



Alcobendas, 12 April 2018

SPANISH SECURITIES MARKET COMMISSION
(COMISIÓN NACIONAL DEL MERCADO DE VALORES)

Pursuant to the provisions of Article 17 of Regulation (EU) 596/2014 of 16 April 2014 on Market Abuse (Market Abuse Regulation) and Article 228 of the consolidated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October Law 24/1988, Indra Sistemas, S.A. ("**Indra**") hereby notifies and announces the following

RELEVANT EVENT

Today, Indra has completed the placement of an issue of senior, unsecured notes in the euromarket, for an amount of EUR 300 million (the "**Issue**" and the "**Notes**", respectively).

The Notes mature on 19 April 2024, bear interest at the rate of 3.00% per annum and will be issued at an issue price of 98.657% of their principal amount. The subscription and payment for the Notes is expected to take place on 19 April 2018. The Notes will be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market.

The Issuer has executed a Subscription Agreement with BNP Paribas, Citigroup Global Markets Limited and Crédit Agricole Corporate and Investment Bank, as *Joint Lead Managers*, Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A. and CaixaBank, S.A., as *Co-Lead Managers* (together, the "**Managers**") in relation to the Issue.

Yours faithfully,

Javier Lázaro

CFO

IMPORTANT INFORMATION

NO ACTION HAS BEEN TAKEN BY INDRA, THE MANAGERS OR ANY OF THEIR AFFILIATES THAT WOULD PERMIT AN OFFERING OF THE NOTES OR POSSESSION OR DISTRIBUTION OF THIS DOCUMENT, THE OFFERING CIRCULAR, OR ANY OFFERING OR PUBLICITY MATERIAL RELATING TO THE NOTES IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

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IN ADDITION, IN THE UNITED KINGDOM THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT, QUALIFIED INVESTORS (I) WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") AND QUALIFIED INVESTORS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, AND (II) TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS DOCUMENT MUST NOT BE ACTED ON OR RELIED ON (I) IN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT RELEVANT PERSONS, AND (II) IN ANY MEMBER STATE OF THE EEA OTHER THAN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT QUALIFIED INVESTORS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO (A) RELEVANT PERSONS IN THE UNITED KINGDOM AND WILL BE ENGAGED IN ONLY WITH SUCH PERSONS AND (B) QUALIFIED INVESTORS IN MEMBER STATES OF THE EEA (OTHER THAN THE UNITED KINGDOM).

SOLELY FOR THE PURPOSES OF EACH MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR

SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC (AS AMENDED, THE "**INSURANCE MEDIATION DIRECTIVE**"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "**PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.