

**INDITEX**

**Interim Nine Months 2013**

**11 December 2013**

This document and the information herein does not constitute an offer to sell, to buy or to exchange, nor an invitation to make an offer to buy, to sell or to exchange, nor a recommendation or advice, regarding any security issued by the Inditex Group.

This document contains forward-looking statements. All statements other than statements of historical fact included herein, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations are forward-looking statements. Any such forward-looking statements are subject to risk and uncertainty and thus could differ materially from actual results.

Some of these risks include, amongst others, ongoing competitive pressure in the sector, consumer tastes and spending trends, economic, political, regulatory and trade conditions in the markets where the Inditex Group is present or in the countries where the Group's products are manufactured or distributed.

The risks and uncertainties that could affect the forward-looking statements are difficult to predict. The company assumes no obligation to publicly revise or update its forward-looking statements in the case of unexpected changes, events or circumstances that could affect them. Given the uncertainties of forward-looking statements, we caution readers not to place undue reliance on these statements.

For a discussion of these and other factors that may affect forward looking statements and the Inditex Group's business, financial conditions and results of operations, see the documents and information communicated by the company to the Comisión Nacional del Mercado de Valores (*the Spanish Securities Commission*).

The contents of this disclaimer should be taken into account by all persons or entities.

# Overview

- ▶ Satisfactory sales growth
- ▶ High operational efficiency and cost control
- ▶ Space growth and online sales rollout on track
- ▶ Continued optimisation of retail base
- ▶ Online sales rollout in Russian Federation for Zara, Bershka, Massimo Dutti, Stradivarius and Oysho in 3Q2013
- ▶ Global growth opportunities

# **Financial Summary**

million €	3Q13	3Q12	% 13/12	2yr CAGR
Net sales	11,925	11,362	5%	11%
Gross profit	7,141	6,875	4%	11%
EBITDA	2,776	2,778	0%	12%
EBIT	2,148	2,185	-2%	13%
Net income	1,674	1,655	1%	13%

---

million €	3Q13	3Q12	% 13/12
Sales	11,925	11,362	5%

---

- ▶ Sales growth of +8% in local currencies
  - ▶ Strong LFL sales growth
  - ▶ Currency translation
  - ▶ Strong comparable: +17% 3Q12

---

% on sales	3Q13	3Q12	3Q11
Gross margin	59.9%	60.5%	59.6%

---

- ▶ Gross profit growth of 4% to €7.1 bn
- ▶ Sustained commercial policies



# Tight control of operating expenses

**INDITEX**

---

million €	3Q13	3Q12	% 13/12
Operating expenses	4,365	4,090	7%

---

# Current accounts

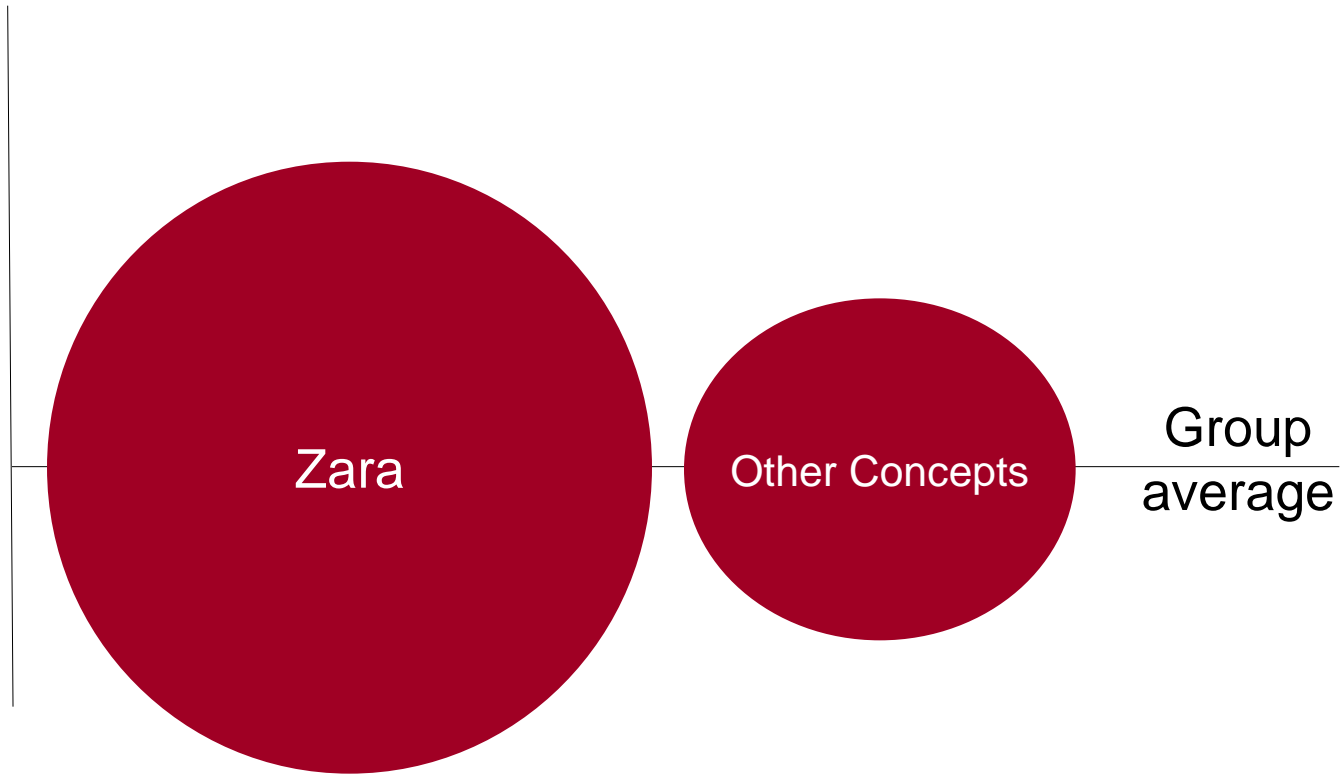
**INDITEX**

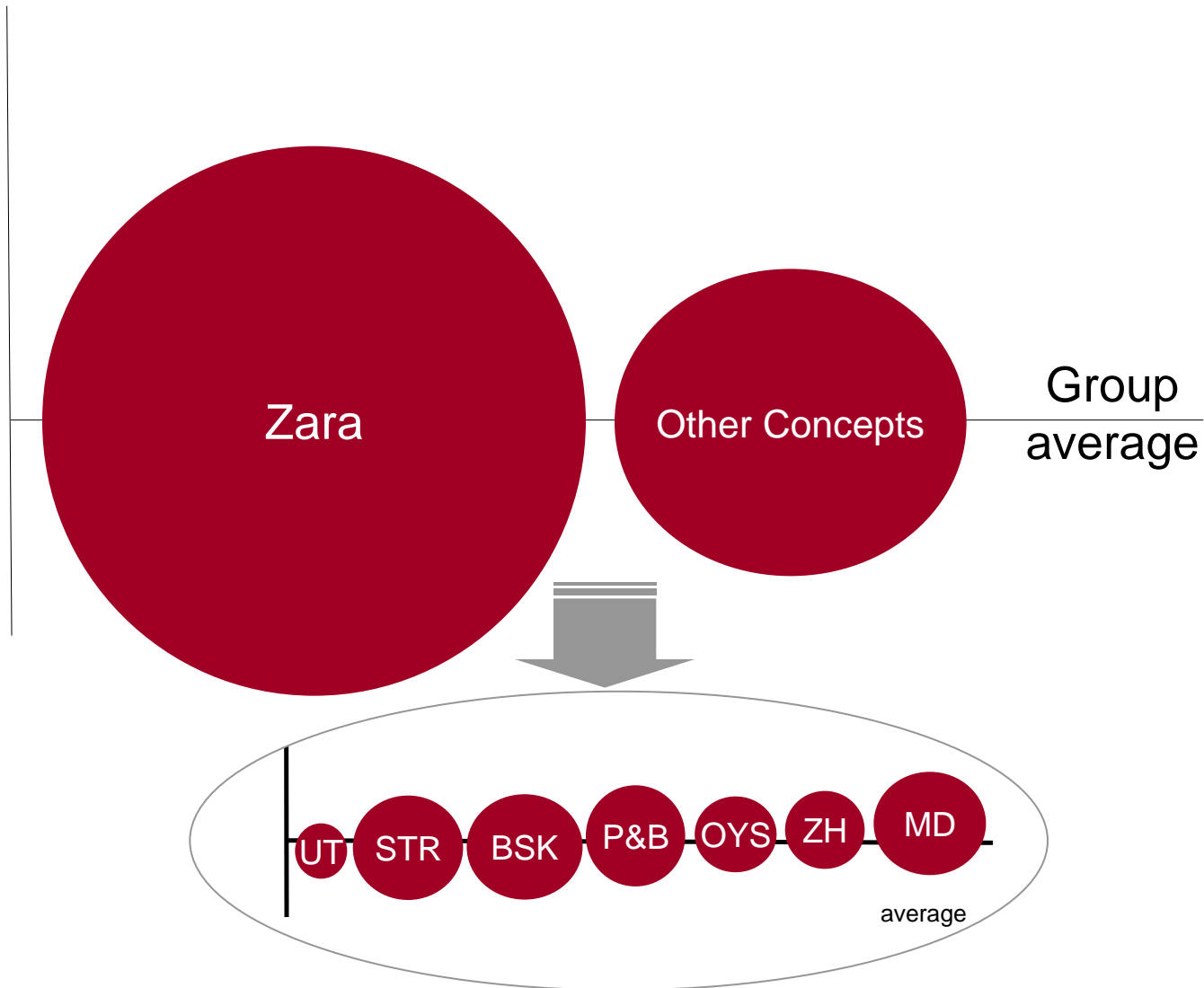
---

million €	3Q13	3Q12
Inventory	1,945	1,811
Receivables	884	862
Payables	(4,072)	(4,117)

---

# Concepts

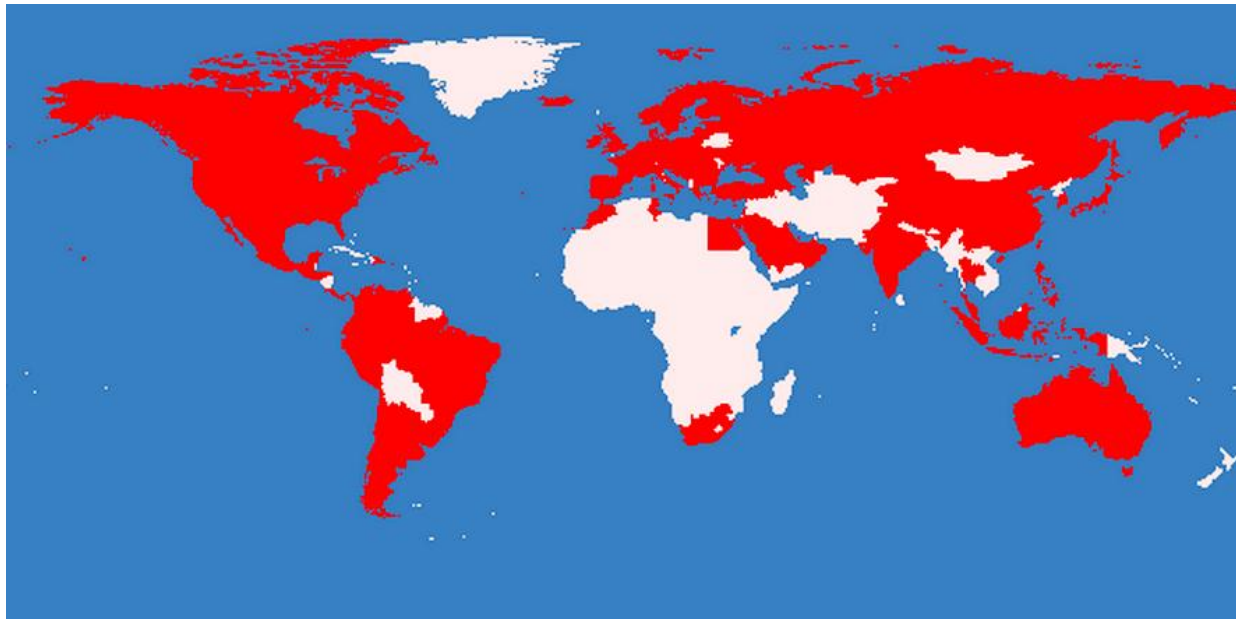




# **Outlook**

- ▶ Space growth on track
- ▶ Ordinary capital expenditure c1.25 billion €
- ▶ Store sales in local currencies have increased by 10% from 1 November to 8 December 2013
- ▶ The Autumn-Winter season is influenced significantly by the performance over the Christmas period and after-Christmas sales, due to their important sales volumes

- ▶ Global growth opportunities
- ▶ Continued optimization of the retail base
- ▶ Global online sales





# Continued optimisation of retail base **INDITEX**

---

- ▶ Enlargement of flagships
- ▶ Rollout of new store image
- ▶ Larger new stores

# Continued optimisation of retail base **INDITEX**

---

- ▶ Space growth on track for the year
- ▶ c500 gross store openings
- ▶ Larger new stores
- ▶ Enlargement of c100 flagship stores
- ▶ Refurbishment of key stores with new store image
- ▶ Absorption of c175 small units into neighbouring stores

- ▶ Russian Federation launched for Zara, Bershka, Stradivarius, Massimo Dutti and Oysho



- ▶ Europe, US, China, Japan, Russian Federation, Canada
- ▶ FY2014: Zara online in South Korea and Mexico
- ▶ Progressive rollout in all markets



- ▶ East Nanjing Road





# Massimo Dutti: Paris flagship

**INDITEX**

- ▶ Rue de la Paix



- ▶ ATT 4 FUN Mall





► Madrid Gran Via





- ▶ West Nanjing Road



# Zara Home: Taiwan, Uruguay launch **INDITEX**

---

- ▶ Flagships in Shanghai, Paris, Taipei, Stockholm and Barcelona





- ▶ Special moments collection



## ► Zara 215-219 Oxford Street





# Enlargement of flagships: Amsterdam **INDITEX**

- ▶ Zara Kalverstraat



- ▶ Zara Via Torino





- ▶ Zara Drotingatan



- ▶ Zara Flatiron





# Enlargement of flagships: Shanghai

**INDITEX**

## ► Zara West Nanjing Road



- ▶ Zara Beaugrenelle



- ▶ Zara Tauentzienstrasse





- ▶ Zara Centro Lugano Sud



- ▶ Zara Yongsheng Mall in Jinhua



- ▶ Zara Global Mall





- ▶ Zara Beachwalk



- ▶ Zara Canberra Centre





- ▶ Results for FY2013 to be released on 19 March 2014

**INDITEX**

**Interim Nine Months 2013**

**11 December 2013**