

indra

9M19 Results



November 5th, 2019

CONFERENCE CALL DETAILS

LIVE EVENT:

The Company will host a conference call for investors and analysts today at 18:30 (Spanish time). Please find below conference call telephone numbers:

Spain: +34 911140101

France: +33 170710159

UK: +44 2071943759

US: +1 6467224916

Access Code::17964390#

Access to the live event:

<https://event.on24.com/wcc/r/2104989-1/0049126FD2CDFC587E669CD6A80E3B0D?partnerref=rss-events>

WEBCAST REPLAY:

A recording of the conference call will be available for 30 days on the following telephone numbers:
Replay dial number:

Spain: +34 910387491

France: +33 (0)170710160

UK: +44 2033645147

US: +1 (646) 722-4969

Access code: 418878556#

Access to the Webcast Replay:

<https://event.on24.com/wcc/r/2104989-1/0049126FD2CDFC587E669CD6A80E3B0D?partnerref=rss-events>

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Main headlines

- 1 9M19 Backlog +9% and Order Intake +7%, both above revenue growth (+5%)
- 2 Revenues up +6% in local currency in 9M19, both T&D and Minsait posted growth. America stood out (+15% in local currency)
- 3 EBITDA up +22% in 9M19 (+7% excluding the IFRS 16 impact)
- 4 EBIT grew +10% in 9M19, pushed by Minsait (3.1% EBIT margin), despite the lower contribution from the Election Business
- 5 Net profit improved +18% in 9M19
- 6 FCF almost flat in 3Q19 (€-1m) vs (+€15m) in 3Q18, backed by working capital normalization in the quarter
- 7 Indra maintains its 2019 guidance
- 8 Indra, nominated as national industrial coordinator of the FCAS (Future Combat Air System) Program

Revenues up +5% in reported terms, +6% in local currency

9M19 Sales Growth

Reported

+5%

Local Currency

+6%

Organic¹

+5%

3Q19 Sales Growth

Reported

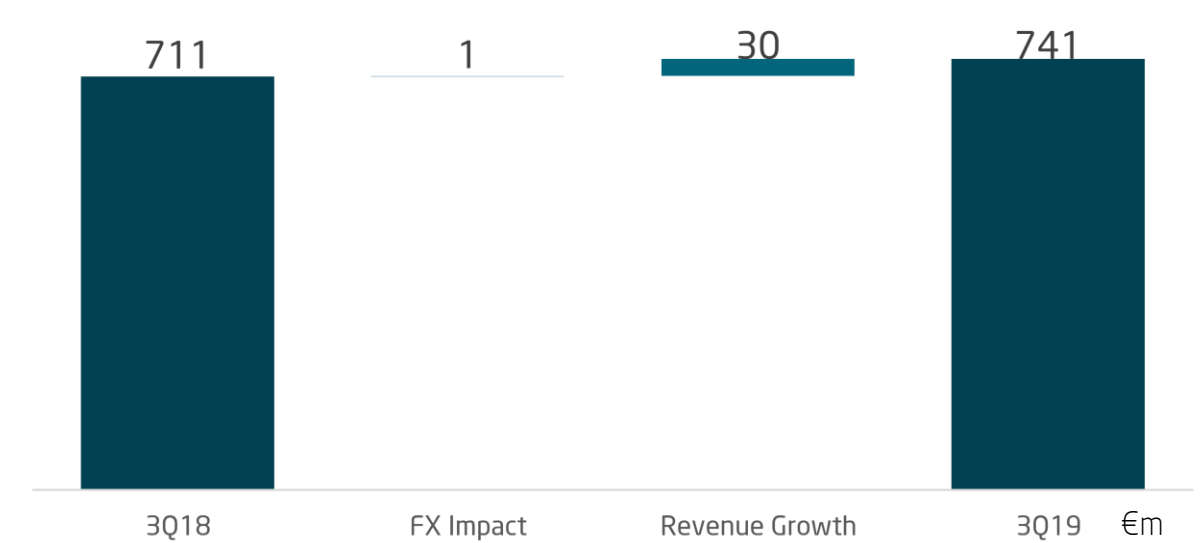
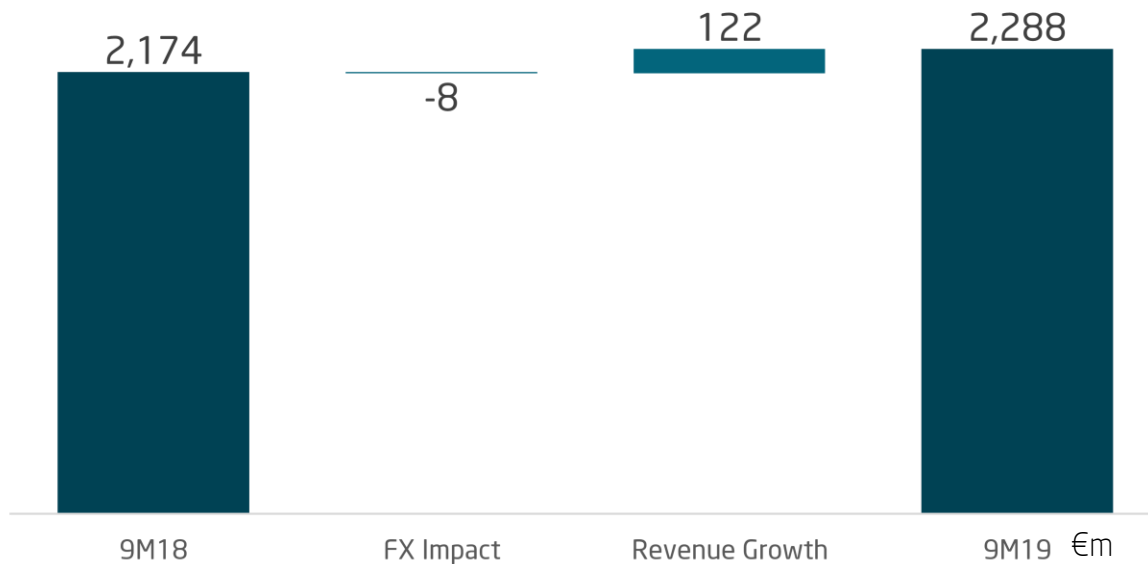
+4%

Local Currency

+4%

Organic¹

+4%

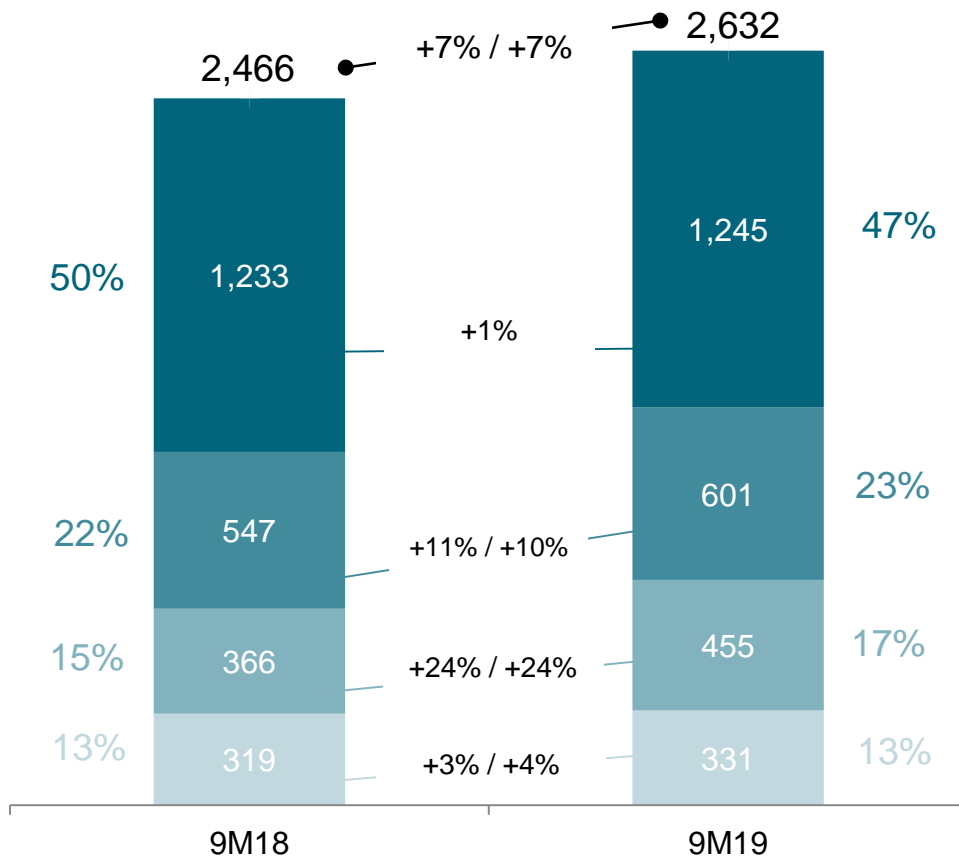


1. Excluding the ACS acquisition and the FX impact

Revenues and order intake by region

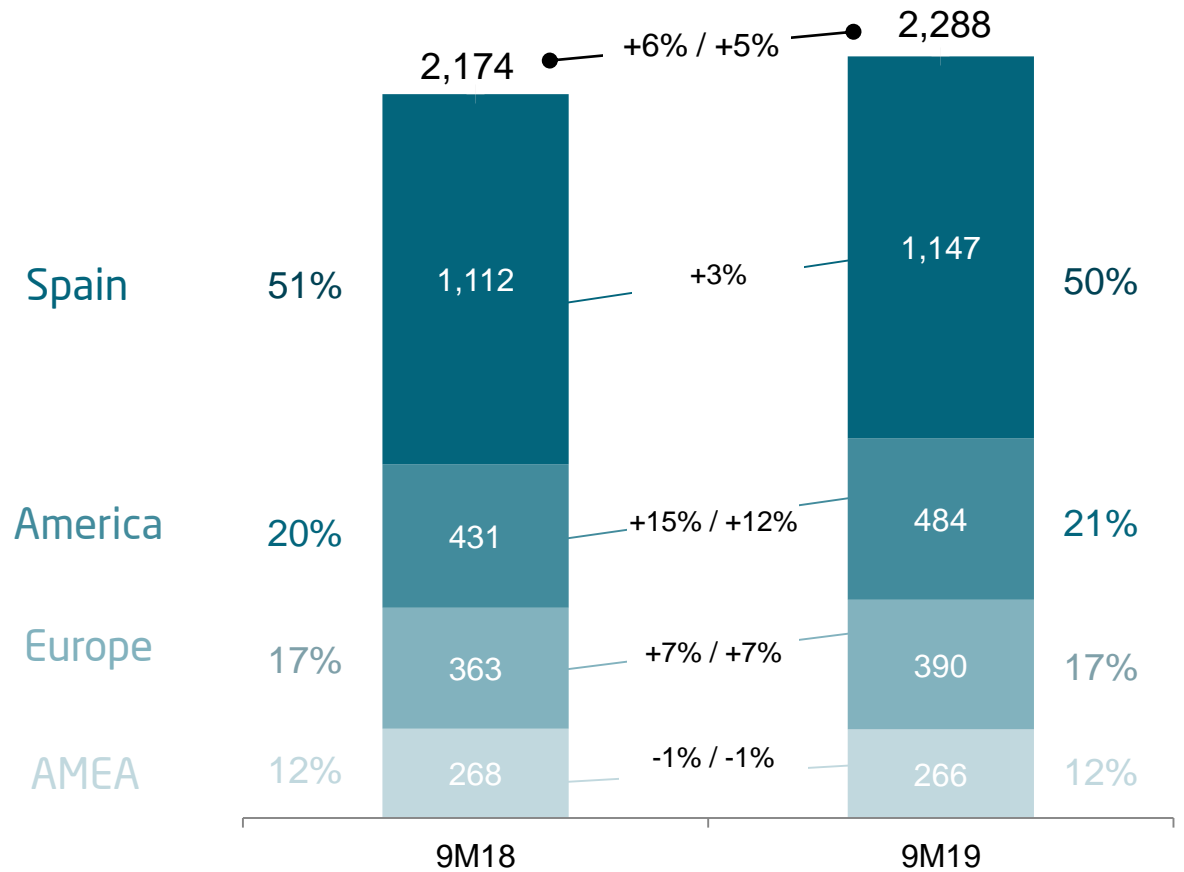
Order Intake (€m)

Local Currency / Reported



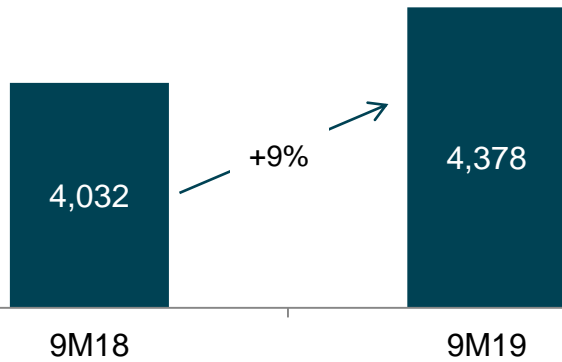
Revenues (€m)

Local Currency / Reported

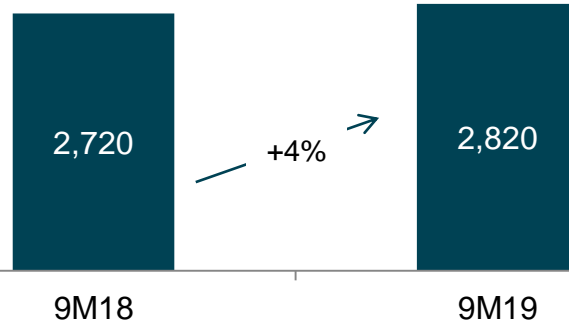


Backlog up +9% in reported figures

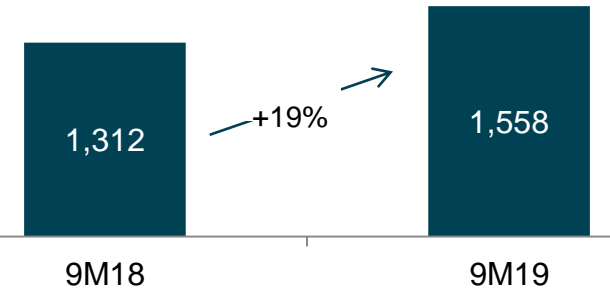
Indra backlog (€m)



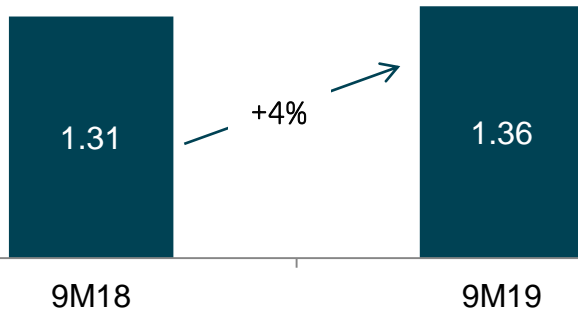
T&D backlog (€m)



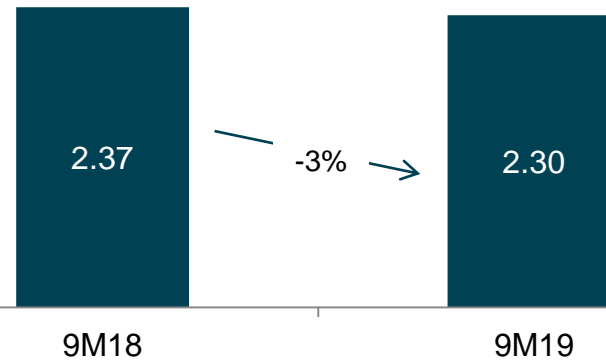
Minsait backlog (€m)



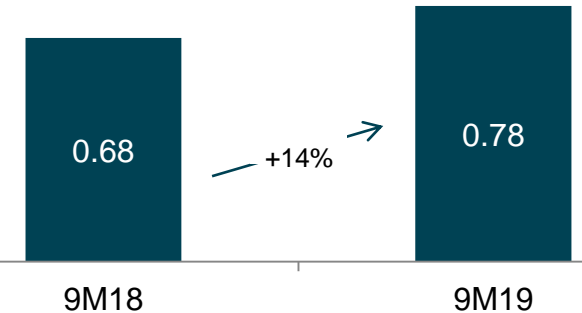
Indra backlog/revs LTM



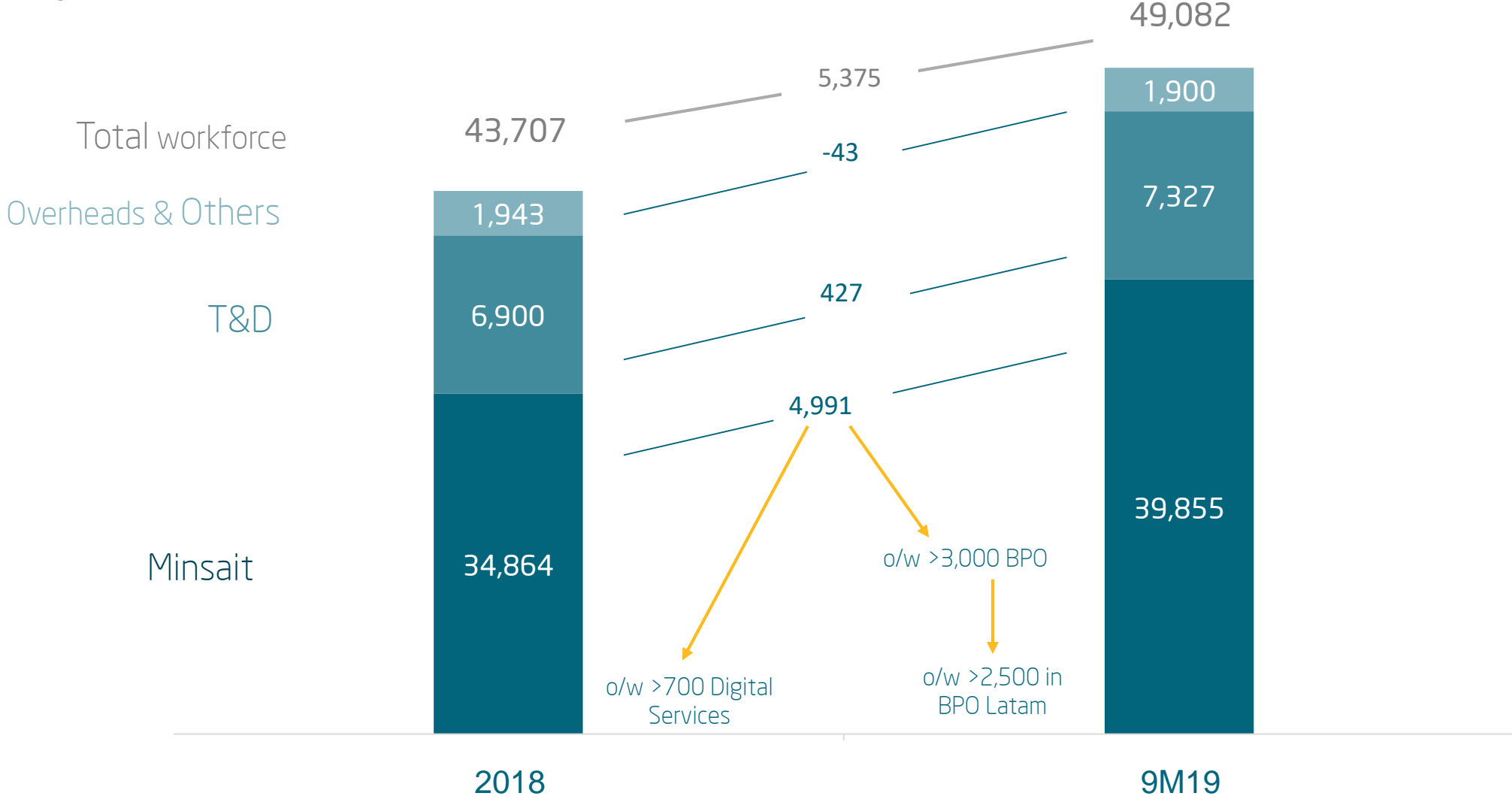
T&D backlog/revs LTM



Minsait backlog/revs LTM

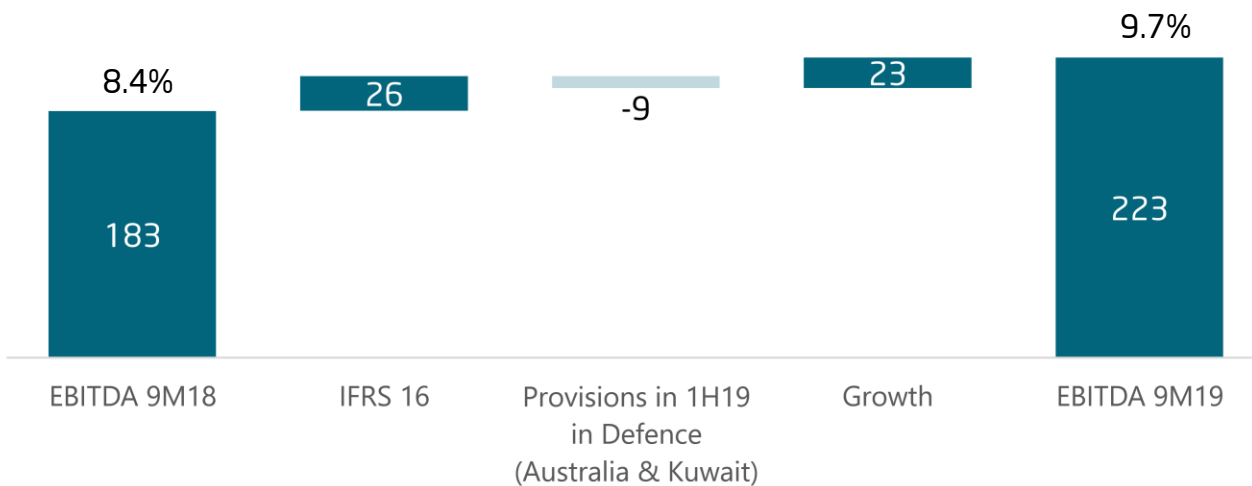


The increase of the workforce is mainly due to the BPO business and Digital Solutions

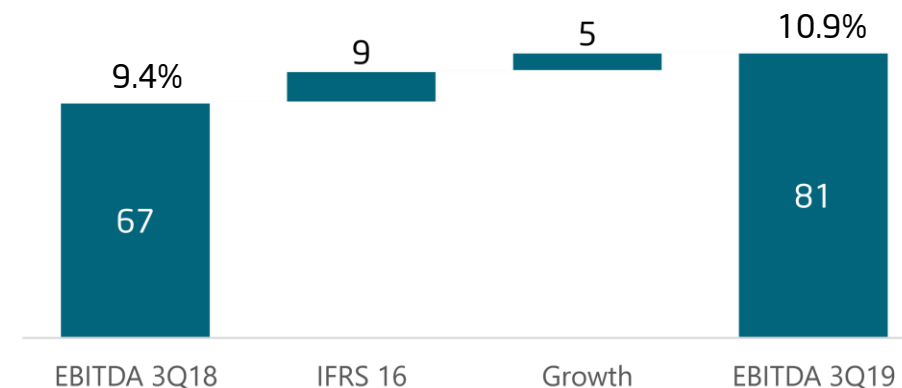


EBITDA, EBIT and margin evolution

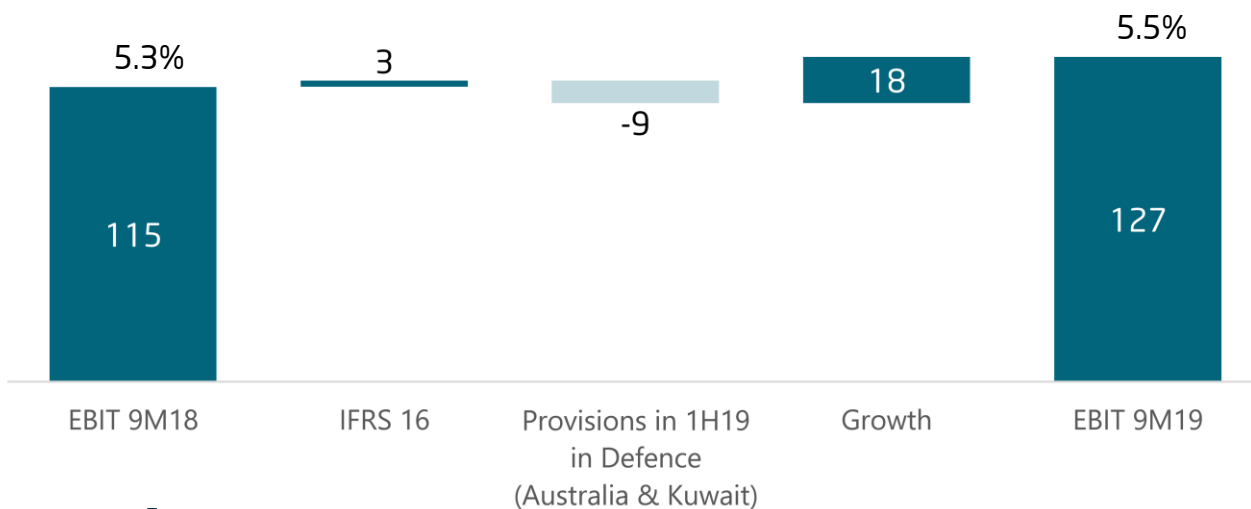
9M19 EBITDA and Margin



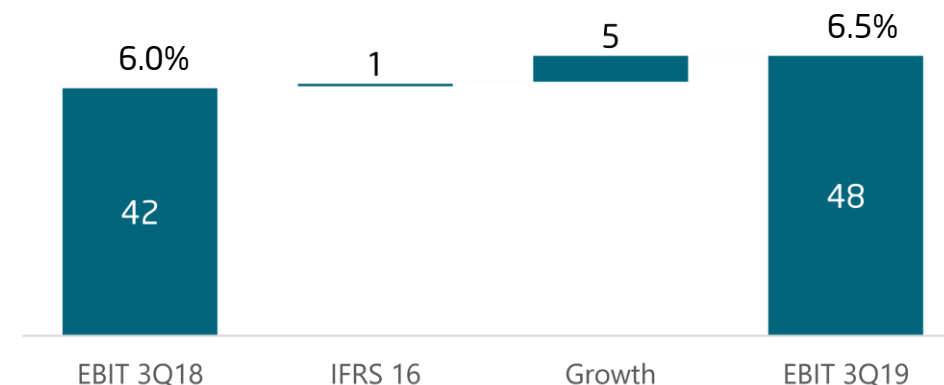
3Q19 EBITDA and Margin



9M19 EBIT and Margin



3Q19 EBIT and Margin



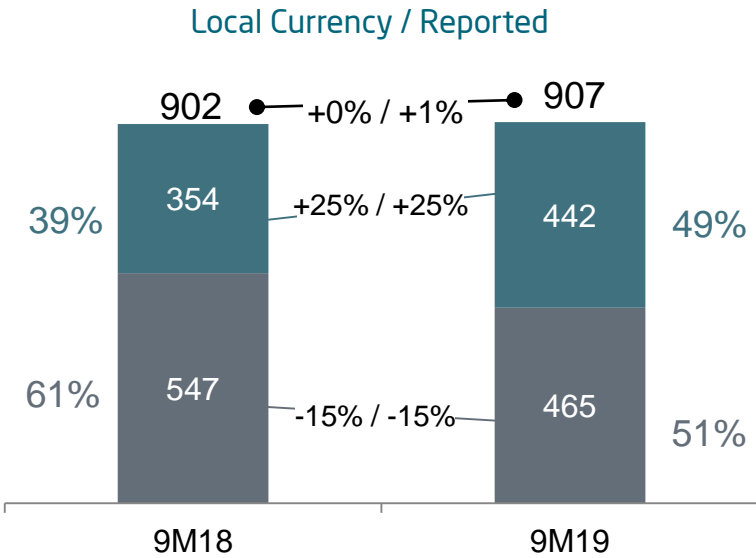
Guidance 2019

	Guidance 2019	9M19
Revenue growth (in constant currency)	Low single digit	+6%
EBIT growth (in absolute terms)	>10%	+10%
FCF before NWC*	>100 m€	€93m

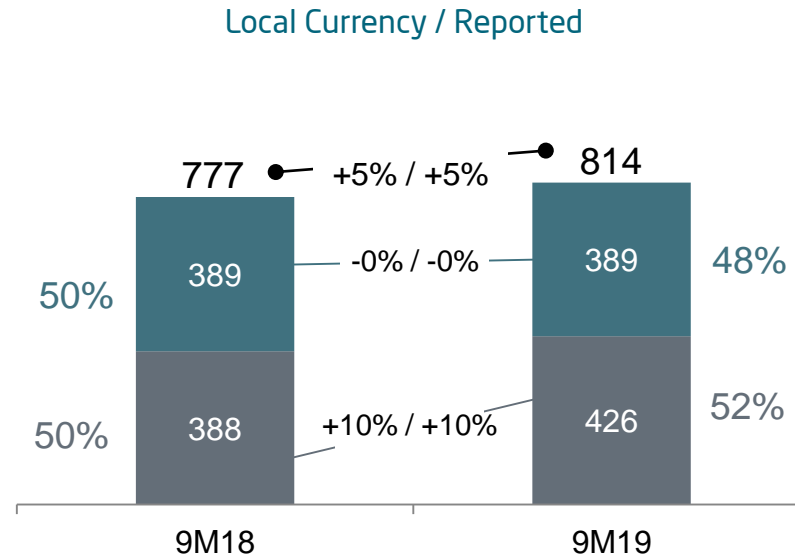
*Excluding IFRS 16 impact

T&D order intake and revenues

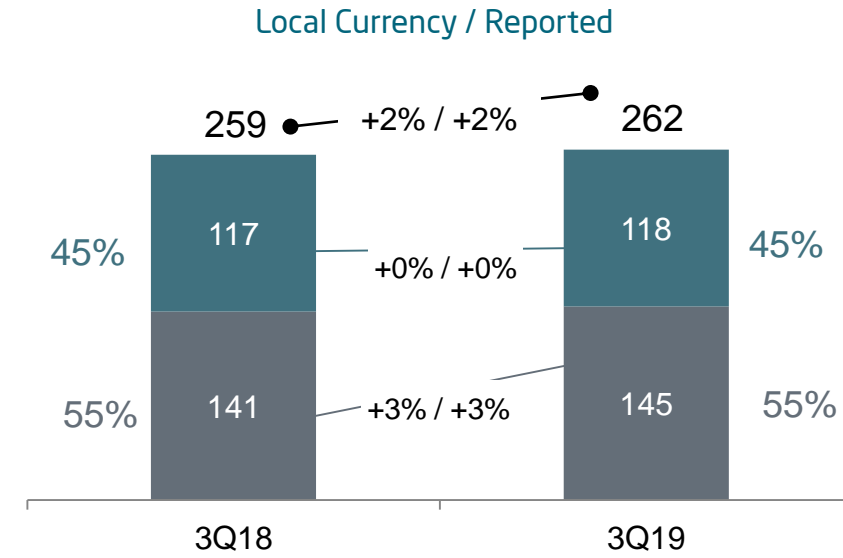
9M19 Order Intake (€m)



9M19 Revenues (€m)



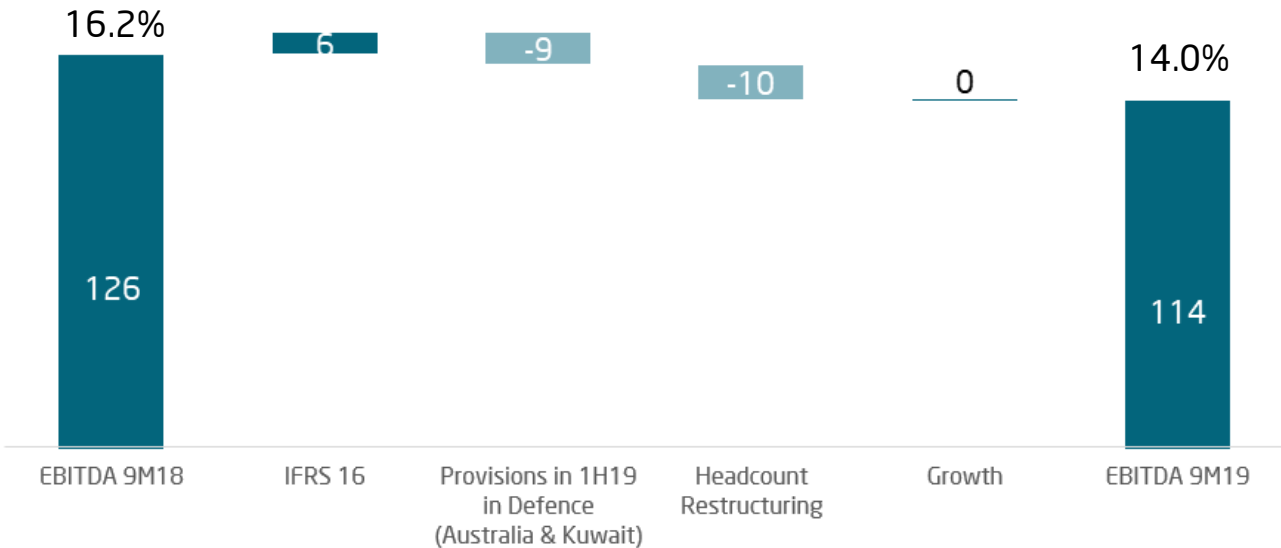
3Q19 Revenues (€m)



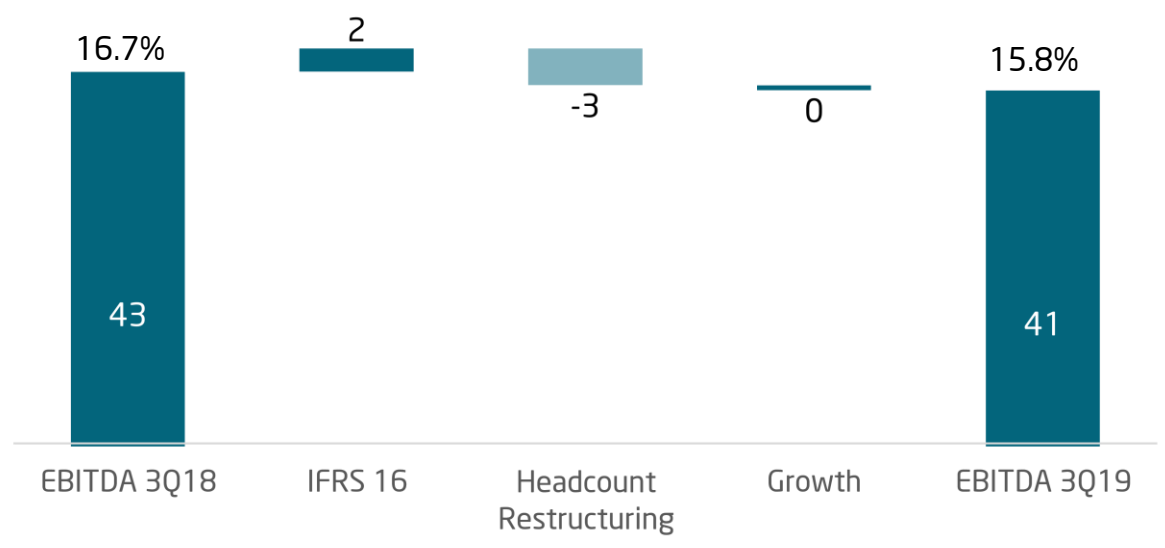
Defence & Security
 Transport & Traffic

T&D EBITDA, EBIT and margin evolution

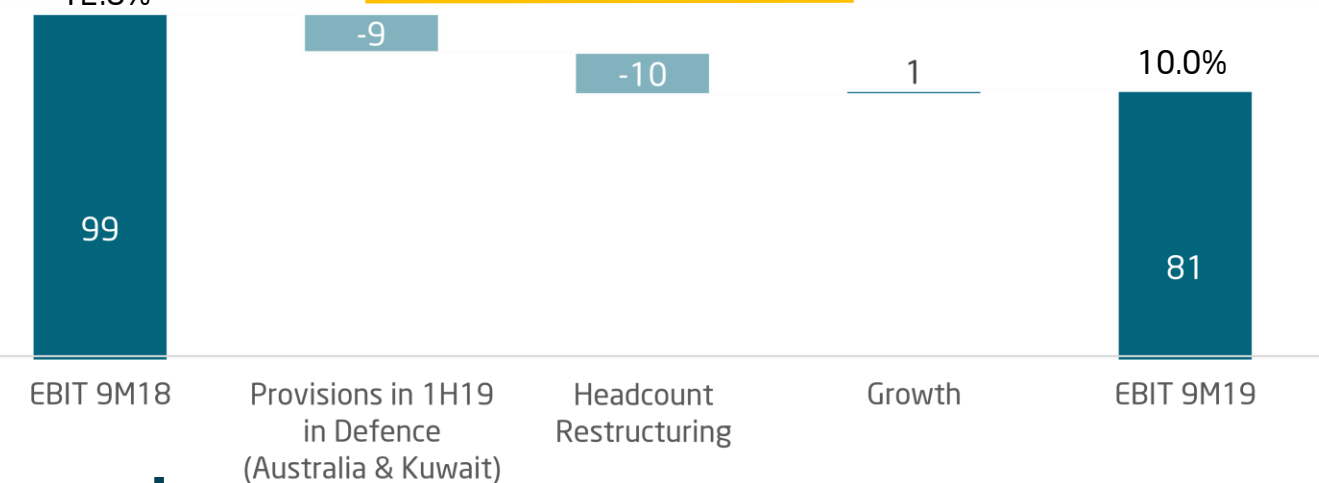
9M19 EBITDA and Margin



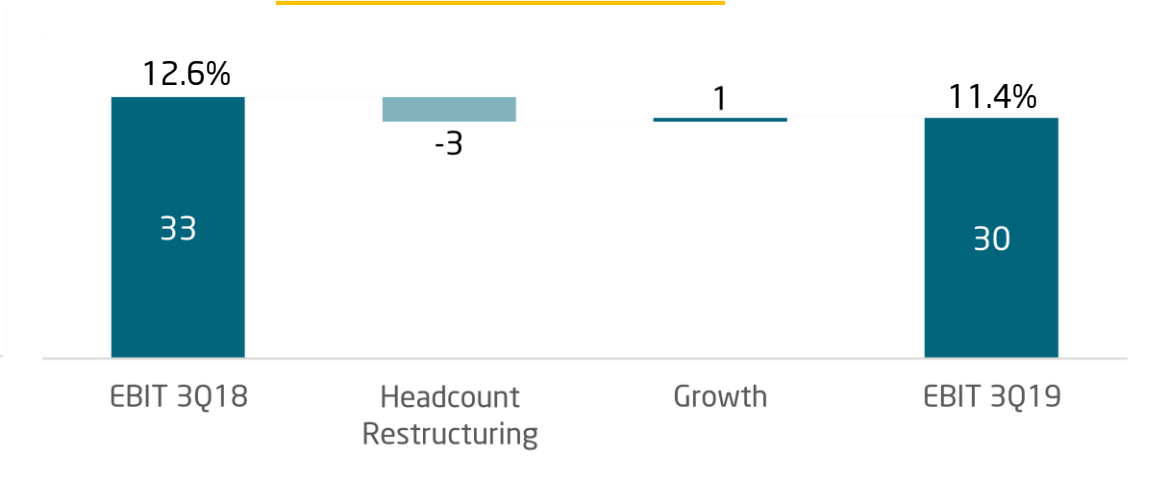
3Q19 EBITDA and Margin



9M19 EBIT and Margin

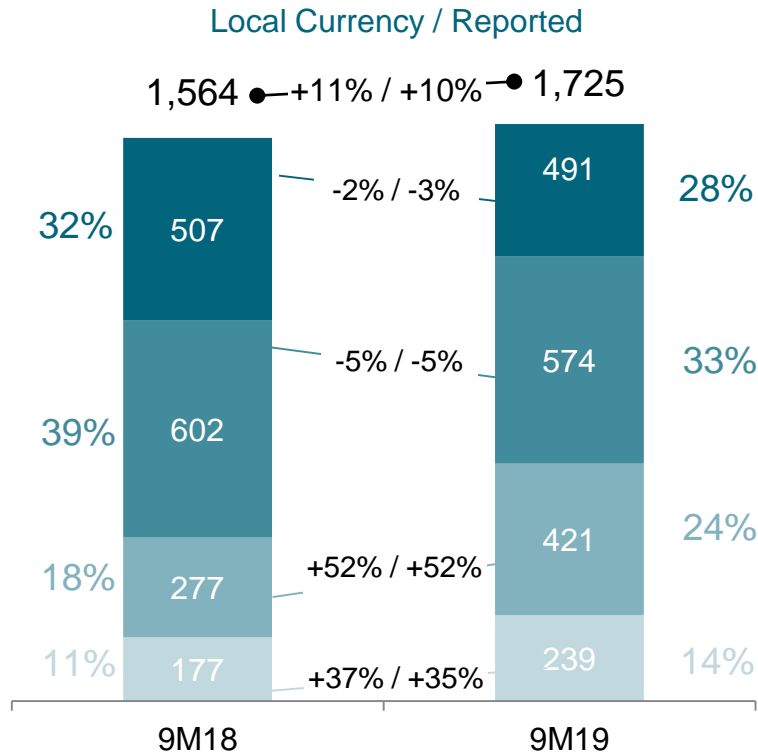


3Q19 EBIT and Margin

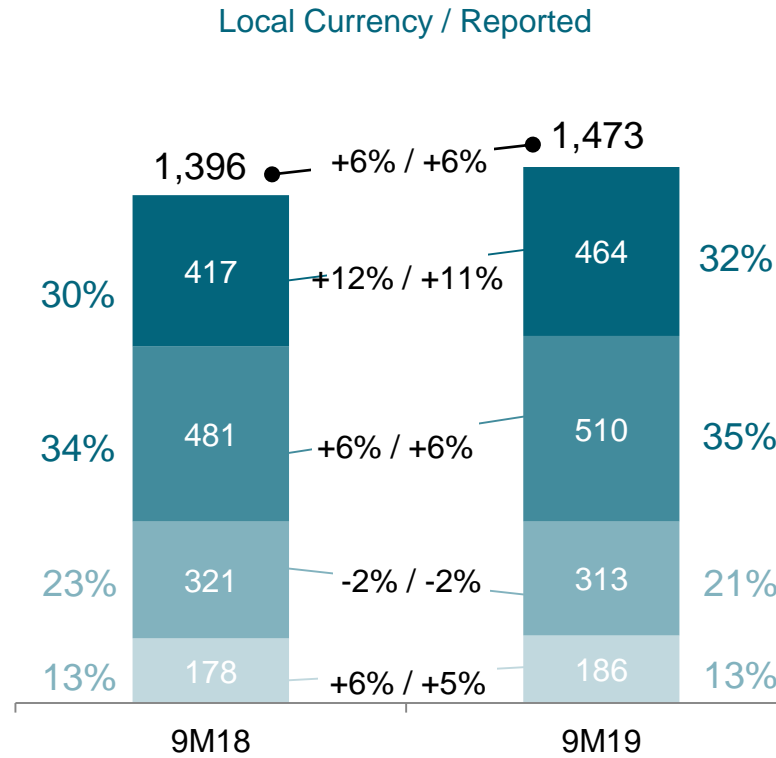


Minsait order intake and revenues

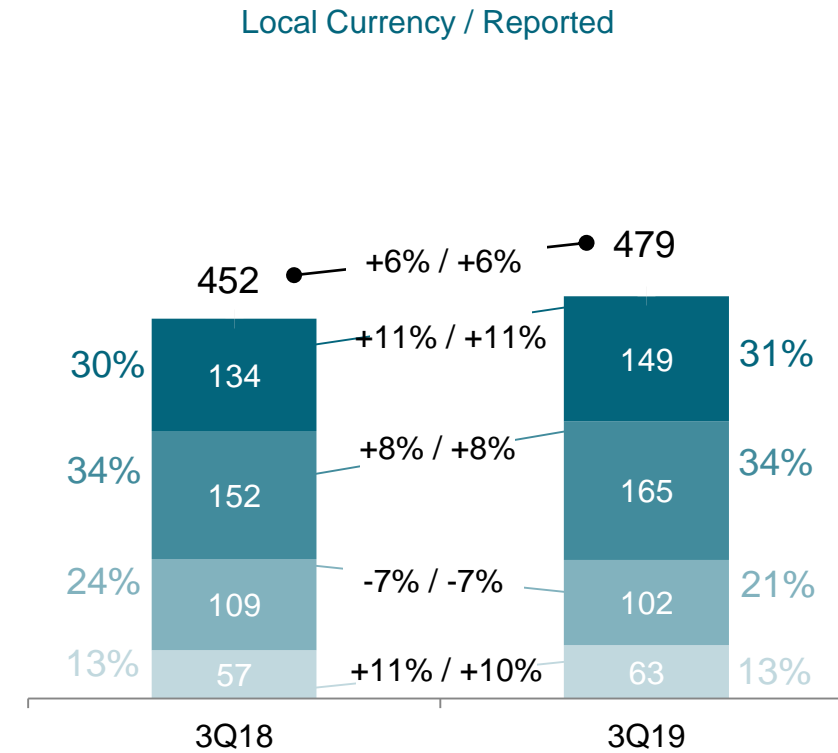
9M19 Order Intake (€m)



9M19 Revenues (€m)



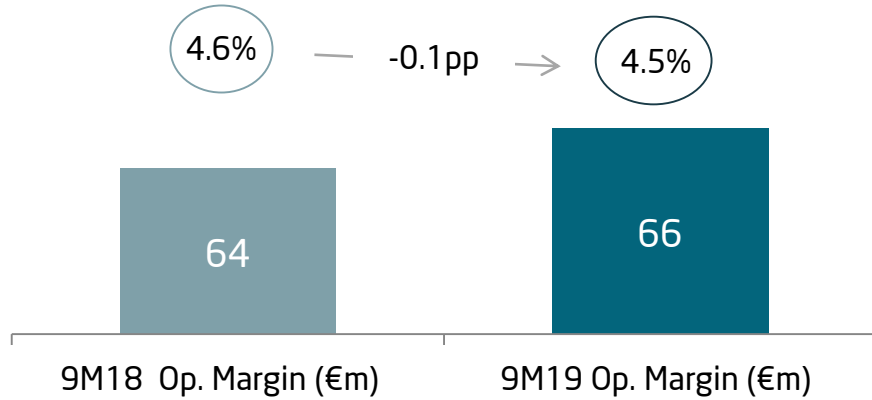
3Q19 Revenues (€m)



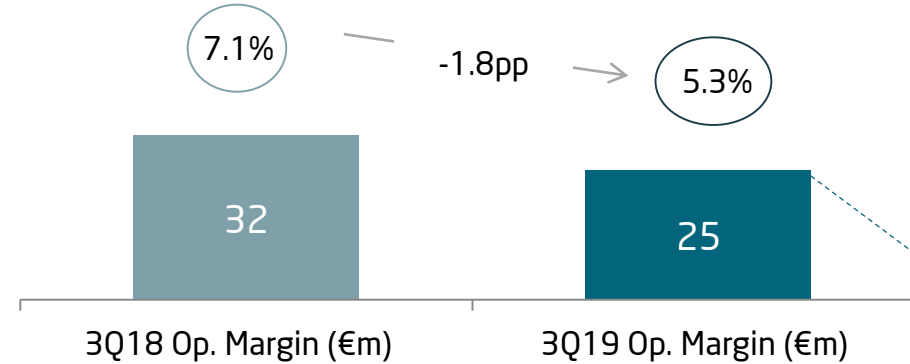
- Energy & Industry
- Financial Services
- PPAA & Healthcare
- Telecom & Media

Minsait operating margin and EBIT evolution

9M19 Operating Margin¹

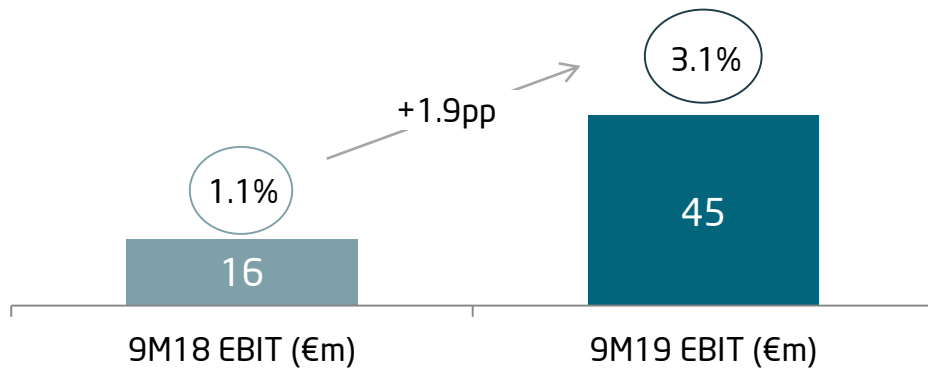


3Q19 Operating Margin¹

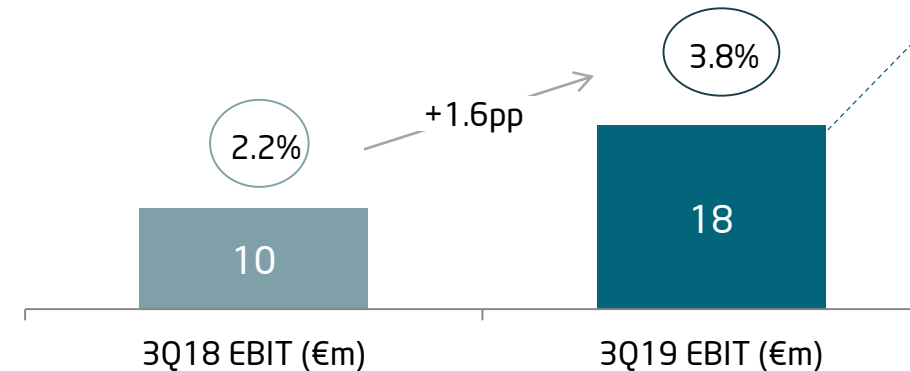


Significant lower contribution from the Election Business

9M19 EBIT and Margin



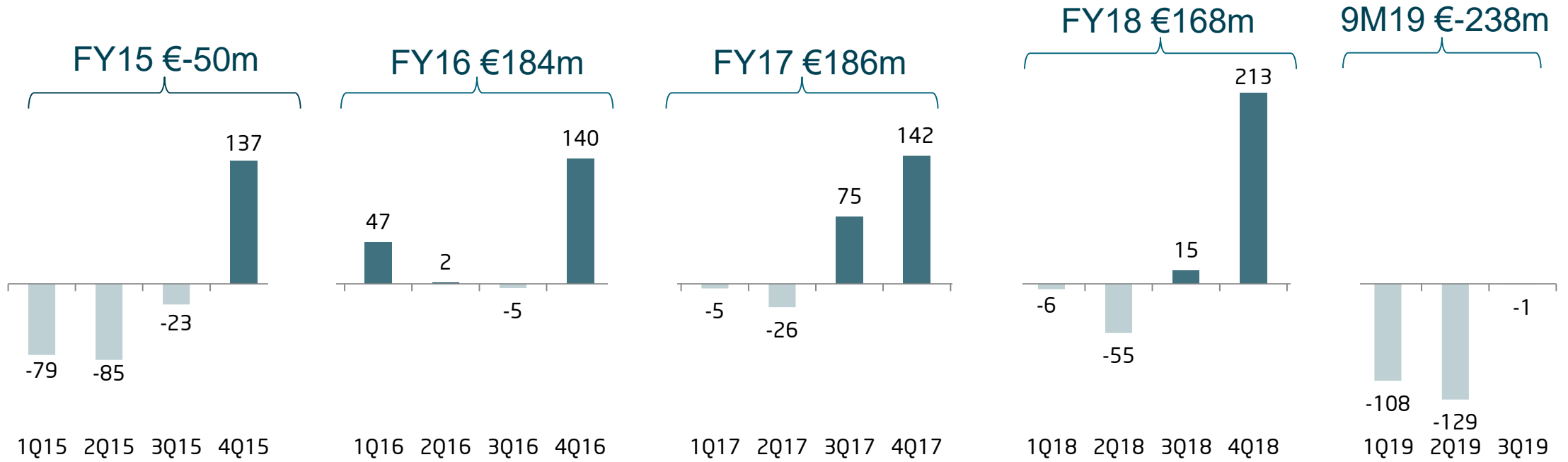
3Q19 EBIT and Margin



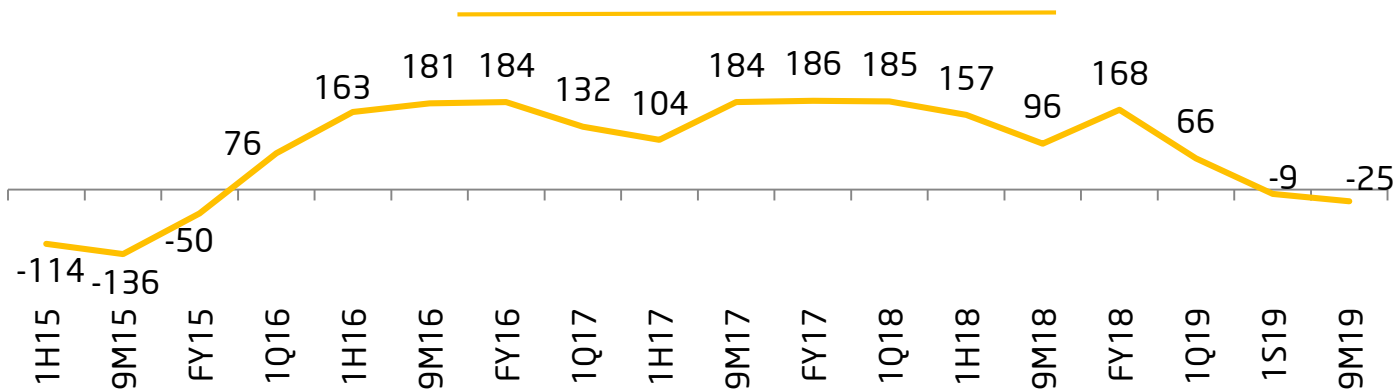
1. EBIT before Other Operating Income & Expenses, which includes: staff reorganization, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity based compensation.

FCF Generation

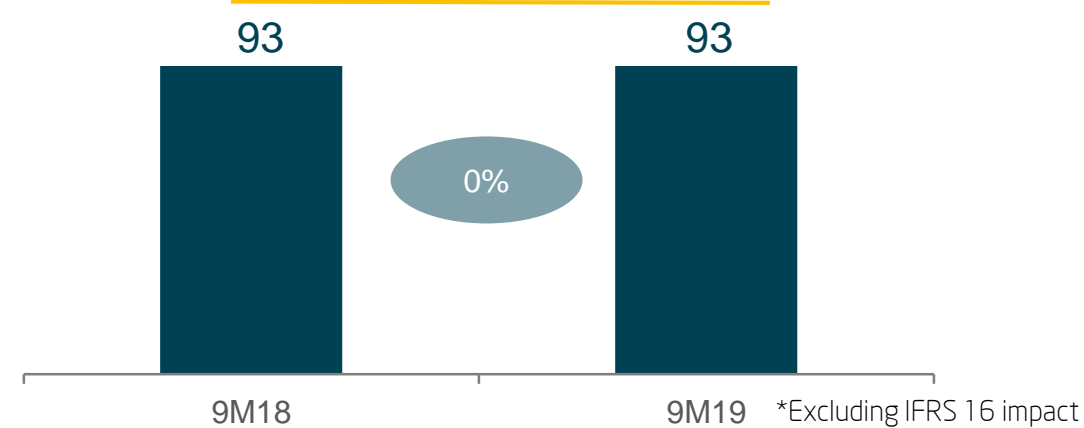
Quarterly FCF (€m)



Accumulated FCF LTM (€m)



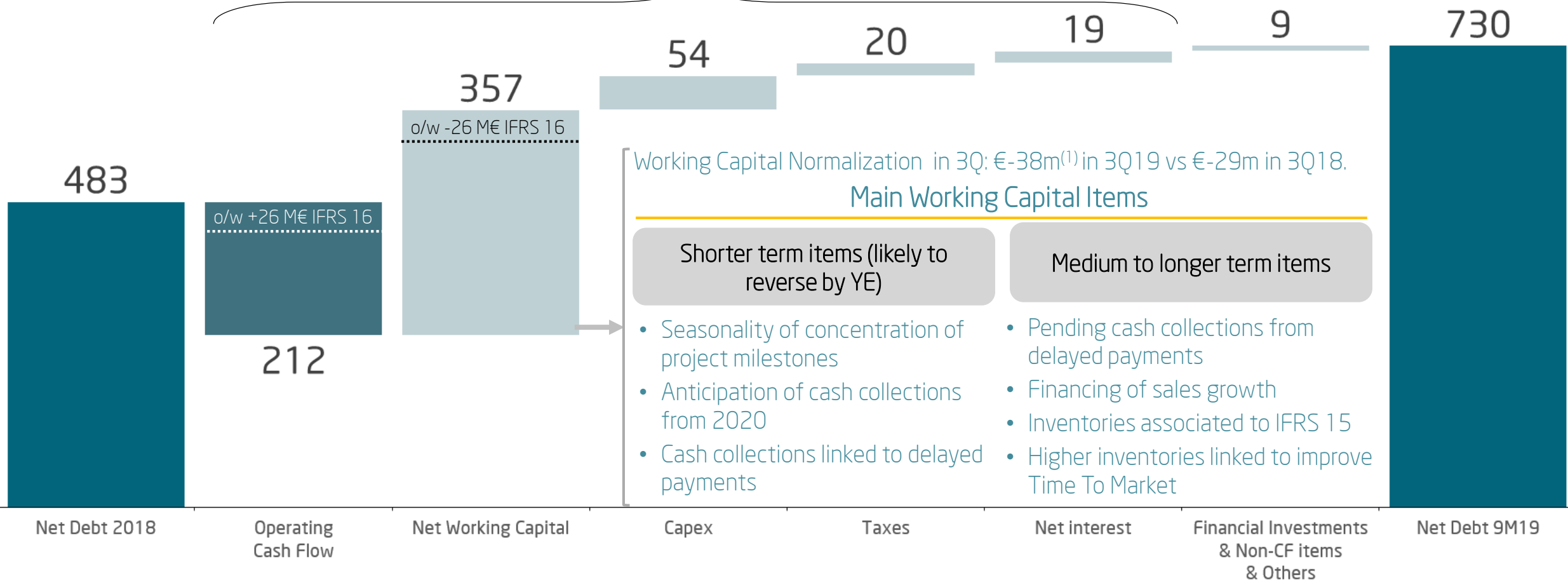
FCF before WC* (€m)



Net Debt Bridge

Net Debt Bridge – Cash Flow (€m)

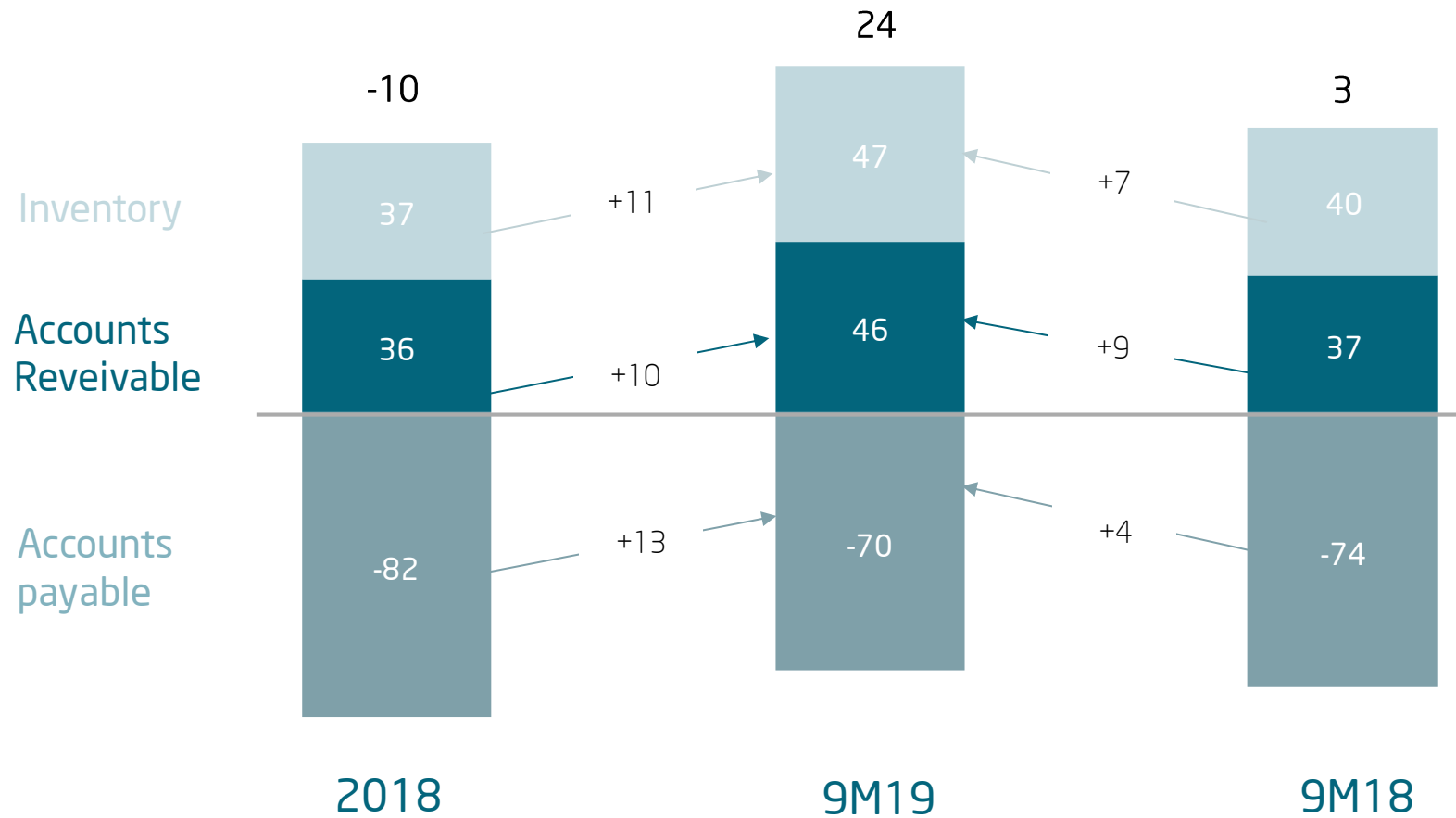
FCF = €-238m



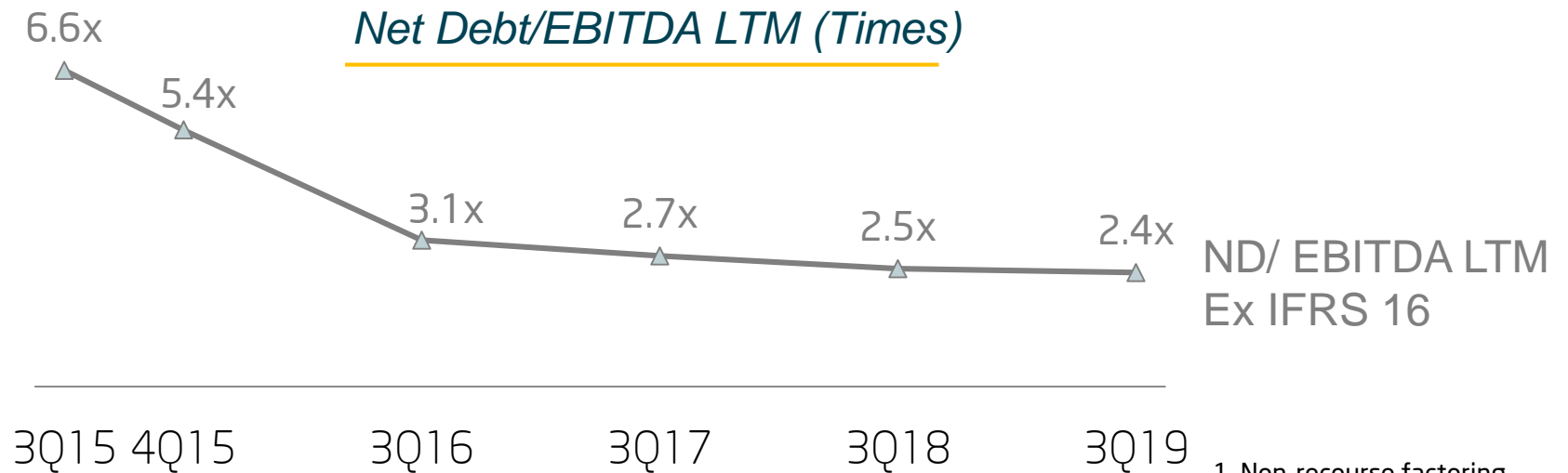
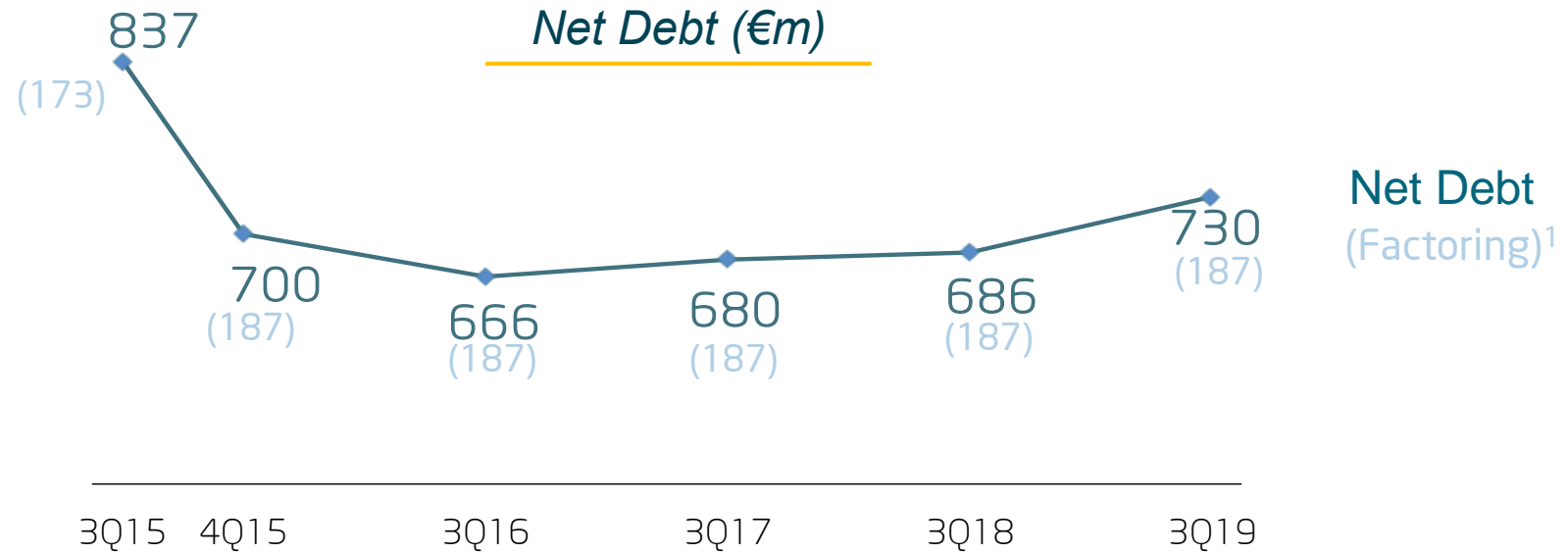
⁽¹⁾ €-43 including IFRS 16 (€-9m impact)

Net Working Capital Evolution

Net Working Capital (DoS)



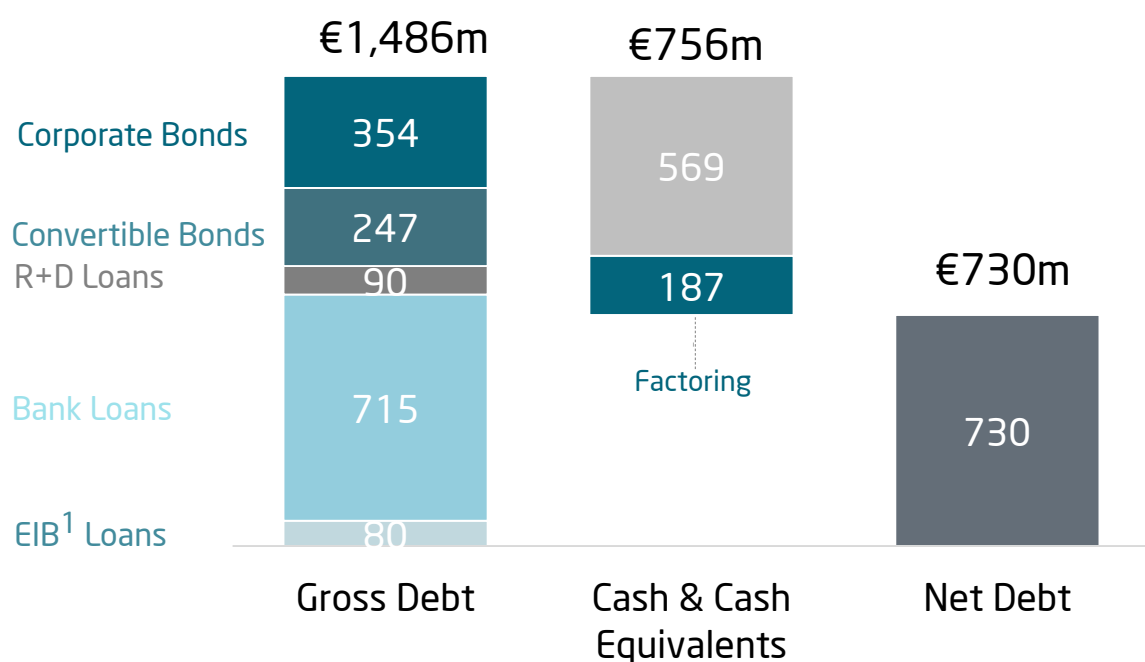
Net Debt Evolution



1. Non-recourse factoring

Diversified debt structure

Gross and Net Debt Structure

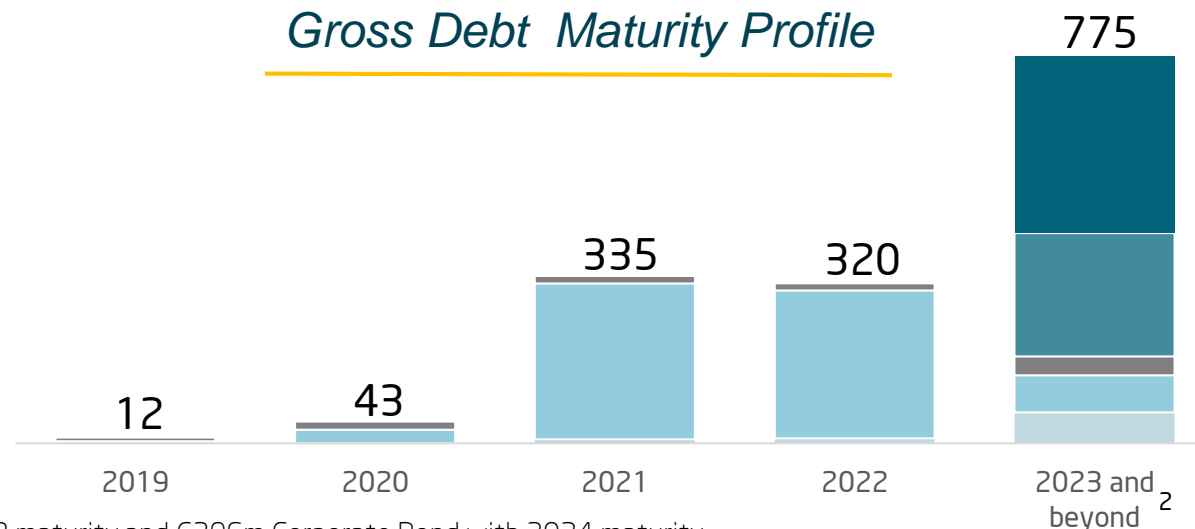


	9M19	% total	2018	% total
L/T Debt	1,437	97%	1,359	97%
S/T Debt	49	3%	42	3%
Gross Debt	1,486	100%	1,401	100%
Cost of Gross Debt	1.8%		2.0%	
Cash & Others	756	n.m.	918	n.m.
Net Debt	730	n.m.	483	n.m.
Cost of Net Debt	2.7%		3.2%	

	9M18	2018
Average life (years)	3,5	4,0

Other available credit facilities: €190m

Gross Debt Maturity Profile



1. European Investment Bank . 2. Including €246m Convertible Bond with 2023 maturity and €296m Corporate Bond with 2024 maturity



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