



Press Release

Order intake, with a total of €1.046 billion, has been 44% higher than revenues

INDRA POSTS A NET PROFIT OF €31 MILLION IN THE FIRST QUARTER OF 2014

- **Revenue stood at €728 million, resulting in a 6% increase in local currency**
- **The drop in Spain is balanced by the strong growth shown in other regions, such as the Middle East, Asia and Latin America**

The progress of the company's operations in the first quarter of the year has followed the trends registered at the end of last year. Along with the improved macroeconomic prospects for the Spanish market, which are expected to gradually appear in the actual economy, there is a strong continued activity in Latin American markets, with significant depreciations being noted in some of their currency exchange rates.

Revenues have reached a total of €728 million, a level that is similar to that of the same period last year, and at constant exchange rates (in local currency) an increase of 6%. The company's performance by geographic region has been very positive, except for the Spanish market, where sales have dropped by 10%, lowering Spain's share of the company's total revenues to 39%. Asia, the Middle East and Africa have grown by 28% (32% in local currency), backed by important projects in various markets of the Middle East and Southeast Asia, while Latin America has expanded by 4% (24% in local currency) and Europe and North America have grown 1% (2% in local currency). In terms of the vertical markets, Public Sector and Healthcare have grown by 29%, Financial Services by 10%, Transport & Traffic by 4%, Security & Defense by 1%, while Energy & Industry have lowered by 4% and Telecom & Media have dropped by 6%, affected primarily by the progress of the Spanish market.

Net Profit has reached €31 million, representing an 18% increment of the same period in 2013.



Order intake has reached €1.046 billion and it has been 44% higher than revenues for the period. The order book stands at €3.704 billion and represents 1.27 times the revenues for the last 12 months.

The recurrent EBIT Margin was 7.7%. The plan for adjusting and improving resource efficiency, which will continue throughout 2014 and will be focused on the first quarters, has resulted in €5 million of extraordinary costs.

The net working capital at the end of the quarter is equivalent to 103 days of equivalent revenues. Investments are progressing as planned and this has made it possible to continue generating a free positive *cash flow* of €21 million for this quarter, compared to €18 million for the same period last year.

Dividend of €0.34 per share

As announced this past March, the Board of Directors will propose in the General Shareholders' Meeting, which will take place in June, the payment of an ordinary dividend of €0.34€ per share, charged to 2013 earnings, equivalent to a payout of 48% and a profitability per dividend of 2.8% for the 2013 end-of-year price (€12.155). The dividend will be paid at the beginning of June.

2014 performance forecast

During the first quarter, Indra's activity has progressed as planned, so the company is confident that its operations for the year will be in line with forecasts, achieving the goal of generating free cash flow of more than €100 million in 2014, and establishing the foundation for continuing the coming years with additional improvements.



KEY FINANCIAL FIGURES

The following table describes the key financial figures for the period:

	1Q 14 (M€)	1Q 13 (M€)	Variation (%) Reported / Local Currency
Order intake	1,046	1,055	(1) / 6
Revenues	728	728	0 / 6
Order book	3,704	3,774	(2)
Recurrent operating income (EBIT) ⁽¹⁾	56	57	(2)
Recurrent EBIT margin ⁽¹⁾	7.7%	7.9%	(0.2)pp
Extraordinary costs	(5)	(8)	(31)
Operating income (EBIT)	51	50	2
EBIT margin	7.0%	6.8%	0.2 pp
Recurrent net operating income ⁽¹⁾	36	33	9
Net operating income	31	27	18
Net debt	607	634	(4)
Free cash flow	21	18	19

⁽¹⁾ Before extraordinary costs