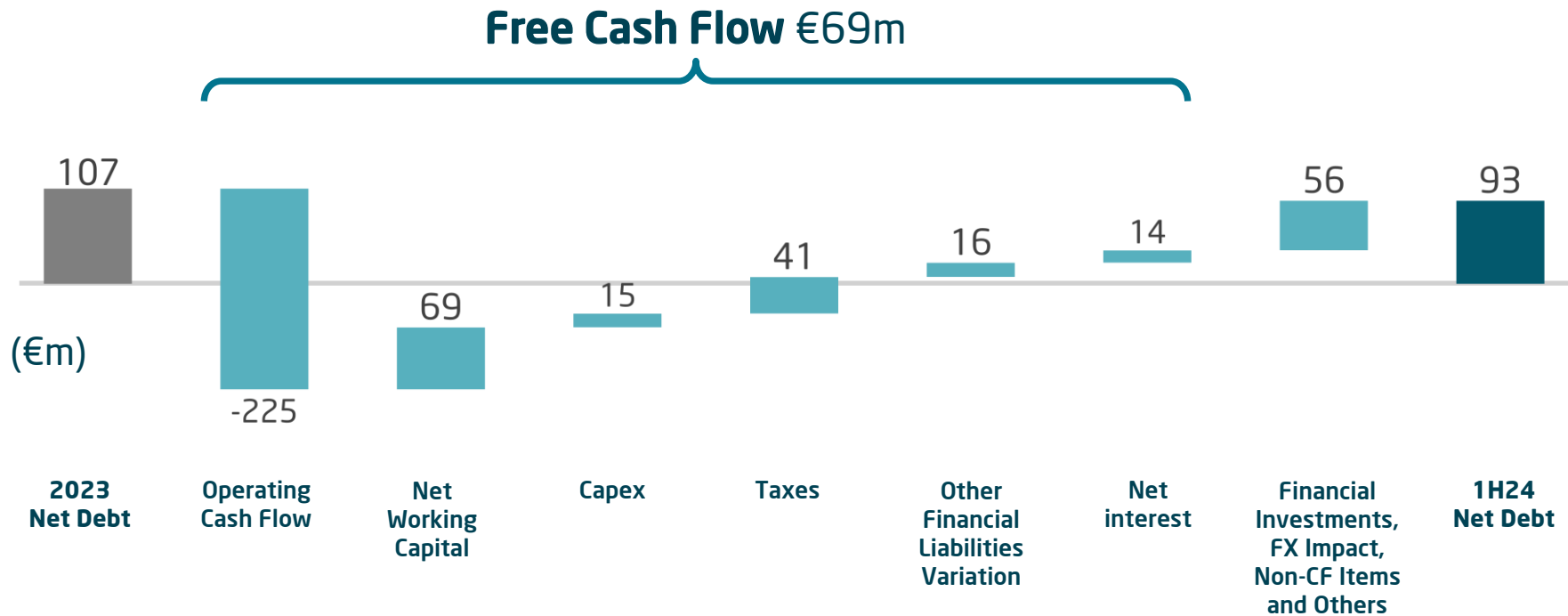
Quarterly reported FCF (€m)

# Net Working Capital Evolution Stable

## Net Working Capital ST+LT (DoS)

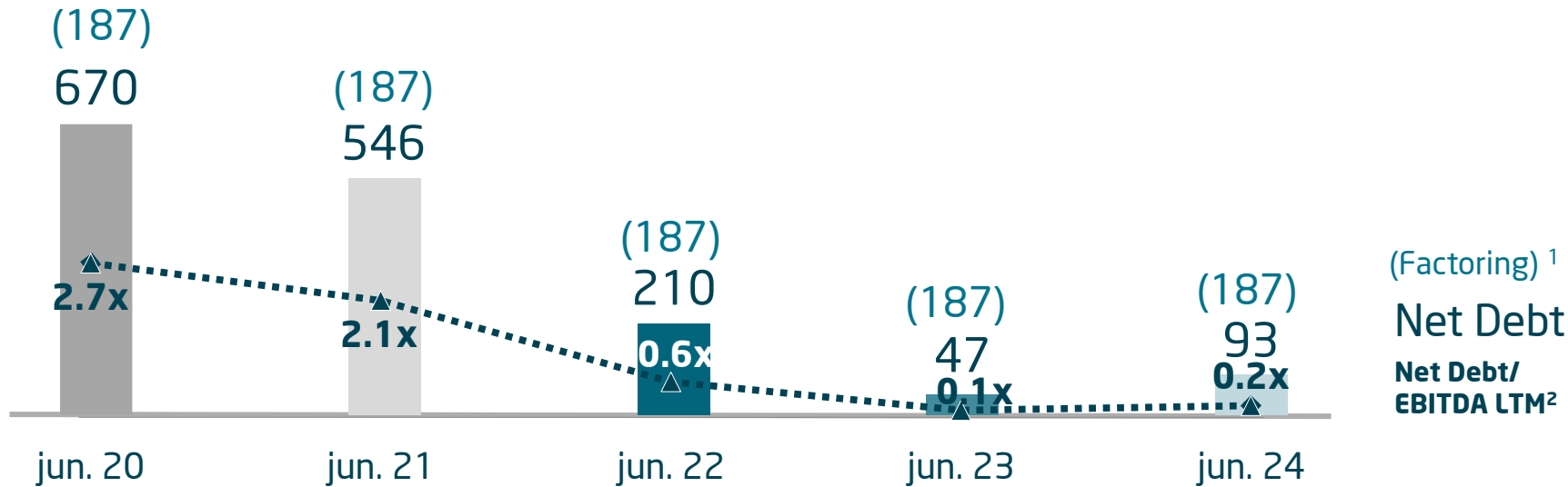


# Strong 1H24 FCF Drives Net Debt of just 0.2x at end June 2024

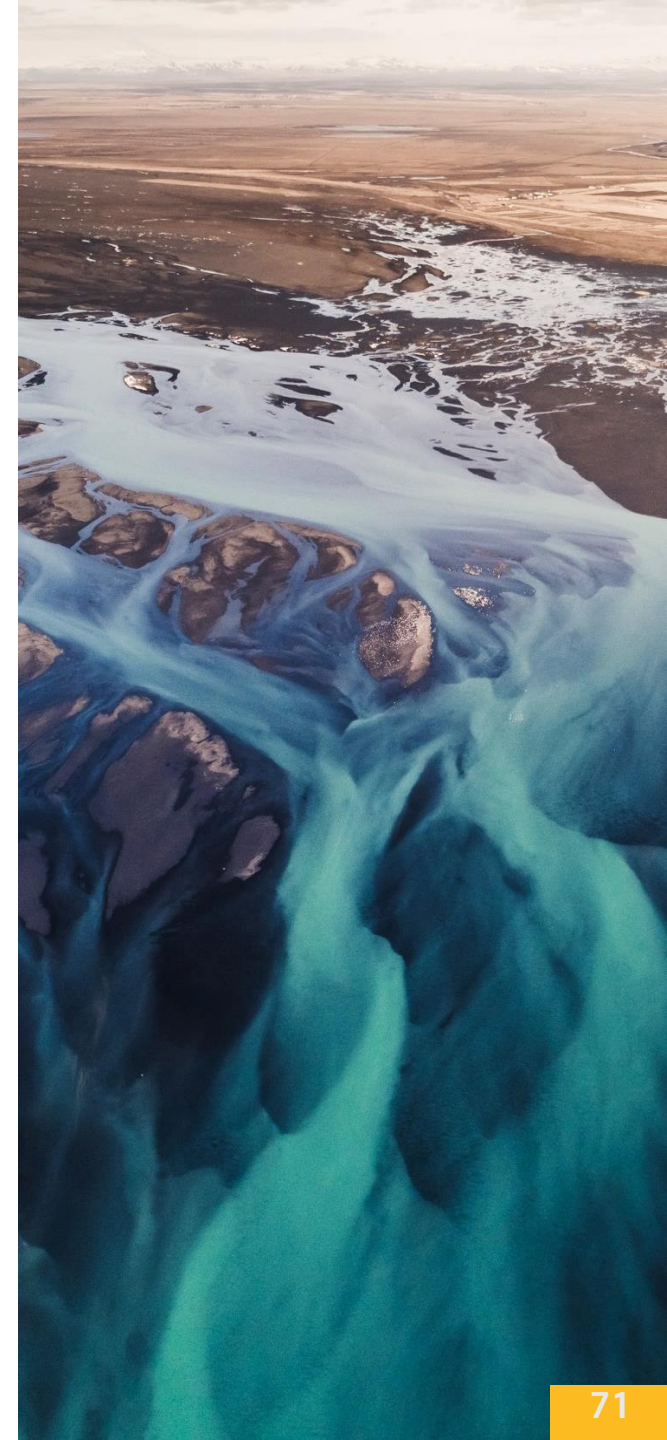


# Net Debt Evolution Supported by Strong Cash Flow Dynamics

## Net Debt (€m)

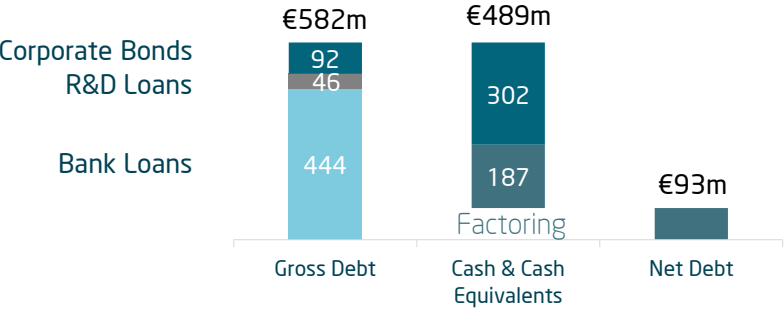


1. Non-recourse factoring; 2. EBITDA LTM excluding IFRS 16, extraordinary items related to employee restructuring plans



# Diversified Debt Structure

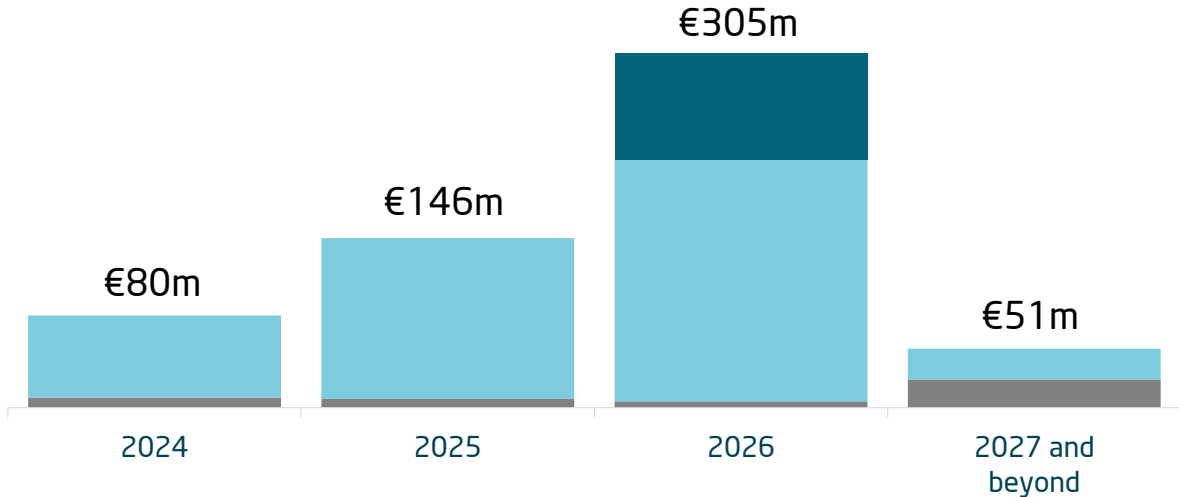
## Gross and Net Debt Structure



Other available credit facilities: €680m

	1H24	FY23
Average life (years)	1.6	1.7

## Gross Debt Maturity Profile



	1H24	% total	FY23	% total
L/T Debt	349	60%	479	68%
S/T Debt	233	40%	224	32%
<b>Gross Debt</b>	<b>582</b>	<b>100%</b>	<b>703</b>	<b>100%</b>
Cost of Gross Debt	4.3%		3.2%	
Cash & Others	489	n.m.	596	n.m.
<b>Net Debt</b>	<b>93</b>	<b>n.m.</b>	<b>107</b>	<b>n.m.</b>



**indra**  
At the core