

INDITEX



Interim Nine Months 2018

12 December 2018

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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.

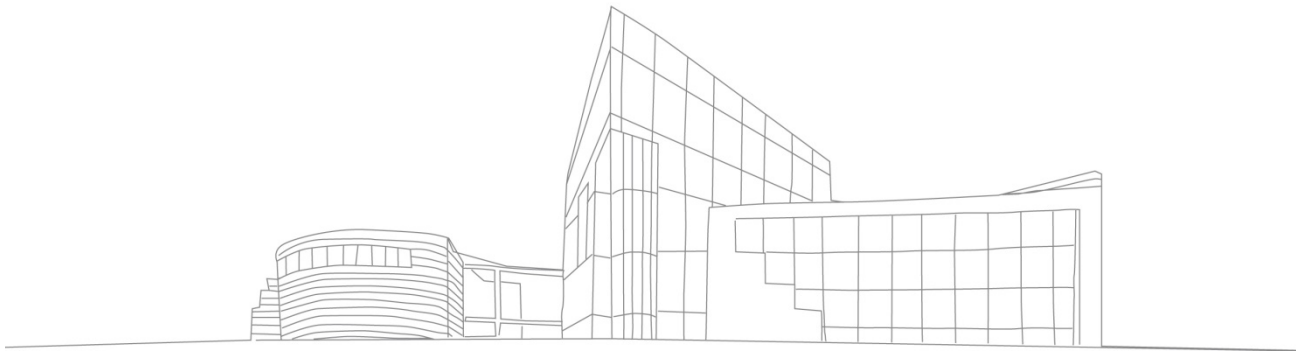
Some of these risks include, amongst others, ongoing competitive pressure in the sector, consumer tastes and spending trends, economic, political, regulatory and trade conditions in the markets where the Inditex Group is present or in the countries where the Group's products are manufactured or distributed.

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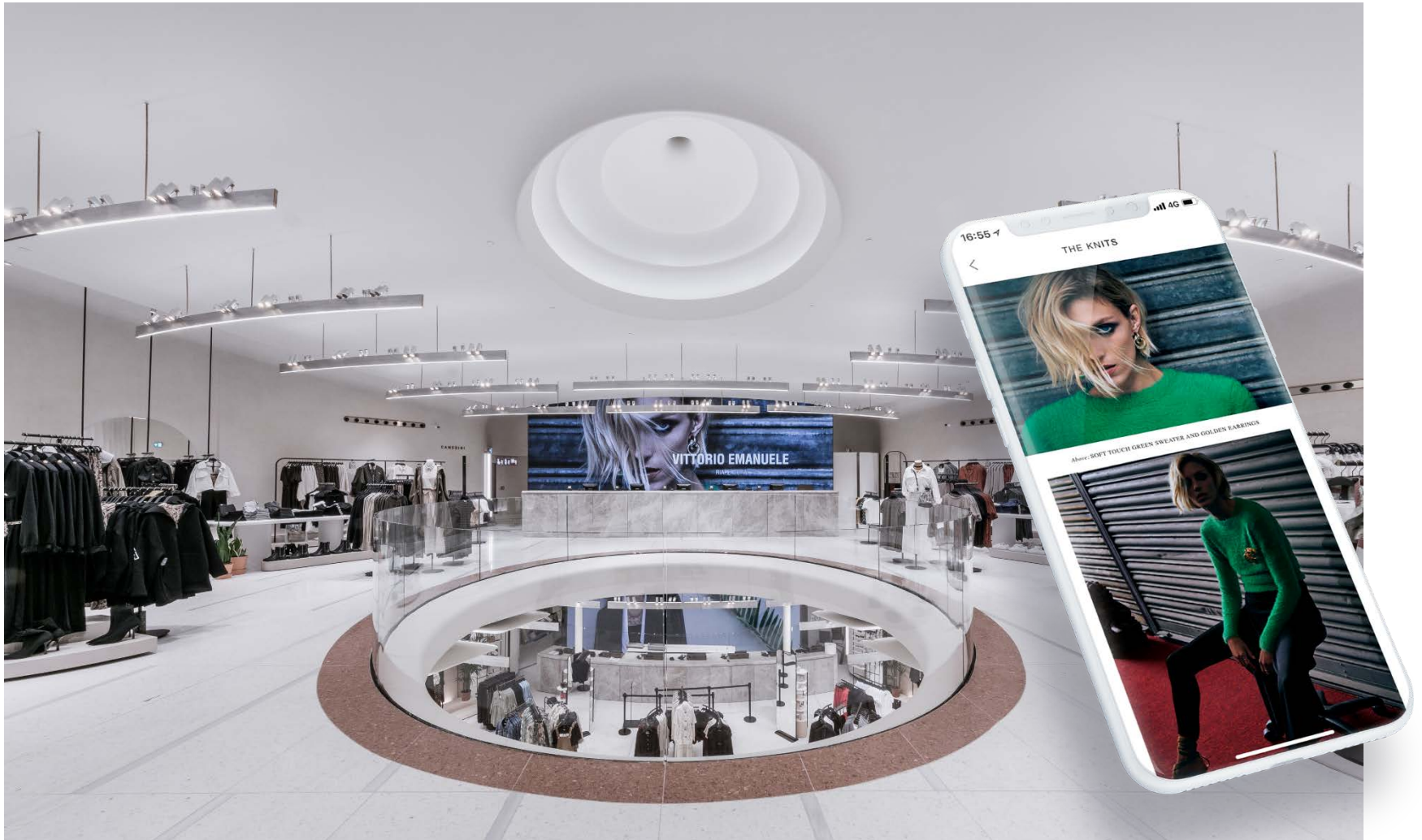
Overview



Strong operating performance in 9M2018



Global fully integrated Store & Online sales platform



Interim Nine Months 2018: Overview

- ▶ Strong operating performance
- ▶ Satisfactory sales growth +7% in local currencies
- ▶ Positive LFL sales growth across all geographies
- ▶ Execution reflected in gross margin performance
- ▶ Global online sales rollout
- ▶ Global growth opportunities

Zara: Paris flagship



Massimo Dutti: Lisbon flagship

Avenida da Liberdade



Bershka: Budapest flagship



Vörösmarty Square

Pull&Bear: New image at Berlin flagship



Tautzienstraße

Stradivarius: Prints collection



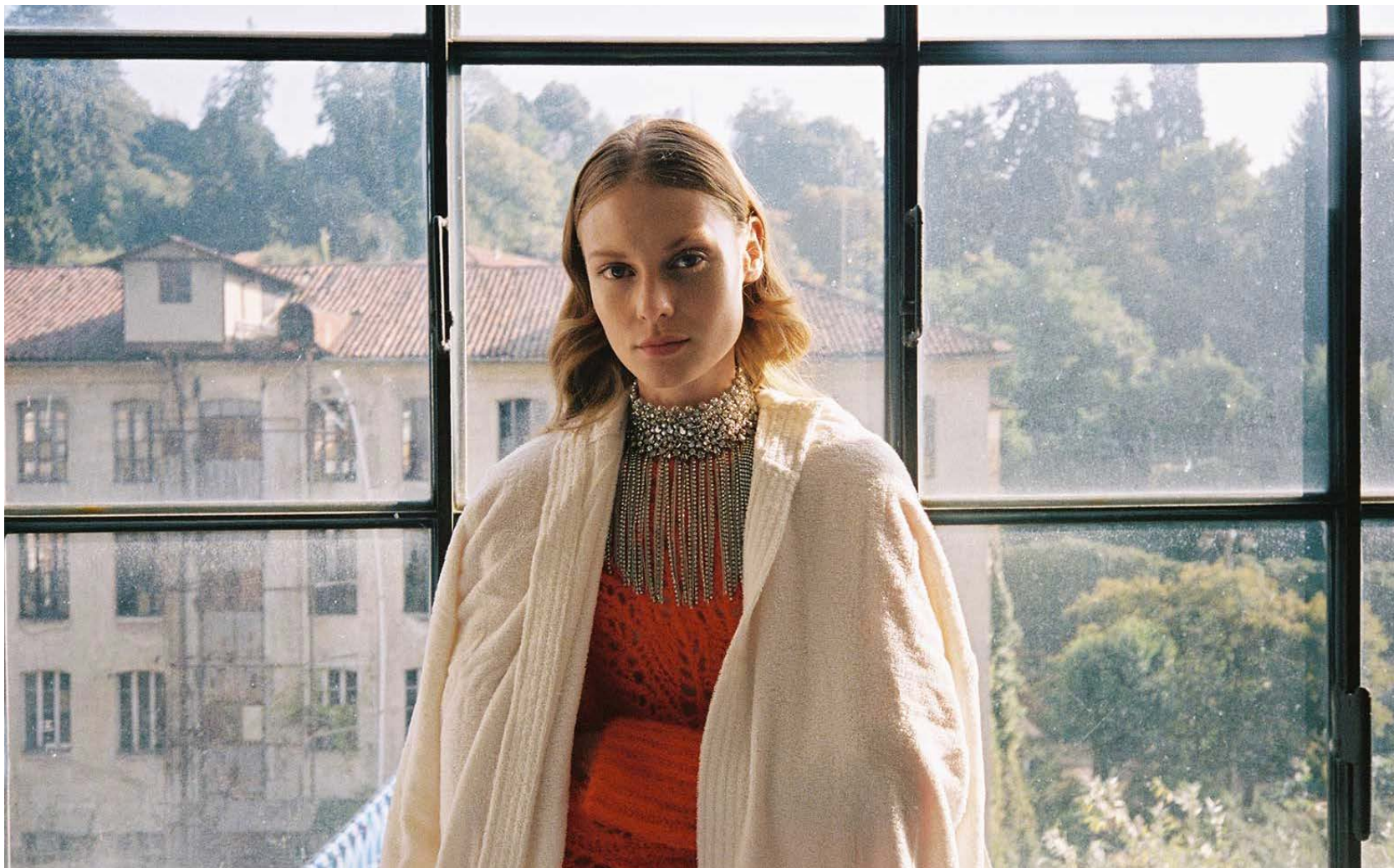
Zara Home: Join life



Oysho: Ski collection



Uterqüe: Reset collection



Financial Summary



Interim nine months 2018

€ million	9M18	9M17	18/17	LC
Net sales	18,437	17,963	3%	7%
Gross profit	10,695	10,319	4%	9%
EBIT	3,070	2,993	3%	14%
Net income	2,438	2,341	4%	-

- ▶ Strong operating performance
- ▶ Execution reflected in gross margin
- ▶ EBIT margin maintained despite -4.3% currency impact on sales

Satisfactory sales growth

€ million	9M18	9M17	18/17
Net sales	18,437	17,963	3%

- ▶ +7% sales growth in local currencies
- ▶ 9M2018 FX -4.3%. 3Q2018 FX -3.2%
- ▶ Euro strength vs. all key currencies

Second Half 2018: Overview

- ▶ Satisfactory execution of the model
- ▶ LFL in 2H18 to end November +3%, following a good start to the season, an extraordinarily warm September and +5% LFL in October/November
- ▶ Inditex decided not to participate in the promotional activity widely seen in the sector since September
- ▶ Strong execution reflected in gross margin performance
- ▶ Inditex maintains guidance on LFL and gross margin for 2H2018

	Spain	France	Italy	Germany	UK
September 2018	-5,9%	-14,4%	-6,3%	-10,4%	-1,2%

Source: INE, Banque de France, I.Stat, Textilwirtschaft, BRC; market estimates

Gross margin

% on Sales	9M18	9M17	18/17
Gross margin	58.0%	57.4%	+56 bps

- ▶ Strong execution of the model avoiding promotional environment
- ▶ Gross profit growth of +4% to €10.7 bn
- ▶ Sustained commercial policies

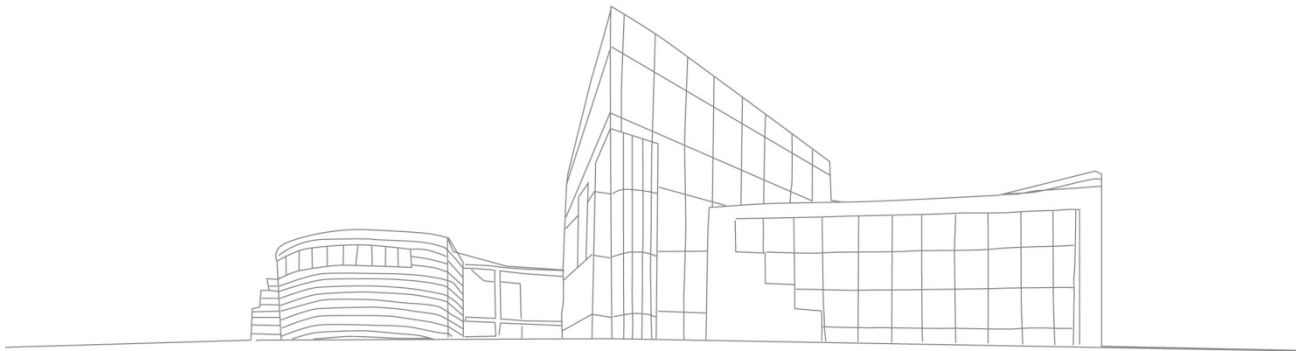
Tight control of operating expenses

€ million	9M18	9M17	18/17
Op. expenses	6,740	6,476	4%

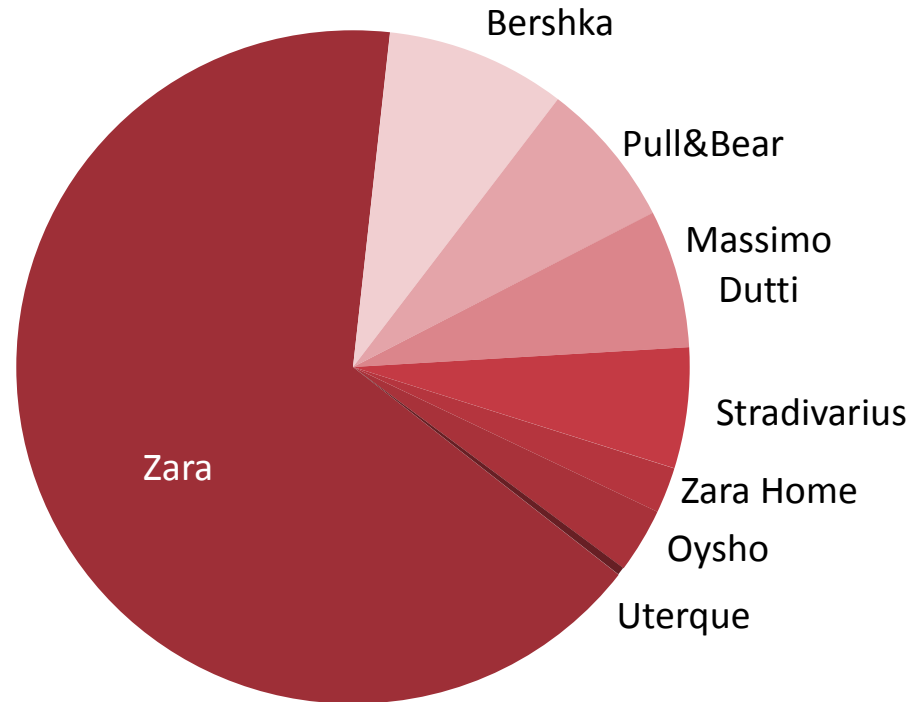
Flexible business model

€ million	31 Oct 18	31 Oct 17
Inventory	3,630	3,510
Receivables	838	931
Payables	(7,124)	(6,720)
Operating working capital	(2,655)	(2,279)
Net Cash (Debt)	6,606	6,002

Concepts

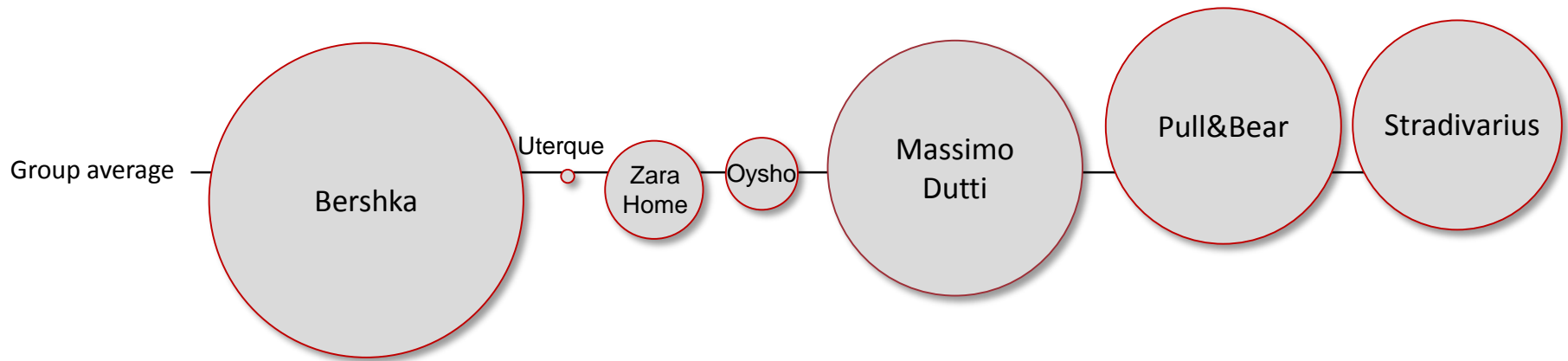


Performance per concept



% Store & Online sales

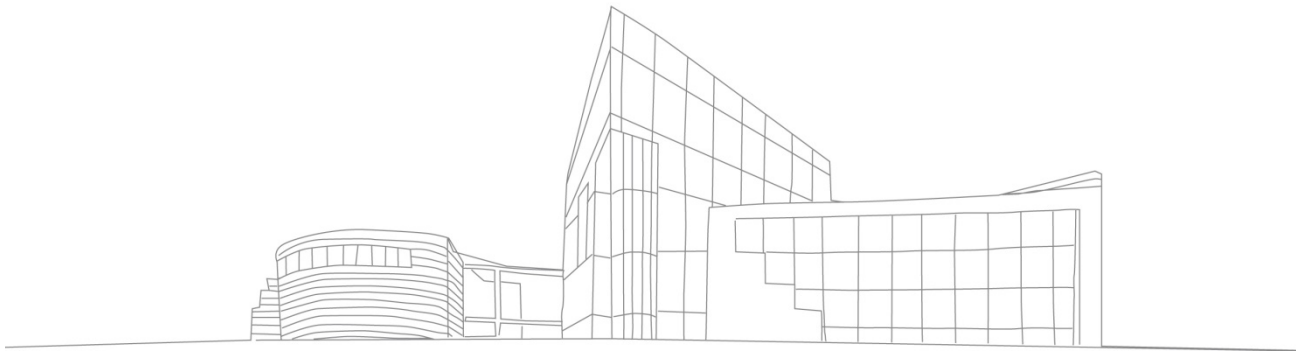
Performance per concept



Concepts

- ▶ Continued growth for the concepts
- ▶ Strong performance for Stradivarius and Pull&Bear

Outlook



FY2018: Outlook

- ▶ Ordinary capital expenditure c. €1.5 billion
- ▶ Inditex maintains guidance on LFL and gross margin for 2H2018
- ▶ Dividend payment of €0.375 per share on 2 November

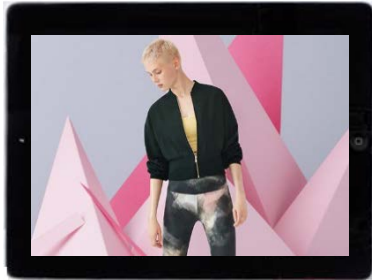
Global growth opportunities

- ▶ Global fully integrated Store & Online
- ▶ Strong growth opportunities



Global Online Sales

- ▶ All key markets same day/next day



Zara available in 202 markets



Store & Online: Animal print



Store & Online: 70's show



Store & Online: Dress time



Store & Online: Traveler collection



Store & Online: Join Life



Zara Milan

Milanofiori Mall



Zara Malta



Tower Road

Zara Philadelphia



King of Prussia

Zara Shanghai



MixC World

Zara Tokyo



Roppongi Hills

Zara Bangkok



Central World

Zara Jakarta



Senayan City

FY2018 Results

- ▶ Results for FY2018 to be released on 13 March 2019

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