



9M23 Results

October 31st, 2023

indra



Conference call details

LIVE EVENT:

The Company will host a conference call for investors and analysts today at 8:30 (Spanish time).

Please find below conference call telephone details:

Pre-registration: <https://aiti.capitalaudiohub.com/indra/reg.html>

Once you've registered, you will receive an email with your personal credentials: Dial-in numbers, Conference ID and User ID.

- Participants will need to enter the Conference ID and press the pound key.
- Each participant will need to enter a unique personal User ID and press the pound key.

Access to the webcast live event:

<https://streamstudio.world-television.com/1015-2578-38489/en>

This presentation has been produced by Indra for the sole purpose expressed therein. Therefore, neither this presentation nor any of the information contained herein constitutes an offer sale or exchange of securities, invitation to purchase or sale shares of the Company or any advice or recommendation with respect to such securities.

Its content is purely for information purposes and the statement it contains may reflect 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 beyond the control of the Company that could result in final results materially differing from those contained in these statements. The Company does not assume any obligation or liability in connection with the accuracy of the mentioned estimations and is not obliged to update or revise them.

This document contains information that has not been audited. In this sense, this information is subject to, and must be read in conjunction with, all other publicly available information.

This disclaimer should be taken into consideration by all the individuals or entities to whom this document is targeted and by those who consider that they have to make decisions or issue opinions related to securities issued by Indra.

indra

Introduction

Marc Murtra
President

9M23
Results



indra

9M23 Indra Highlights

José Vicente de los Mozos
Chief Executive Officer

9M23
Results



9M23

Main headlines

- **Solid 9M23 performance:**
 - New all-time high in order backlog, driven mainly by Air Traffic, Transport and Minsait
 - Revenues and EBIT grew at double-digit rates in 9M23 vs 9M22, pushed by Defense (mainly FCAS and Eurofighter), and Air Traffic
 - EBIT also up at double-digit rates in 9M23 and in 3Q23
 - EPS up by +26.4% compared to 9M22
 - 9M23 Free Cash Flow more than twice 9M22, being the best 9M figure ever
 - 2023 Guidance reiterated
- **Main focus in 4Q 2023:
Our Strategic Plan “Leading the Future”**
- **Other significant 3Q23 milestones:**
 - Acquisition of a 9.5% stake in ITP and 30% in Epicom
 - New bolt-on acquisitions in other divisions (Park Air, Nae,...)
 - Convertible bond repurchase to prevent shareholders dilution



The new Strategic Plan will address the key challenges for Indra



Indra 4.0



M&A portfolio management (based on clear rules)

- Transformational Big-Bets
- Bolt-ons on specific capabilities



Product simplification & creation

- State-of-the art target portfolio
- New investments/dis-continuations



Geographic footprint optimization

- Key geographies & operating model
- Integrated go-to-market



Technology ecosystem creation

- Disruptive technologies
- Alliances and JVs with key players



New engineering model

- Processes and capabilities
- Transformation/efficiencies



Excellence and efficiency in operations

- Manufacturing footprint
- Transformation/efficiencies

Digital cross-cutting capabilities

Top-of-mind employer for digital and engineering talent

ESG commitments

The process is being collectively run with different layers of the organization, ensuring end-to-end participation and full commitment

indra
Transforming
from the inside

'Fresh Talent'
(Emerging talent)

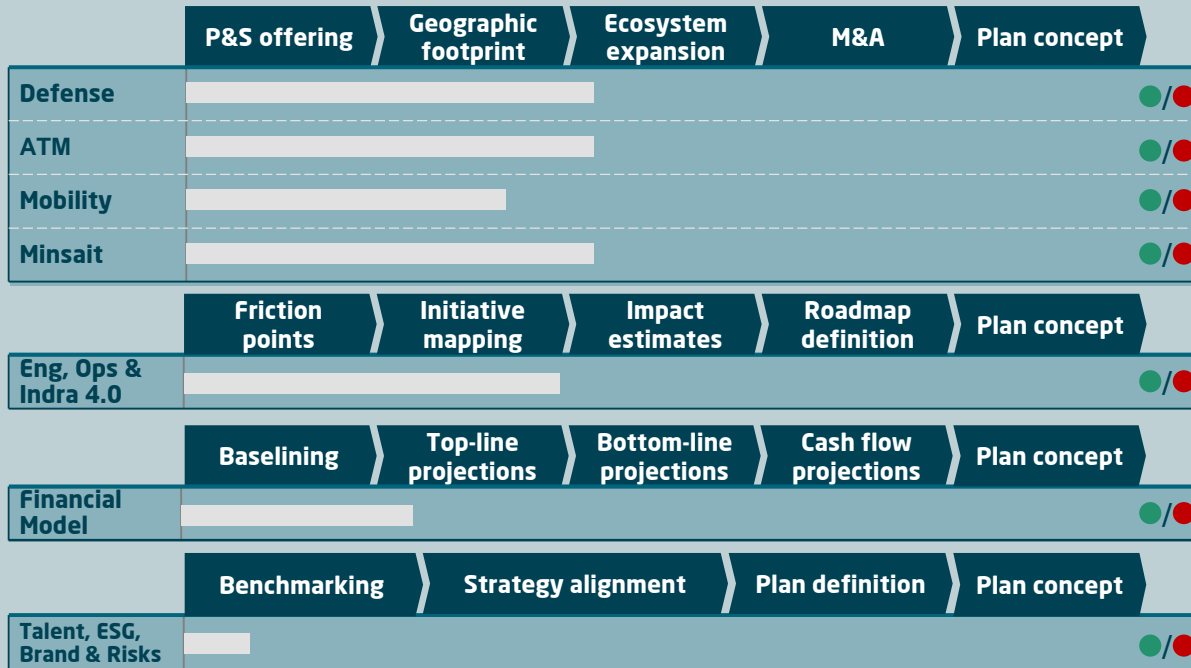
Initiative leaders
(Senior Management)

Sponsors
(ExCom Members)



We are monitoring the progress of the plan on a daily basis

Status of the Strategic Plan by stream



Legend: ● On track ● Delayed

Degree of fulfillment of the overall Strategic Plan



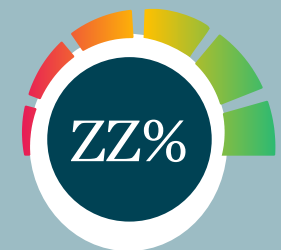
Degree of fulfillment for 2026 financial targets considering ongoing initiatives/ projections

Revenues target



Degree of fulfillment vs. target

EBIT target



Degree of fulfillment vs. target

9M23 Group Financial Results Headlines

Backlog

€ 6,974m

+ 16.6%

Revenues

€ 3,016m

+ 11.9%

Basic EPS

€ 0.83

+ 26.4%

Order Intake

€ 3,448m

+ 10.1%

EBIT

€ 228m (7.6% margin)

+ 11.7%

Free Cash Flow

€ 117m

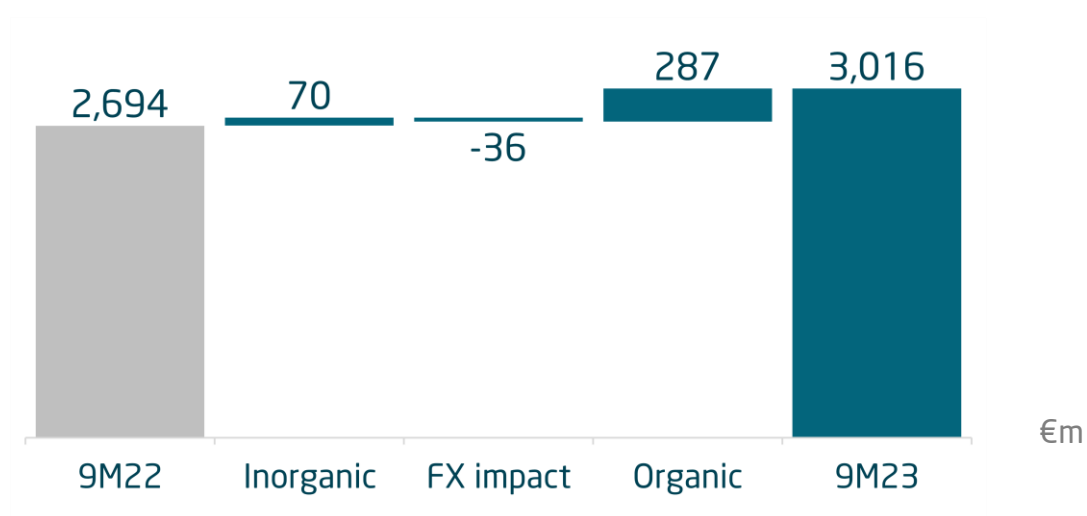
0.6x Net Debt/EBITDA



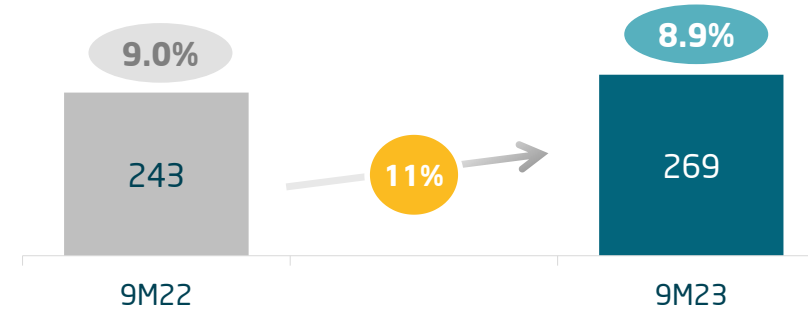
Double-Digit Growth in 9M23 Both in Sales and EBIT

9M23 Revenues (€m)

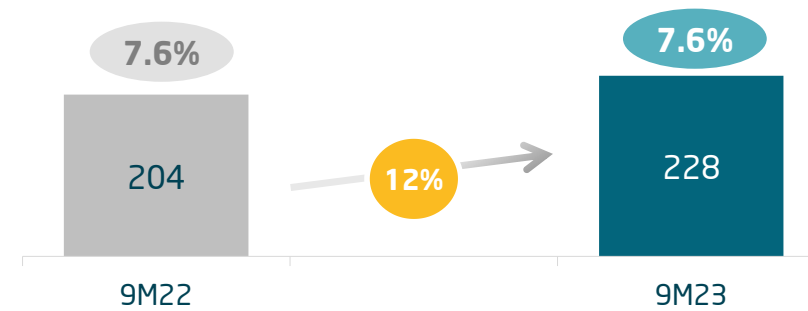
Reported	+ 12%
Local Currency	+ 13%
Organic ¹	+ 11%



9M23 Operating Margin² (€m)



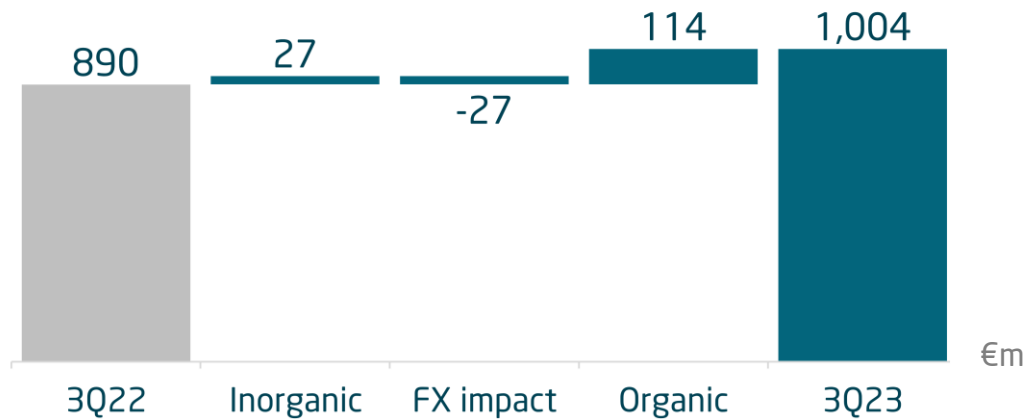
9M23 EBIT and Margin (€m)



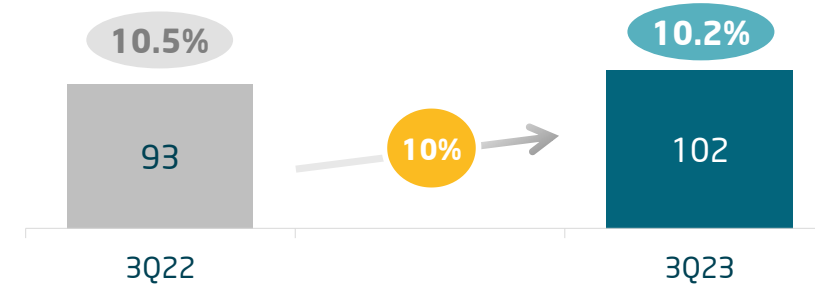
Double-Digit Growth also in 3Q23 Both in Sales and EBIT

3Q23 Revenues (€m)

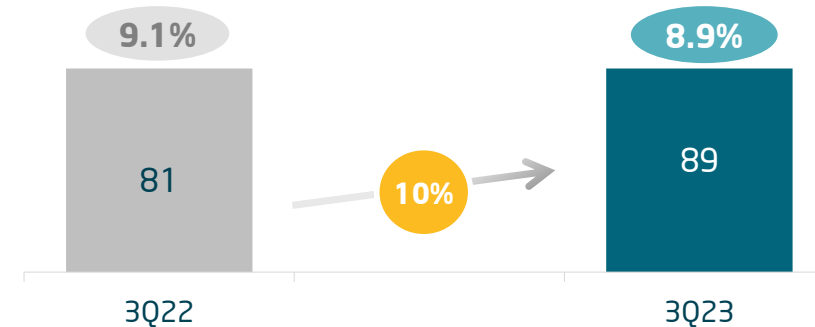
Reported	+ 13%
Local Currency	+ 16%
Organic ¹	+ 13%



3Q23 Operating Margin² (€m)



3Q23 EBIT and Margin (€m)

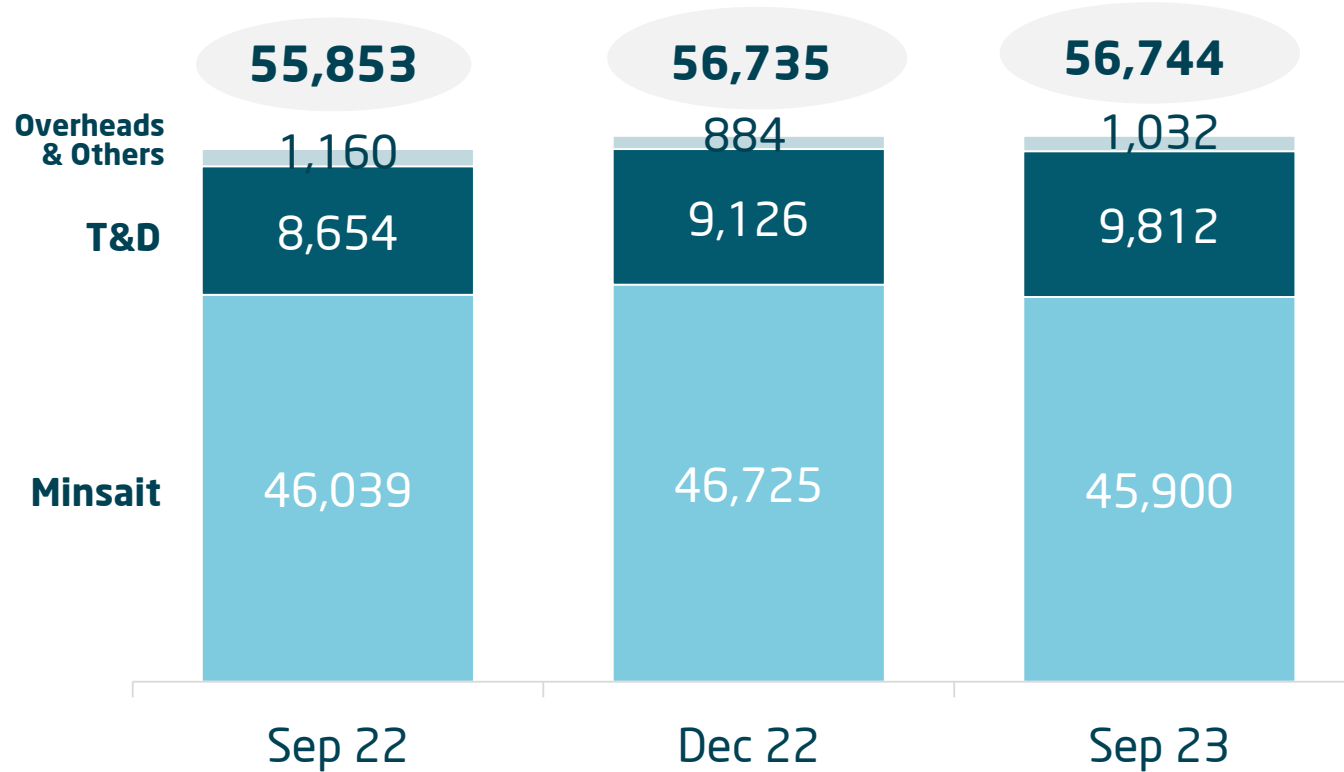


Group Workforce Evolution



Workforce remained flat compared to year-end 2022

Revenue LTM/Employee increased +10% vs September 2022 and +8% vs December 2022



indra

9M23 T&D Highlights

9M23
Results



T&D

Key Financial Highlights

Backlog

€ 4,785m

+ 16%

Revenues

€ 1,011m

+ 17%

Order Intake

€ 1,164m

+ 6%

Operating Margin

€ 131m (13.0% margin)

+ 25%

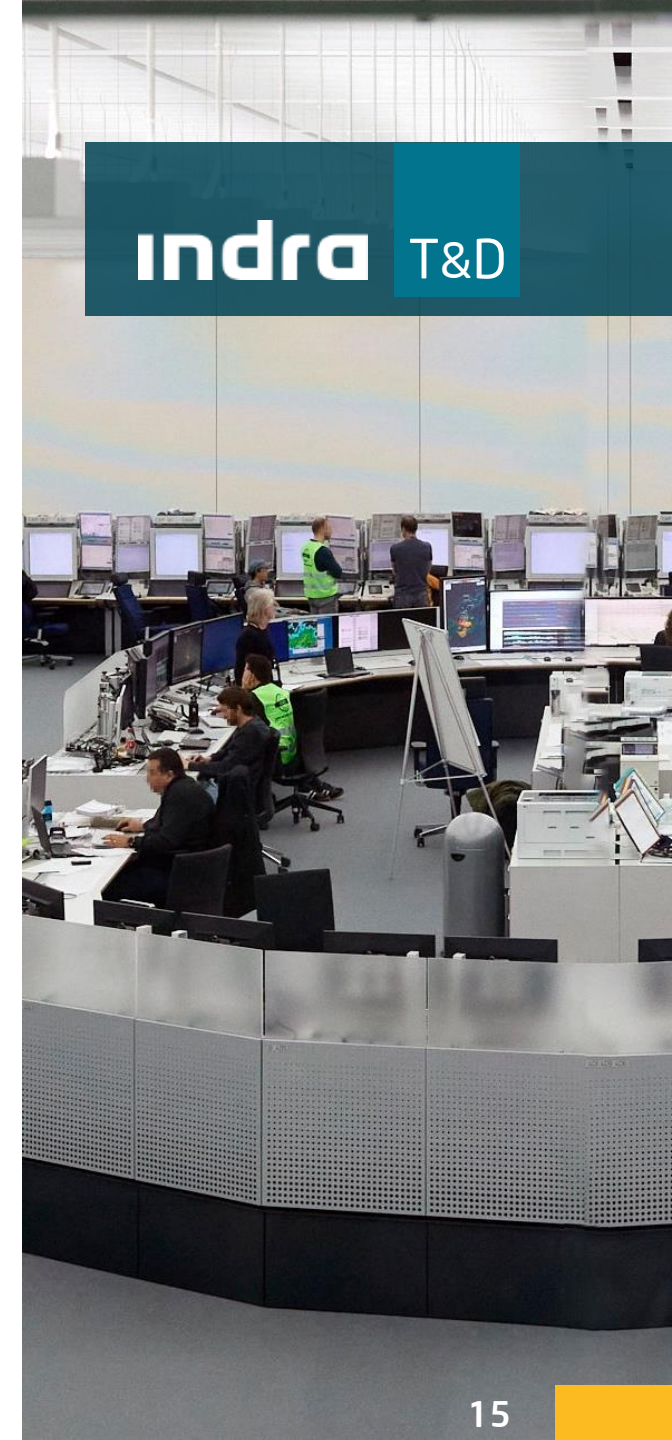
EBIT

€ 123m (12.1% margin)

+ 25%

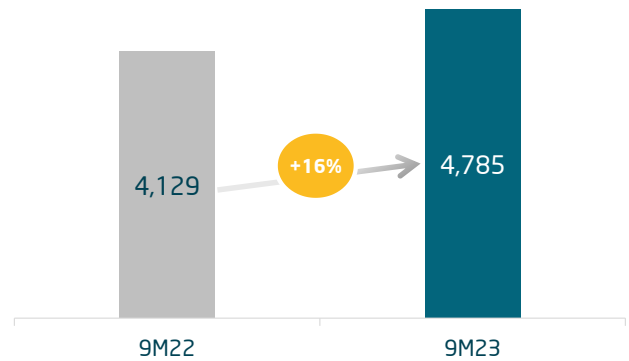
- Main T&D key figures grew at double-digit rates, except for Order Intake (+6%)
- Revenues acceleration boosted by Defense & Security and ATM
- T&D Operating Margin and EBIT growing at double-digit rates vs 9M22

indra T&D

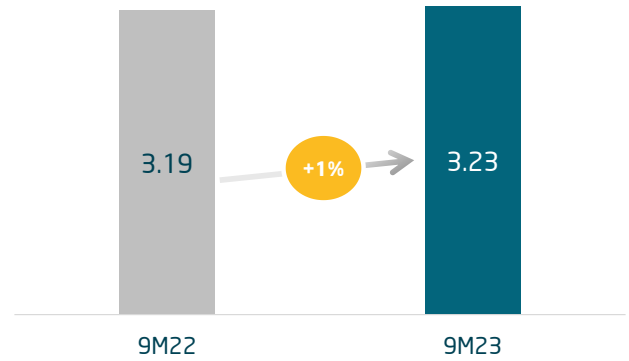


Solid Growth of T&D Backlog and Order Intake

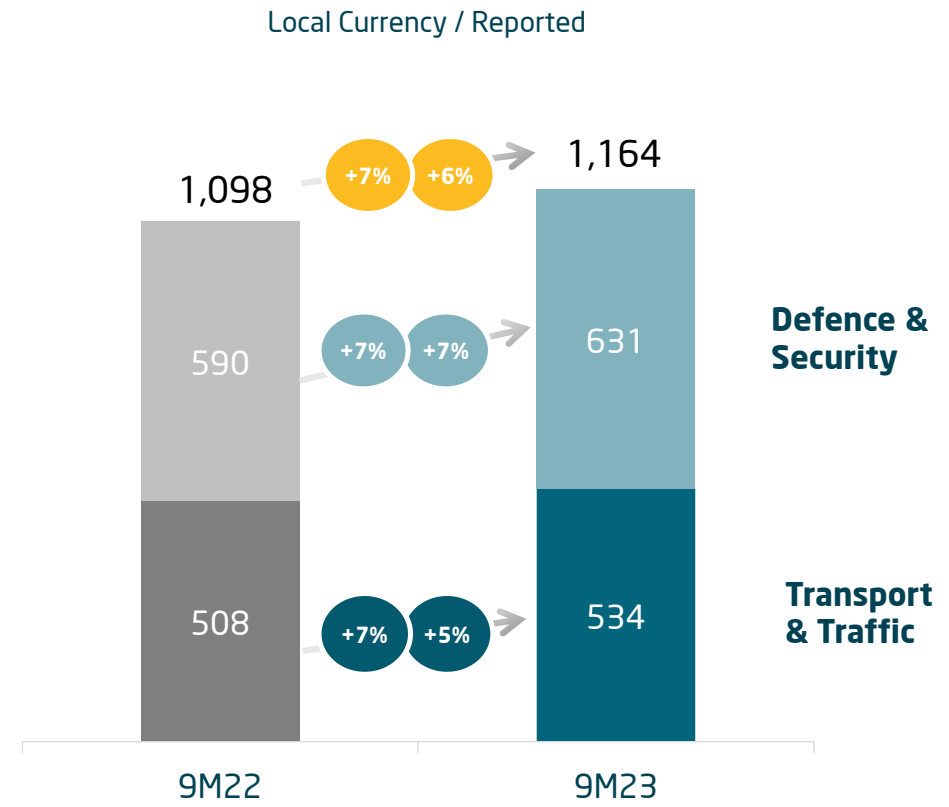
9M23 Backlog (€m)



9M23 Backlog/revs LTM

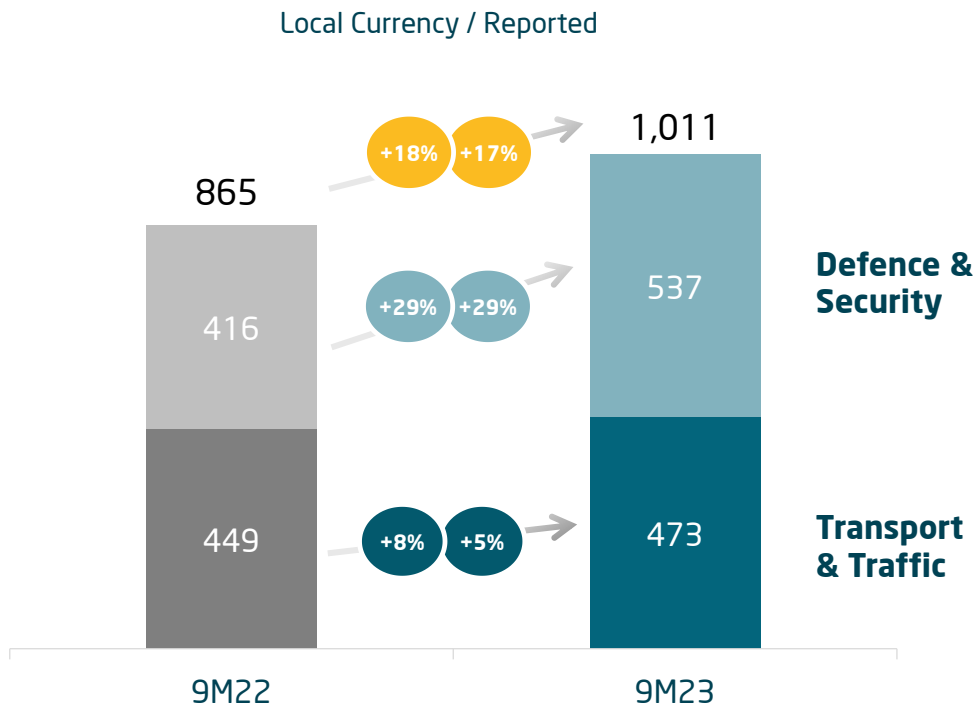


9M23 Order Intake (€m)

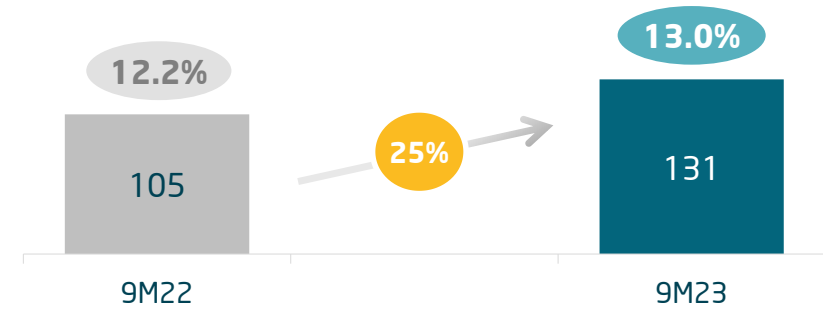


9M23: Revenues and Margin growing at double-digit rates in T&D

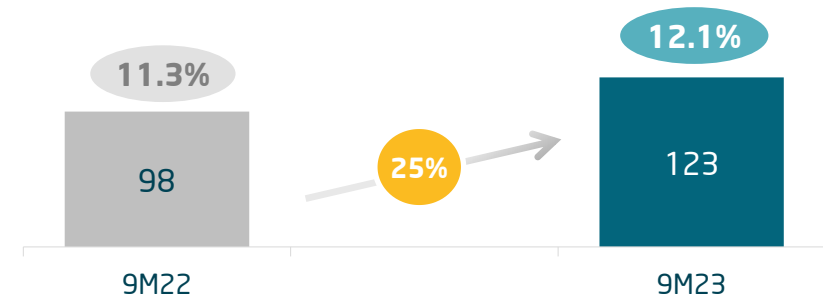
9M23 Revenues (€m)



9M23 Operating Margin¹ (€m)

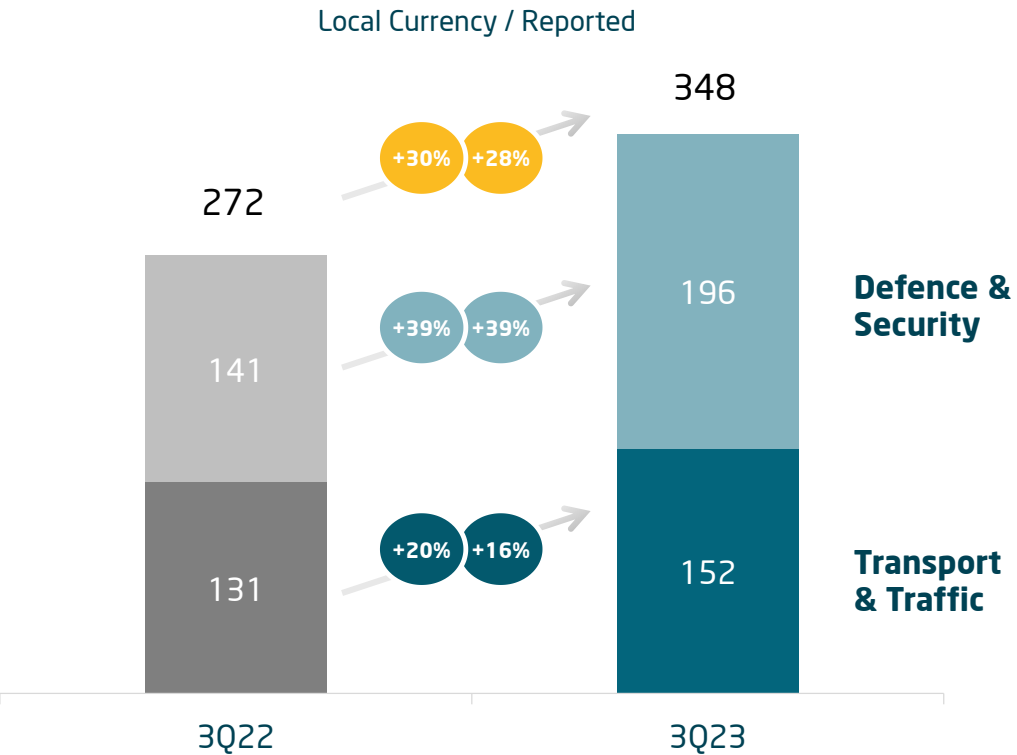


9M23 EBIT and Margin (€m)

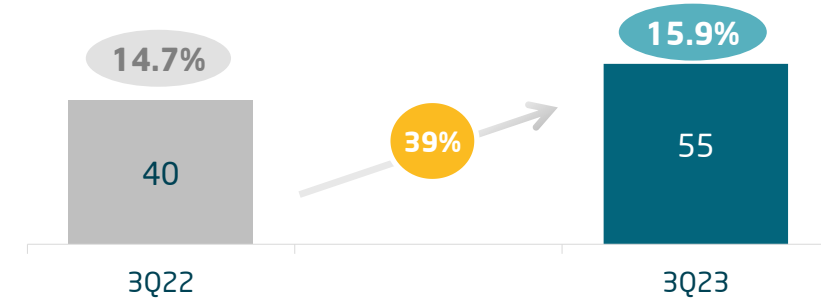


3Q23: Revenues and Margin increasing also at double-digit rates in T&D, speeding up in the quarter

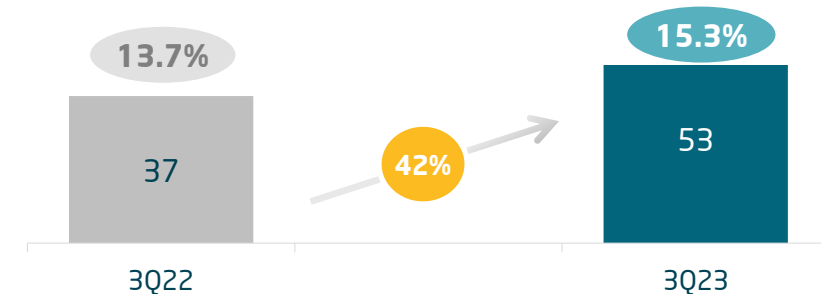
3Q23 Revenues (€m)



3Q23 Operating Margin¹ (€m)



3Q23 EBIT and Margin (€m)



indra

9M23 Minsait Highlights

9M23
Results



Minsait

Key Financial Highlights

Backlog

€ 2,189m

+ 18%

Revenues

€ 2,005m

+ 10%

Order Intake

€ 2,284m

+ 12%

Operating Margin

€ 138m (6.9% margin)

+ 0%

EBIT

€ 105m (5.3% margin)

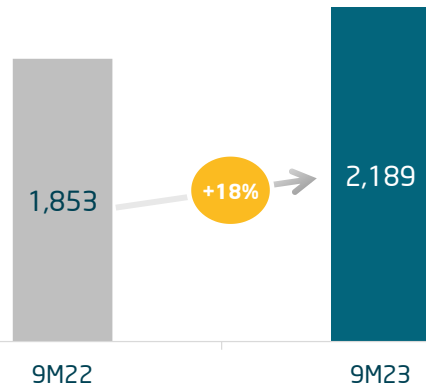
- 1%

- Minsait's Revenues at double-digit growth, with Financial Services and Energy & Industry at double-digit rates
- Strong commercial push with Order Intake growing +12%
- Minsait's EBIT Margin stood above 5% despite wage inflation
- Digital and Solutions joint sales +10% in 9M23 and accounted for 56% of Minsait sales

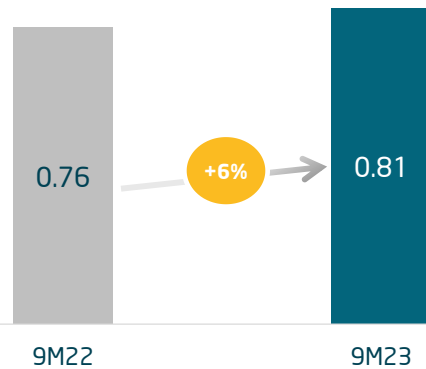
minsoit

Strong Growth of Minsait Backlog and Order Intake

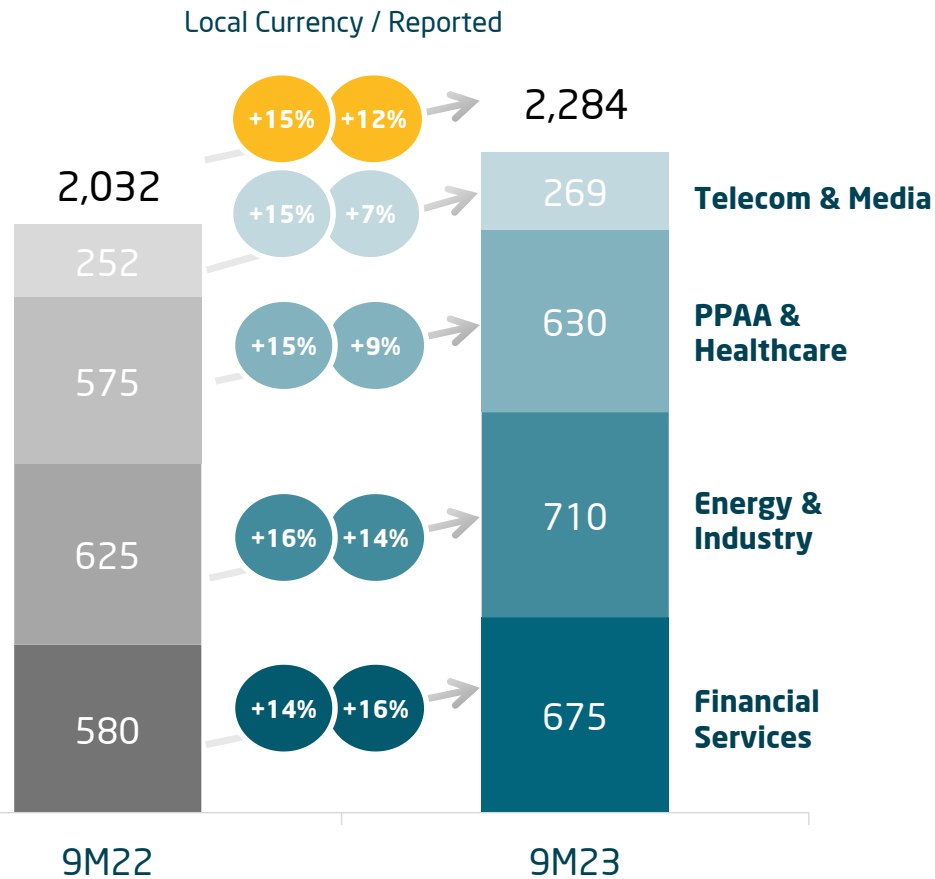
9M23 Backlog (€m)



9M23 Backlog/revs LTM



9M23 Order Intake (€m)

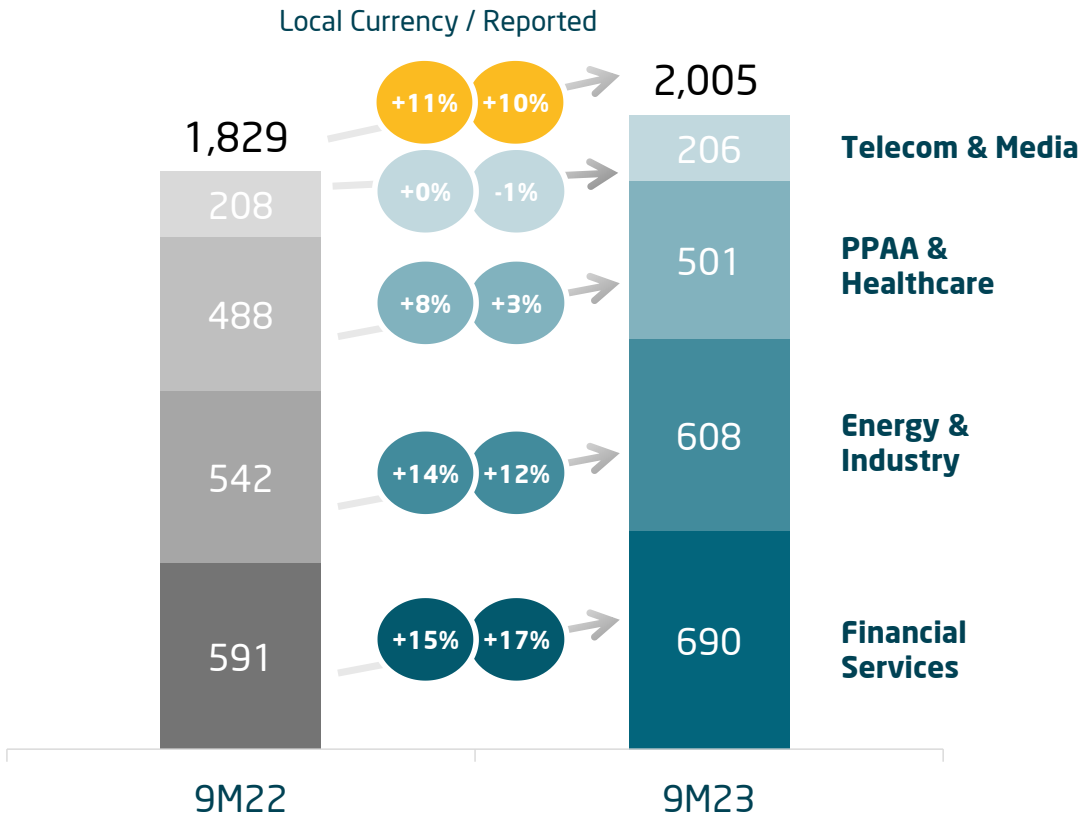


minsait

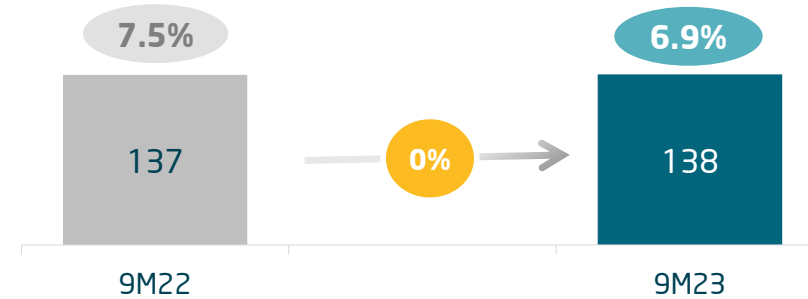
9M23: Revenue Growth at double-digit and EBIT Margin Above 5% in Minsait



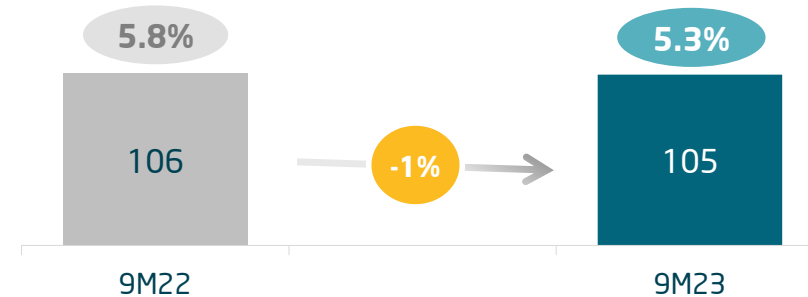
9M23 Revenues (€m)



9M23 Operating Margin¹ (€m)



9M23 EBIT and Margin (€m)

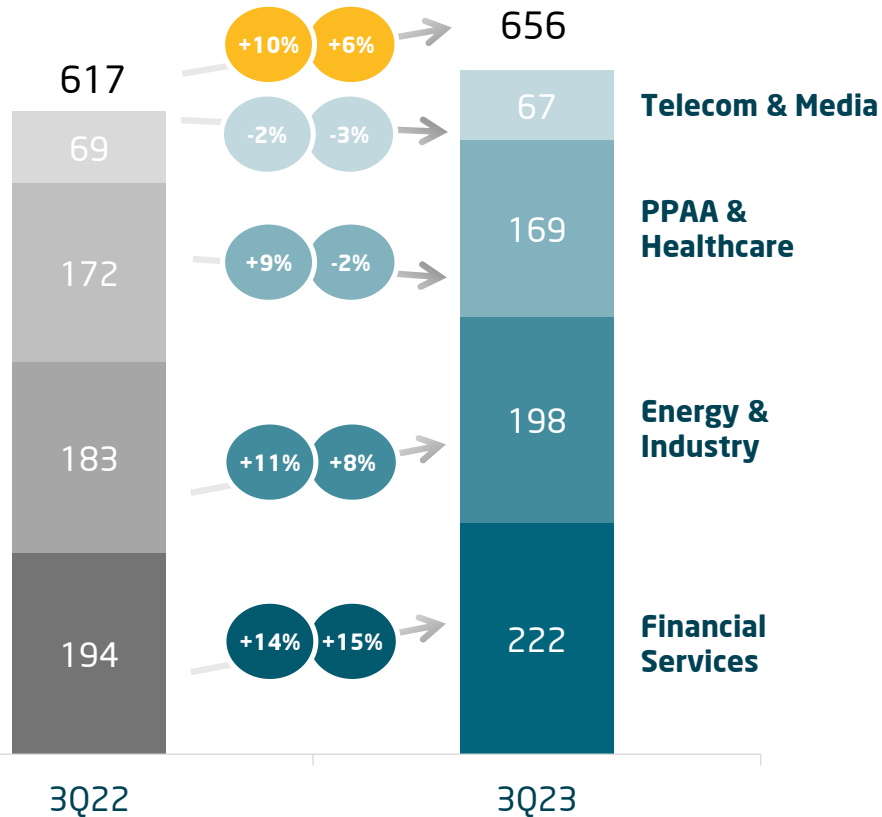


3Q23: Strong Revenue Growth and EBIT Margin at 5.5% in Minsait

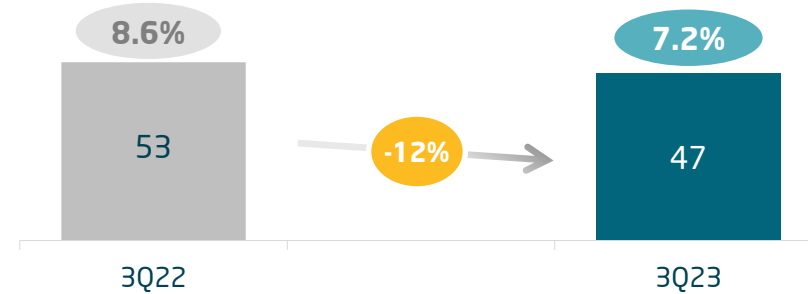


3Q23 Revenues (€m)

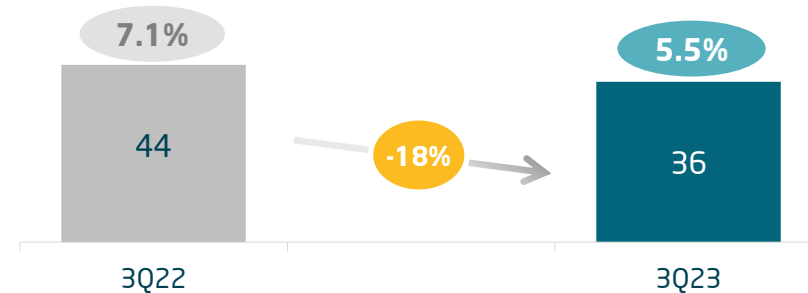
Local Currency / Reported



3Q23 Operating Margin¹ (€m)



3Q23 EBIT and Margin (€m)

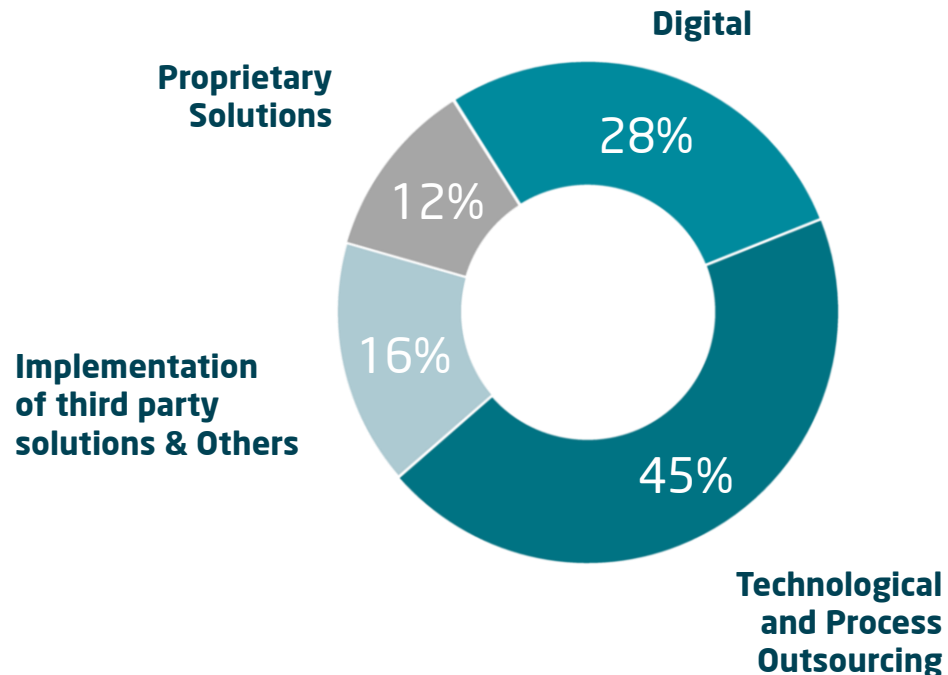


1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

Minsait Revenues by Horizontal Lines: Digital & Solutions grew +10% and Represents 56% of Minsait's Sales

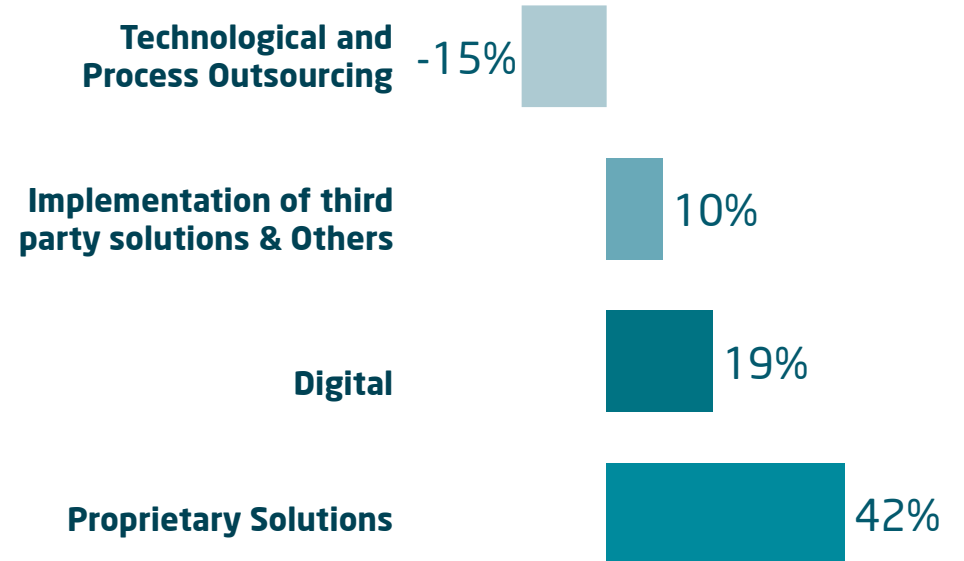


9M23 Revenues (€m)



Revenue Growth 9M23 vs 9M22

(reported figures)



indra

9M23 Financial review

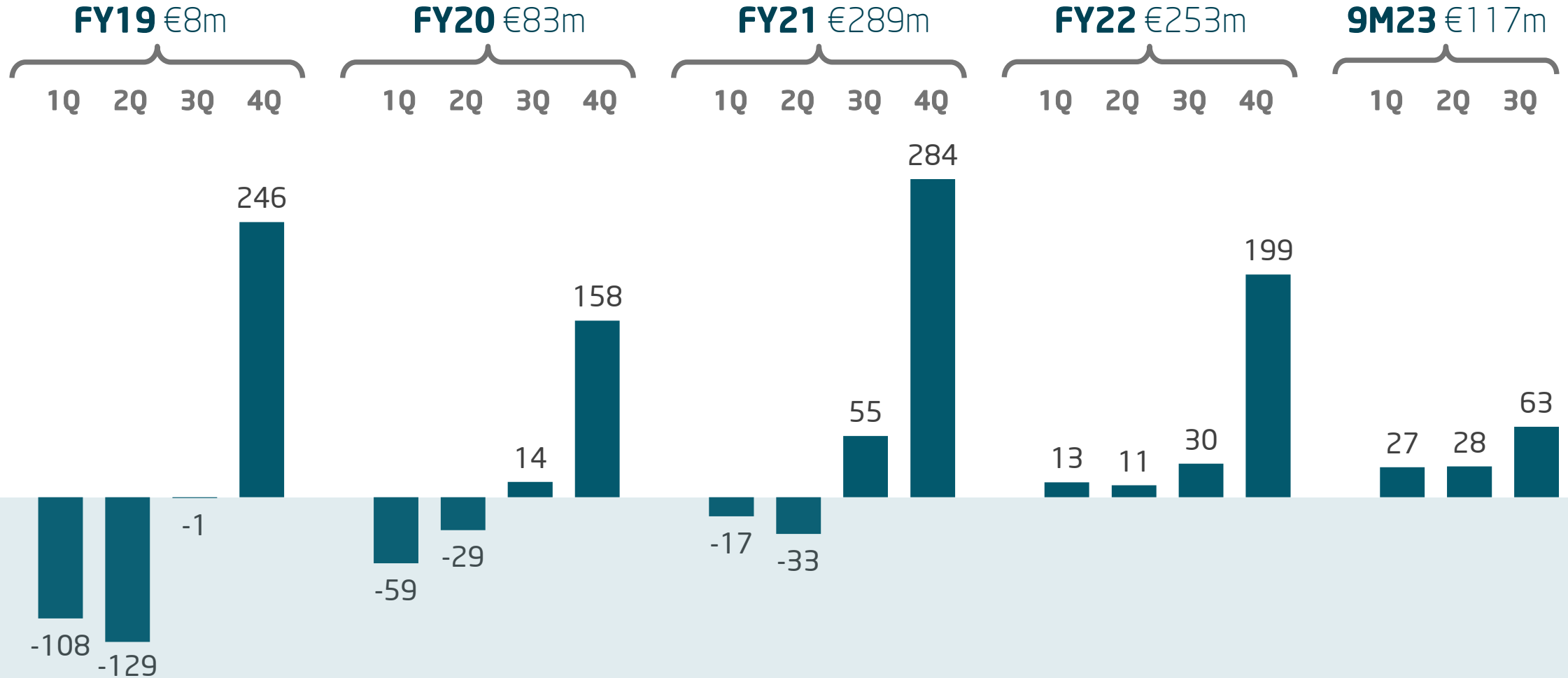
Borja García-Alarcón
Chief Financial Officer

9M23
Results



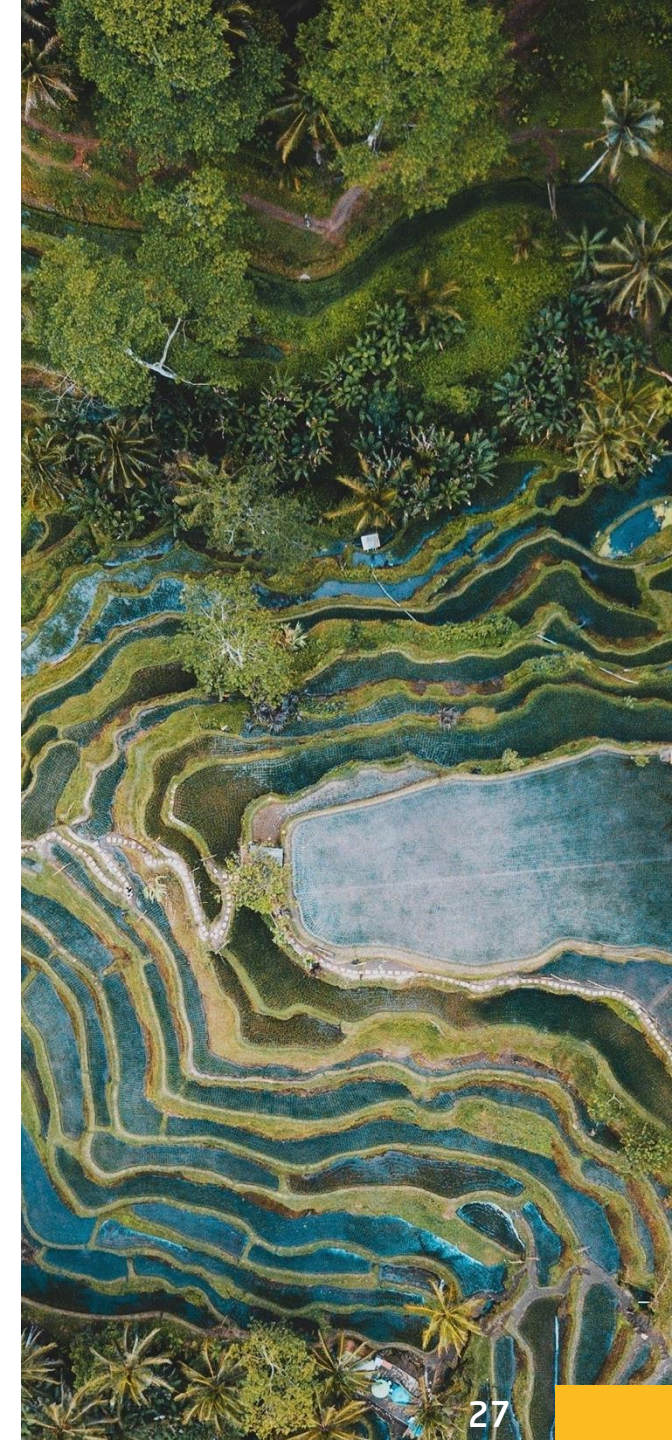
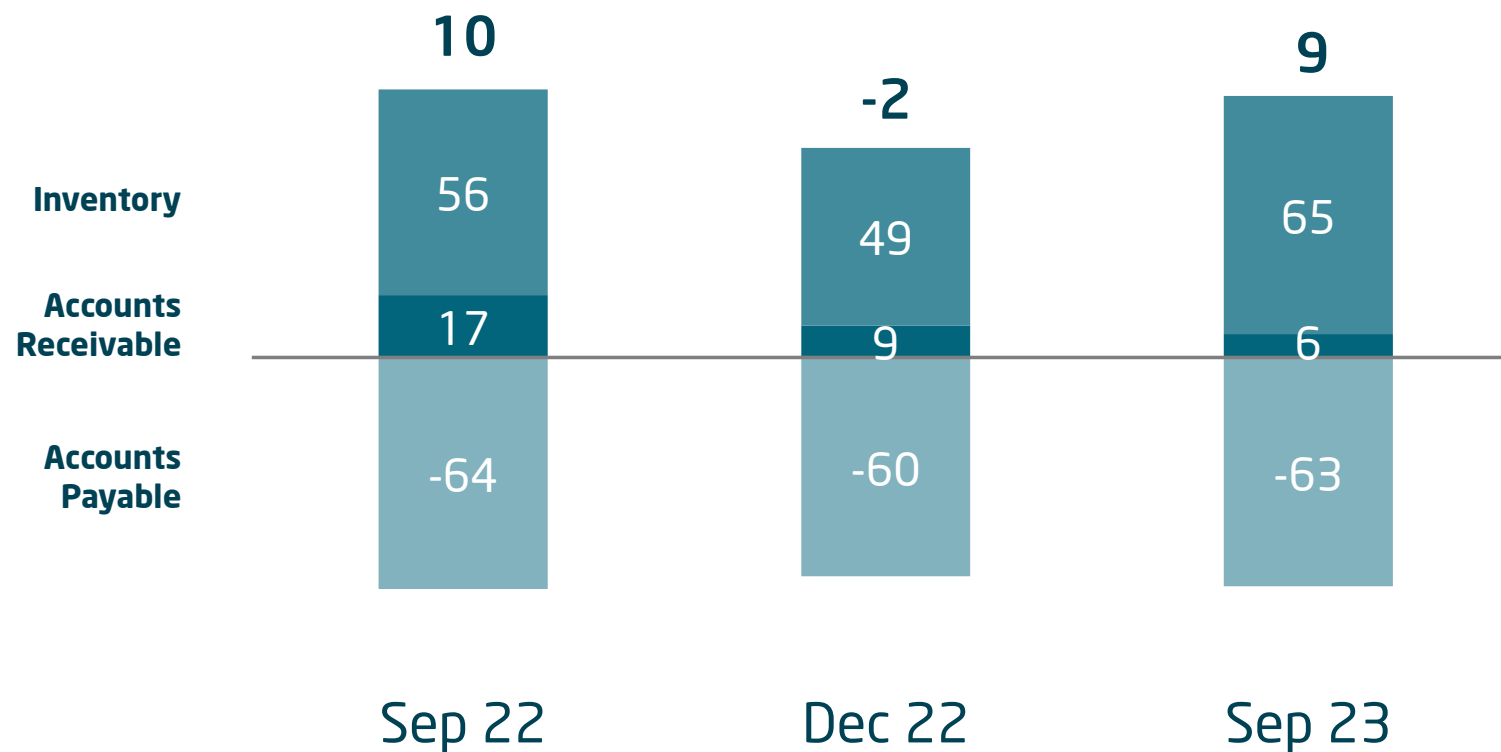
9M FCF Generation at All-Time Highs

Quarterly reported FCF (€m)

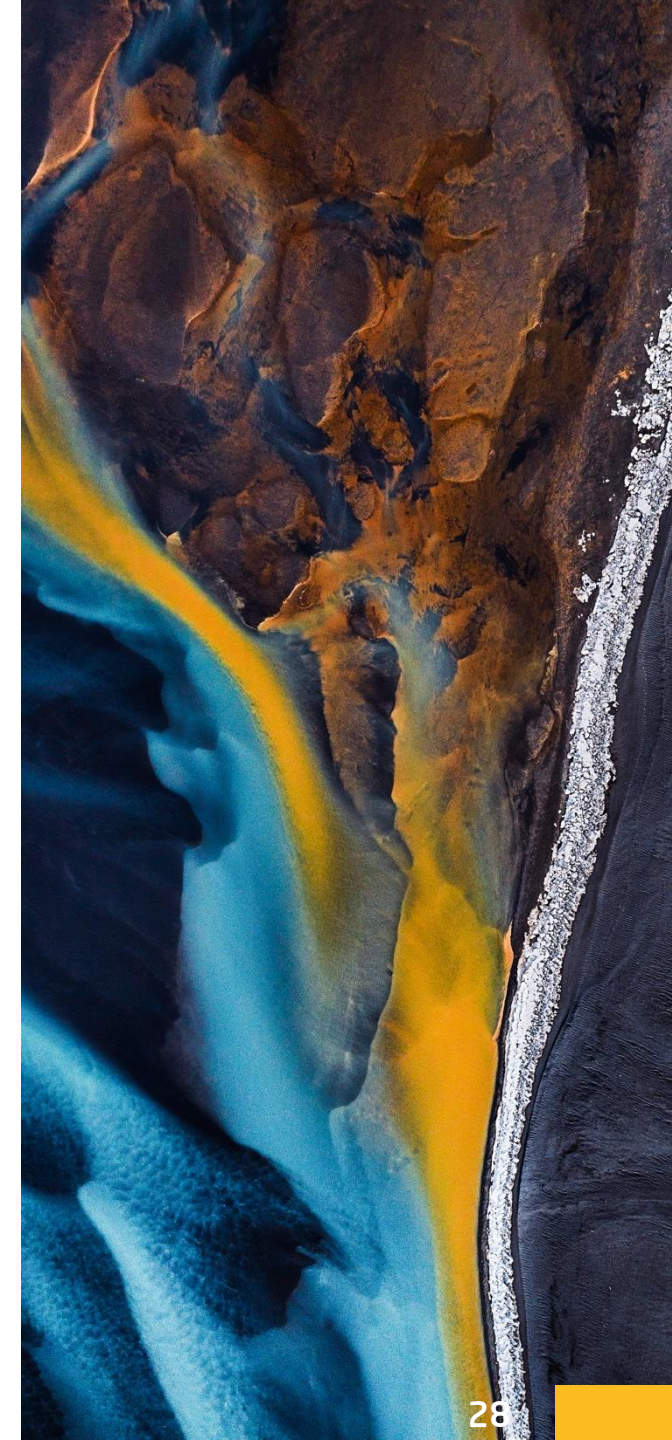
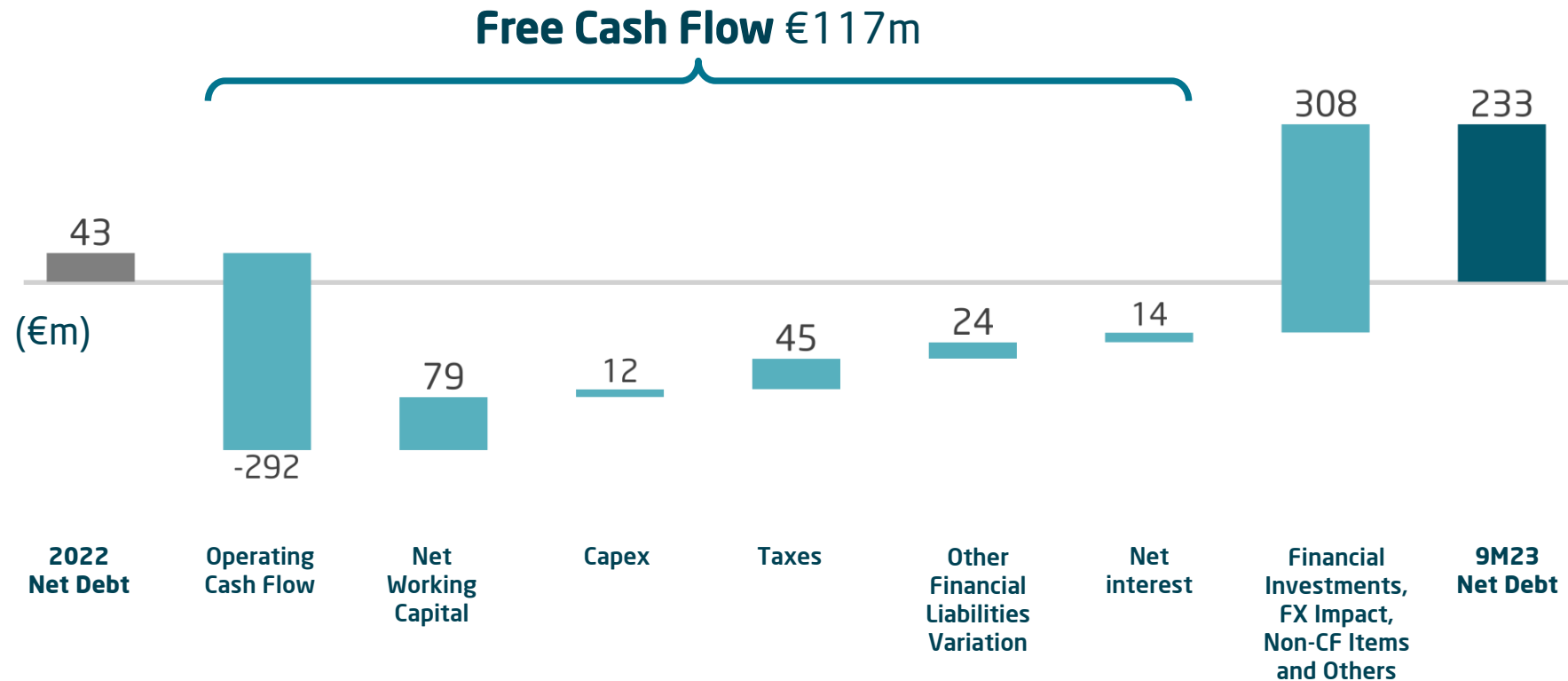


Net Working Capital Evolution Stable

Net Working Capital ST+LT (DoS)

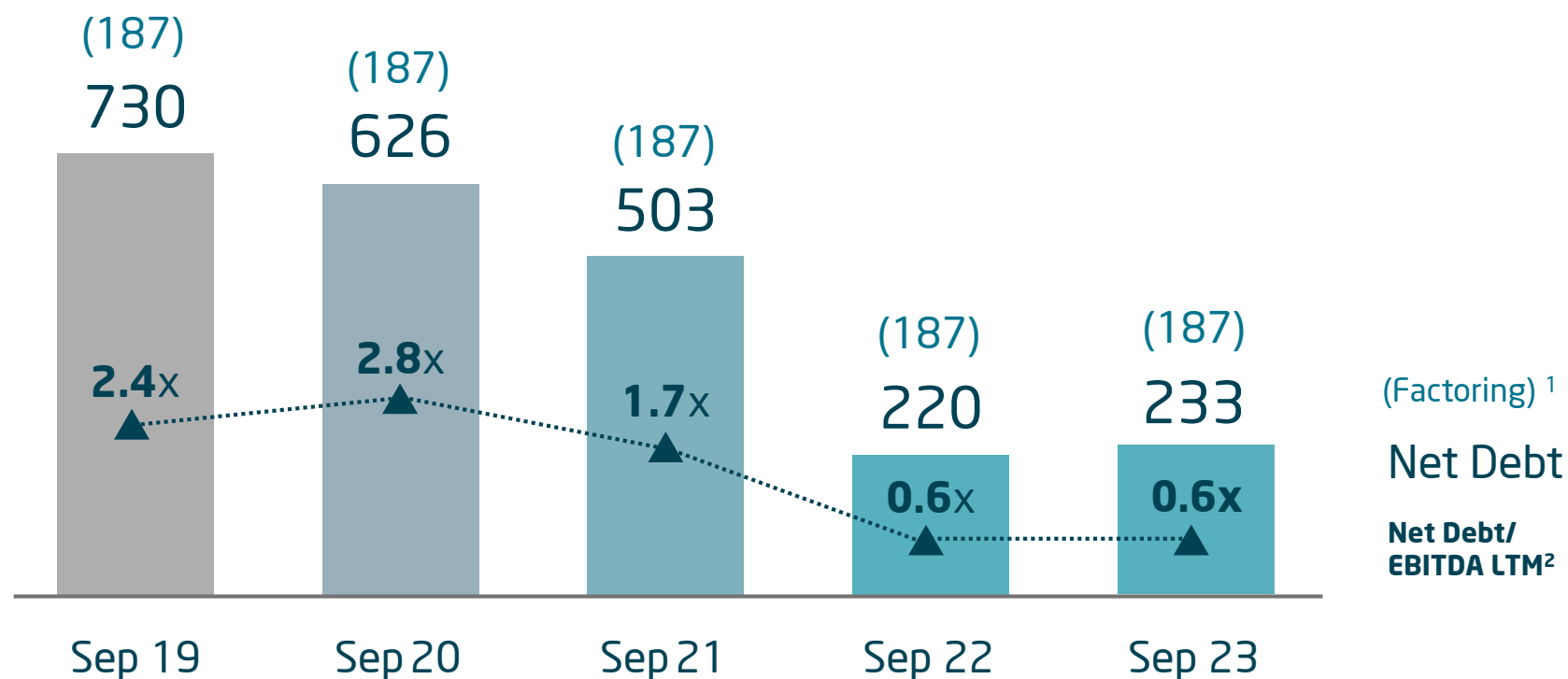


Strong 9M23 FCF Drives Net Debt of just 0.6x at end September 2023



Net Debt Evolution Supported by Strong Cash Flow Dynamics

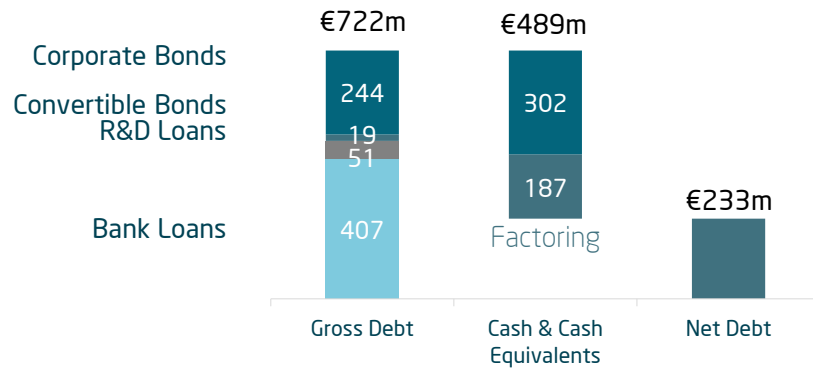
Net Debt (€m)



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

Diversified Debt Structure

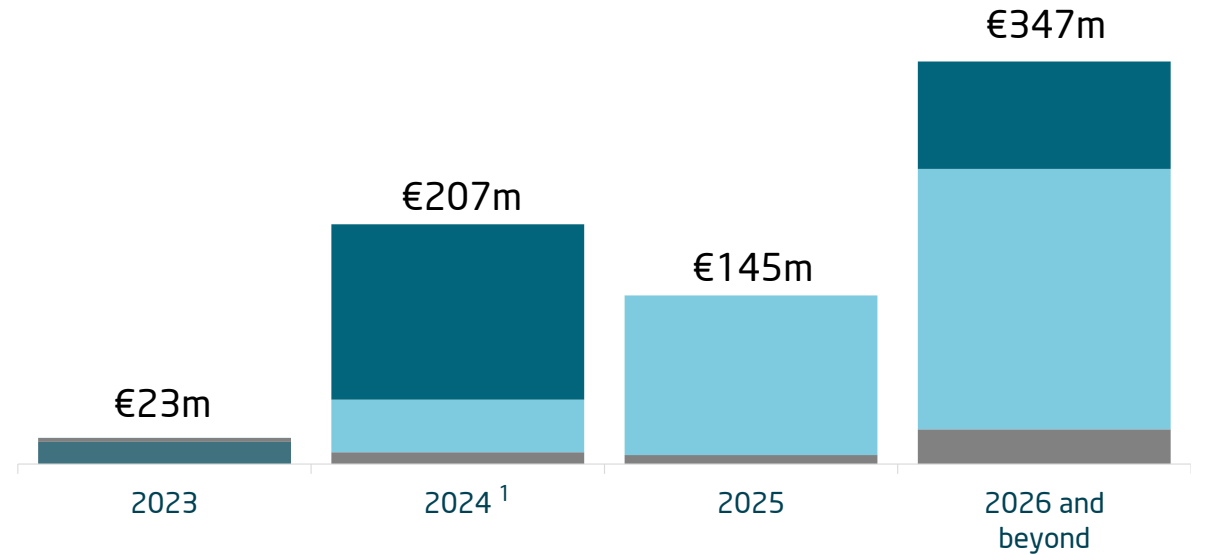
Gross and Net Debt Structure



Other available credit facilities: €664m

	9M23	FY22
Average life (years)	1.9	2.1

Gross Debt Maturity Profile



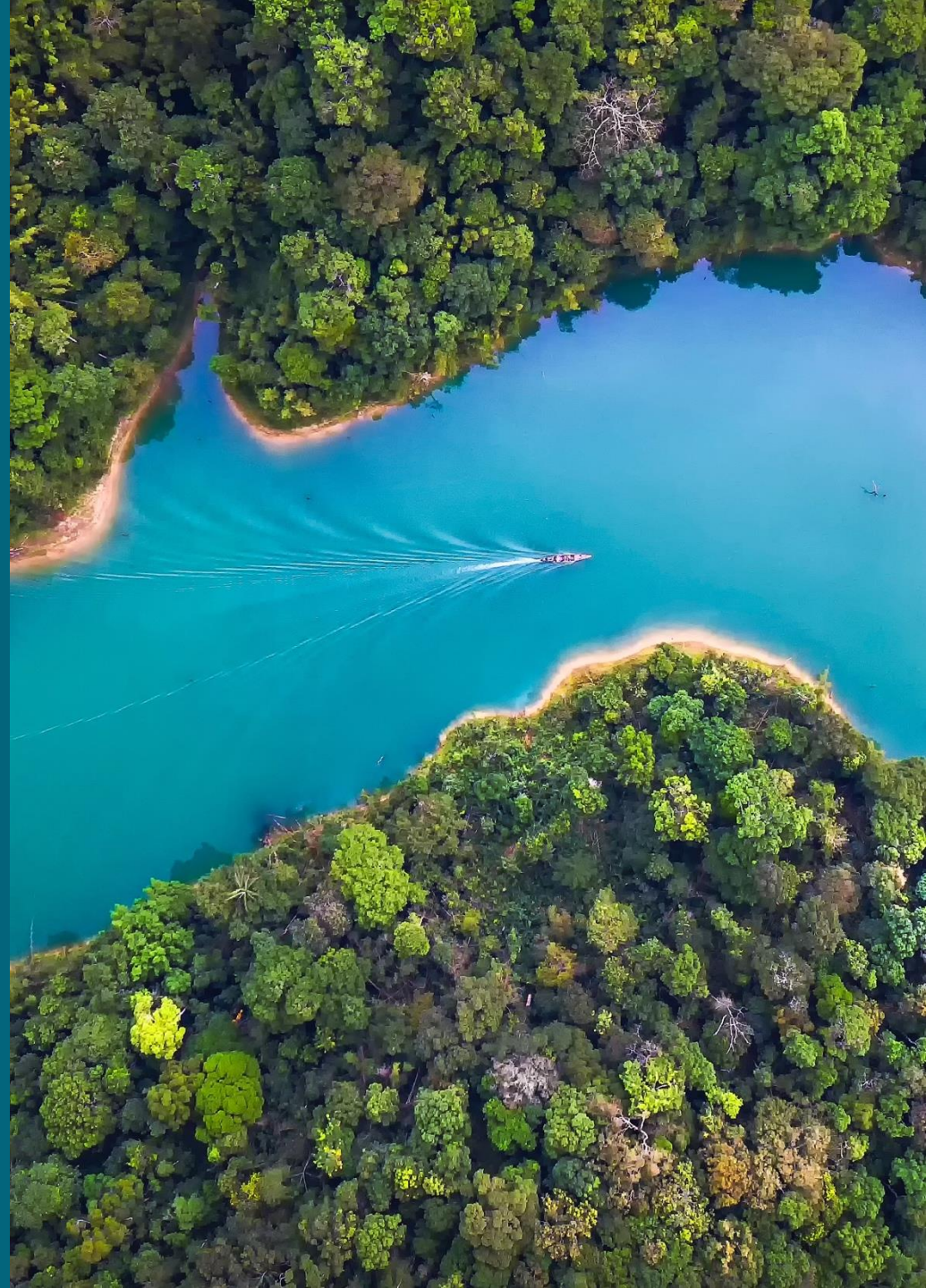
	9M23	% total	FY22	% total
L/T Debt	479	66%	700	72%
S/T Debt	242	34%	275	28%
Gross Debt	722	100%	976	100%
Cost of Gross Debt	3.0%		2.0%	
Cash & Others	489	n.m.	933	n.m.
Net Debt	233	n.m.	43	n.m.

1. Including €150m Corporate Bond with 2024 maturity

indra

Q&A

9M23
Results





Investor Relations

irindra@indra.es

Avenida de Bruselas, 35
28108 Alcobendas
Madrid Spain
T +34 91 480 98 00

www.indracompany.com