

INDITEX

Interim Half Year 2025 Results

1 February 2025 to 31 July 2025

- / In 1H2025, Inditex maintained a solid operational performance led by the creativity of our teams and the strong execution of the fully integrated business model
- / Óscar García Maceiras, CEO, "We have again achieved a solid performance in this first half of 2025, with satisfactory sales in a complex market environment and maintaining strong levels of profitability. The efficient execution accomplished by our teams demonstrates the strength of Inditex's business model."
- / The Spring/Summer collections have been well received by our customers. Sales grew 1.6%, to reach €18.4 billion, showing satisfactory development both in stores and online. Sales in constant currency grew 5.1%
- / Gross profit increased 1.5% to €10.7 billion. The gross margin reached 58.3% (-5 bps versus 1H2024)
- / All expense lines have shown a favourable evolution. Operating expenses increased 2.2%
- / EBITDA increased 1.5% to €5.1 billion
- / EBIT increased 0.9% to €3.6 billion and PBT 0.1% to €3.6 billion
- / Net income increased 0.8% to €2.8 billion
- / Funds from operations came to €3.7 billion in 1H2025, 5% higher
- / The FY2024 final dividend of €0.84 per share will be paid on 3 November 2025
- / Autumn/Winter collections have been very well received by our customers. Store and online sales in constant currency between 1 August and 8 September 2025 increased 9% versus the same period in 2024

Interim Half Year 2025: Solid operating performance

In 1H2025, Inditex maintained a solid operational performance led by the creativity of our teams and the strong execution of the fully integrated business model.

The Spring/Summer collections have been well received by customers. Sales grew 1.6% to reach €18.4 billion, showing satisfactory development both in stores and online. Sales in constant currency grew 5.1%.

In 1H2025, openings have been carried out in 35 markets. At the end of the period Inditex operated 5,528 stores. A list of total stores by concept is included in Annex I.

Net sales by concept in 1H2025 and 1H2024 are shown in the table below.

Concept	1H2025	1H2024
Zara (Zara, Zara Home & Lefties)	13,150	13,033
Pull&Bear	1,158	1,124
Massimo Dutti	895	904
Bershka	1,438	1,382
Stradivarius	1,327	1,255
Oysho	389	368
Total	18,357	18,065

Inditex continues to roll out its global sales platform. Store and online sales by geographical area are shown in the table below.

Area	1H2025	1H2024
Europe ex-Spain	50.7%	49.9%
Americas	17.8%	18.8%
Asia & RoW	16.0%	16.6%
Spain	15.5%	14.7%
Total	100%	100%

In 1H2025, the execution of the business model was sound. Gross profit increased 1.5% to €10.7 billion. The gross margin reached 58.3% (-5 bps).

All expense lines have shown a favourable evolution. Operating expenses increased 2.2%. Including all lease charges, operating expenses grew 63 bps above sales growth.

EBITDA increased 1.5% to €5.1 billion.

EBIT increased 0.9% to €3.6 billion and PBT 0.1% to €3.6 billion.

Annex II includes a breakdown of the Financial results.

The tax rate applied to the 1H2025 results is the best estimate for financial year 2025 based on available information.

Net income increased 0.8% to reach €2.8 billion.

Funds from operations came to €3.7 billion in 1H2025, 5% higher.

Million Euros	1H2025	1H2024
Funds from Operations after Corporate Income Tax(*)	3,687	3,527
Change in working capital	(1,253)	(342)
Cash from Operations	2,434	3,185
Capital expenditure	(1,269)	(1,276)
Free Cash Flow	1,165	1,909

*The cash lease payments fixed charge has been added back.

The net cash position was €10.0 billion at the end of 1H2025.

Million Euros	31 July 2025	31 July 2024
Cash & cash equivalents	5,139	5,951
Short term investments	4,874	4,977
Current financial debt	(1)	(17)
Non current financial debt	-	-
Net financial cash (debt)	10,012	10,911

Due to the robust operating performance, inventory was 3.1% higher as of 31 July 2025. Inventory is considered to be of high quality.

Million Euros	31 July 2025	31 July 2024
Inventories	3,466	3,363
Receivables	1,241	1,121
Payables	(10,773)	(10,438)
Operating working capital	(6,066)	(5,954)

2H2025

The Autumn/Winter collections have been very well received by our customers. Store and online sales in constant currency between 1 August and 8 September 2025 increased 9% versus the same period in 2024.

Outlook

Our priority continues to be the continued improvement of our fashion proposition, the level of customer care, our focus on sustainability and cultivating our world-class teams. By focusing on these areas we will underpin the long-term growth potential of the Group.

The business model we enjoy, characterised by flexibility, responsiveness and within-season proximity sourcing, permits us to react to fashion trends reinforcing our unique market position. By continually investing in our stores, our global online channel and our centralised logistics platforms, with an accompanying focus on sustainability, we will continue to generate long-term growth.

Inditex operates in 214 markets with low market share in what is a fragmented sector. Optimisation of stores is ongoing, and we expect this to drive further gains in store productivity. The growth of annual gross space in the period 2025-2026 is expected to be around 5%, with positive net space accompanied by strong online sales.

At current exchange rates, Inditex expects around -4% currency impact on sales in 2025.

For 2025, Inditex expects a stable gross margin (+/-50 bps).

In the current year, we are planning investments that will scale our capabilities, generate efficiencies and increase our competitive differentiation further. We estimate ordinary capital expenditure of around €1.8 billion.

Our logistics expansion plan in 2024 and 2025 is on track. This extraordinary two-year investment programme focused on the expansion of the business allocates €900 million per year to increase logistics capacities in each of the 2024 and 2025 financial years. The objective of this logistics plan is to strengthen Inditex's capabilities to capture global growth opportunities in the medium and long term. The Zaragoza II distribution centre is now operational. As with our other centres, these investments have the highest standards of sustainability and cutting-edge technology, with a focus on productivity and team well-being. In July, Inditex invested in Theker Robotics, a startup developing AI-driven logistics automation.

We continue focusing on the creativity, innovation, design and quality of all our collections and integrated sales channels, while reinforcing the commercial initiatives of all our concepts.

We offer the best shopping experience to our customers both in our stores and on our online platforms.

Regarding our stores, Zara has launched in new locations for example in Leipzig Grimmasche Strasse, Freiburg Kaiser Josef Strasse and LA Brea Mall. Additionally, we have made important enlargements and refurbishments in some of our most emblematic stores such as Madrid Serrano and relocations like Manchester Trafford Centre.

The other concepts continue to launch in important locations, for example Stradivarius in Vienna Donauzentrum, Oysho in Amsterdam Kalverstraat and Bershka in Manchester Trafford Centre.

We continue introducing the new soft-tag technology in our stores. This programme adds to the existing in-store technology ecosystem with Click & Collect silos, sorters, assisted checkouts and drop-off points. It provides a significant improvement in customer experience, facilitating interaction with our products, enhancing the purchasing process and will be the basis for us to continue deepening the digitalisation of stores and their integration with online platforms in the coming years. The new system is now fully operational in Zara and is being rolled out in Bershka and Pull&Bear.

Within the #bringyourbag initiative and thanks to the reuse of shopping bags by our customers, we have reduced their consumption in our stores by 49%. We are investing the equivalent full amount raised from charging for recycled paper bags and envelopes in environmental projects in over 30 countries, in partnership with non-profit organisations such as Conservation International and WWF. Recently, we have formalised a new program, in collaboration with the international environmental organisation Ocean Conservancy, aimed at the protection of marine ecosystems and biodiversity. This agreement, endowed by Inditex, includes the removal of more than 450 tonnes of plastics from beaches and areas of high environmental value, the collection of nets and fishing gear abandoned in the oceans and the promotion of "zero waste" projects for the collection and recovery of waste.

Dividends

The FY2024 final dividend of €0.84 per share will be paid on 3 November 2025.

For additional information:

INDITEX

Investor Relations

ir@inditex.com

Tel: +34 981 18 53 64

www.inditex.com

Consolidated Financial Statements

Inditex Group 1H2025 Income Statement (€m)		
	1H2025	1H2024
Net sales	18,357	18,065
Cost of sales	(7,654)	(7,524)
Gross profit	10,703	10,541
<i>Gross margin</i>	58.3%	58.3%
Operating expenses	(5,584)	(5,467)
Other net operating income (losses)	(5)	(34)
Operating cash flow (EBITDA)	5,114	5,040
EBITDA margin	27.9%	27.9%
Amortisation and depreciation	(1,542)	(1,499)
Operating income (EBIT)	3,572	3,541
EBIT margin	19.5%	19.6%
Financial results	(12)	12
Results from companies consolidated by equity method	42	45
Income before taxes	3,601	3,598
PBT margin	19.6%	19.9%
Taxes	(810)	(820)
Net income	2,791	2,778
Minorities	-	9
Net income attributable to the controlling company	2,791	2,768
Net income margin	15.2%	15.3%
Earnings per share, Euros (*)	0.896	0.889

(*) Shares for EPS calculation 3,115,811,641 for 2025 and 3,114,156,590 for 2024

Inditex Group
Consolidated Balance Sheet as of 31 July 2025 (€m)

31 July 2025 31 July 2024

Assets

Non Current Assets	18,827	17,195
Right of use	5,191	4,780
Intangible assets	1,738	1,522
Tangible assets	10,493	9,003
Financial investments	479	429
Other	926	1,460
Current Assets	15,220	16,058
Inventories	3,466	3,363
Receivables	1,241	1,121
Short term investments	4,874	4,977
Cash & cash equivalents	5,139	5,951
Other	500	646
Total Assets	34,047	33,253

Liabilities & Shareholders' Equity

Shareholders' Equity	16,954	16,548
Equity attributable to the Group	16,954	16,509
Minority interests	-	39
Non Current Liabilities	4,704	4,798
Deferred taxes	78	430
Financial debt	-	-
Lease liability	4,040	3,797
Other	586	571
Current Liabilities	12,389	11,906
Financial debt	1	17
Lease liability	1,550	1,428
Payables	10,773	10,438
Other	66	23
Total Liabilities & Shareholders' Equity	34,047	33,253

Grupo Inditex
1H2025 Consolidated Statement of Cash Flows (€m)

	1H2025	1H2024
Income before taxes	3,601	3,598
Adjustments to income-		
Depreciation and amortization	1,542	1,499
Lease financial expenses	110	110
Other	42	12
Corporate income tax-	(695)	(829)
Funds from operations	4,600	4,390
Changes in assets and liabilities		
Change in inventories	(119)	(426)
Change in accounts receivable	(323)	(192)
Change in current liabilities	(811)	276
Change in working capital	(1,253)	(342)
Cash from operations	3,347	4,048
Intangible assets investments	(253)	(244)
Tangible assets investments	(1,016)	(1,032)
Acquisitions of businesses	(2)	-
Change in other long-term financial investments	(6)	-
Other assets investments	5	(1)
Change in short-term financial investments	267	(547)
Cash flow from investing activities	(1,006)	(1,825)
Change in current debt	(6)	2
Lease payments fixed charge	(913)	(863)
Dividends	(2,618)	(2,398)
Cash used in financing activities	(3,536)	(3,259)
Change in cash and cash equivalents	(1,195)	(1,036)
Cash and cash equivalents at beginning of the year	6,382	7,007
Foreign exchange impact on cash & cash equivalents	(48)	(21)
Cash and cash equivalents at end of the year	5,139	5,951

Annex I

Number of stores by concept:

Concept	31 July 2025	31 July 2024
Zara	1,534	1,594
Zara Home	379	404
Lefties	210	198
Pull&Bear	801	808
Massimo Dutti	518	542
Bershka	856	856
Stradivarius	839	847
Oysho	391	418
Total	5,528	5,667

Annex II

Breakdown of Financial results:

Million Euros	1H2025	1H2024
Net financial income (losses)	100	173
Lease financial expenses	(110)	(110)
Foreign exchange gains (losses)	(3)	(52)
Total	(12)	12

The Gross Profit, EBITDA, EBIT, PBT, ROE, ROCE, working capital, net financial position, average net financial debt, Store operating profit, quarterly results, Sales growth at constant exchange rates, and Sales in comparable stores are defined in Note 2 to the Consolidated Annual Accounts 2024.

Disclaimer

Neither this document nor the information contained herein constitute an offer to sell, exchange or buy, or the solicitation of an offer to buy, to sell or exchange, or any recommendation or advice regarding any securities issued by the Inditex Group.

This document may contain statements regarding intentions, expectations, estimates or forecasts. All statements other than statements of historical facts contained herein, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations, are forward-looking statements. These statements represent the Company's best estimate, on the basis of the information available as at the date hereof, but do not constitute a guarantee of future performance. Any such forward-looking statements may be subject to risks, uncertainties and other relevant factors which could cause the evolution and actual results achieved to differ materially from results predicted. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements.

Some of these risks include, without limitation, (i) financial risks, such as the macroeconomic environment of the various geographies where the Group operates, changes to market factors (including, without limitation, foreign exchange or interest rates or the price of raw materials), the financial solvency of counterparties or the competitive environment, (ii) geopolitical risks, such as instability in the different supply markets and the markets where our goods are sold, or the frictions that may hinder the normal movement of goods, (iii) social risks, such as the change in the perception of the Group or the industry by stakeholders, the emergence of infectious or contagious diseases, or labour disputes, (iv) governance risks, such as violation of laws or non-compliance with regulations or good governance recommendations, or risks resulting from tactical and strategic decisions that prevent achieving the business objectives, (v) technological risks, such as cyberattacks, collapse of critical infrastructures, industrial accidents or the fast evolution of technology, and (vi) the different environmental risks associated with natural disasters, climate change, the transition to a low – carbon economy and the interactions resulting from the human exploitation of the environment.

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 of mandatory transparency filed by the company with the Comisión Nacional del Mercado de Valores (the Spanish Securities Market Commission). Readers are invited to review the contents of any such documents on Inditex's website (www.inditex.com).

Notwithstanding this, the risks and uncertainties that could affect the forward-looking statements are difficult to predict. Except where the prevailing regulations require otherwise, the company assumes no obligation to publicly revise or update its forward-looking statements should any unexpected changes, events or circumstances affect them.

In addition to the financial information prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and derived from our financial statements, this document contains alternative performance measures ("APMs") as defined in the Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 and in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures ("Non-IFRS Measures"). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from Inditex Group; however, those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors. These APMs and non-IFRS indicators are included to better understand the financial performance of the Inditex Group. However, the way they are defined and calculated by the Company may be different than other companies which rely on similar measures. Therefore, they may not be useful for comparability purposes. In any case, they should be considered supplemental information to, and are not meant to substitute IFRS measures. Please refer to the audited consolidated financial statements of the Inditex Group for fiscal year 2024, available on Inditex's website (www.inditex.com) for the definition of APMs and Non-IFRS Measures included herein.