

Interim Three Months 2021

9 June 2021



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

2021

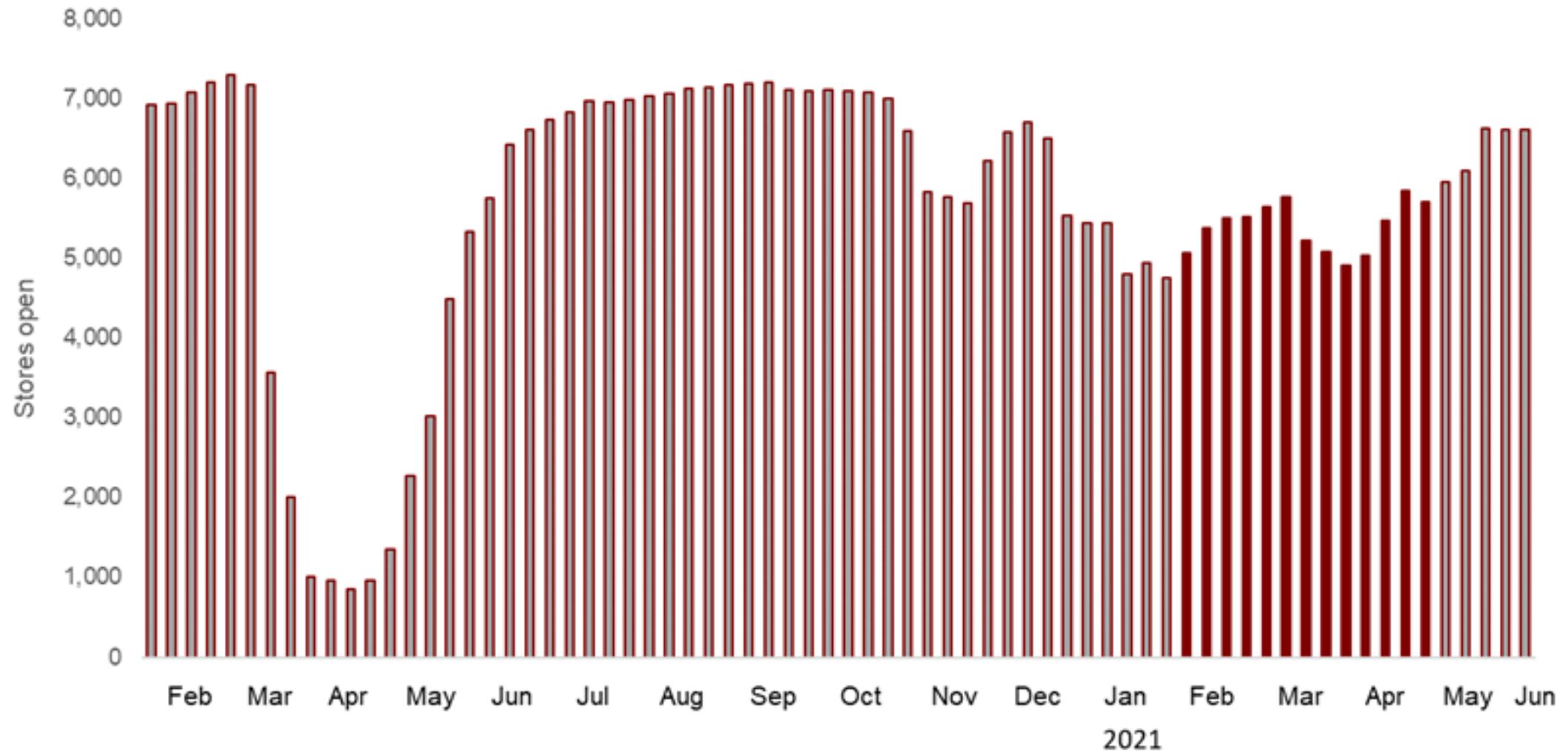
Differentiation
and strategic
transformation
continues to
deliver



2021: Differentiation and strategic transformation

- ▶ Inditex's differentiation and strategic transformation towards a fully integrated, digital and sustainable business model continues to deliver
- ▶ Over 1Q2021 store sales have steadily improved. Online sales continue to grow strongly: +67% in 1Q2021 in constant currencies
- ▶ Strong cash flow: cash position of €7.2bn
- ▶ Implementation of Inditex Open Platform is close to 90% complete
- ▶ Ahead of schedule in Sustainability targets
- ▶ People first: Strong individual commitment and unique corporate culture
- ▶ Store and online sales in constant currency between 1 May and 6 June 2021 increased 102% versus same period 2020 and 5% versus same period 2019. 10% of trading hours were unavailable in this period due to lockdowns and restrictions. Currently 98% of stores are open

Most stores have opened but some restrictions persist

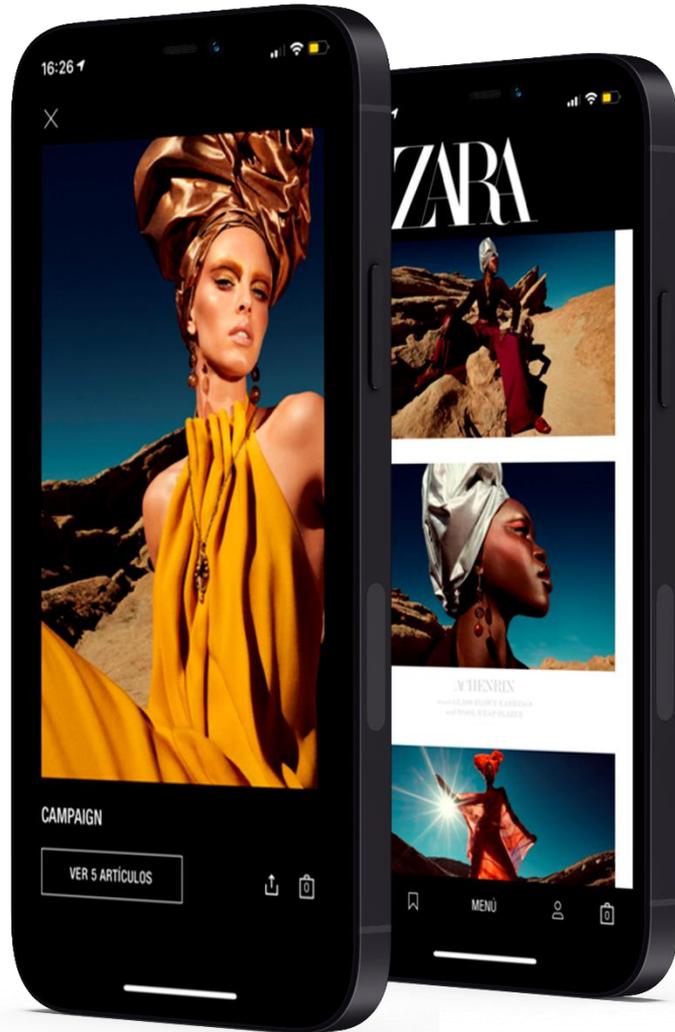


Healthy sales productivity

	1Q2021
Trading hours	(24.1%)
Store & online sales growth	(11.5%)

*in constant currency vs same period 2019

Online continues to grow strongly



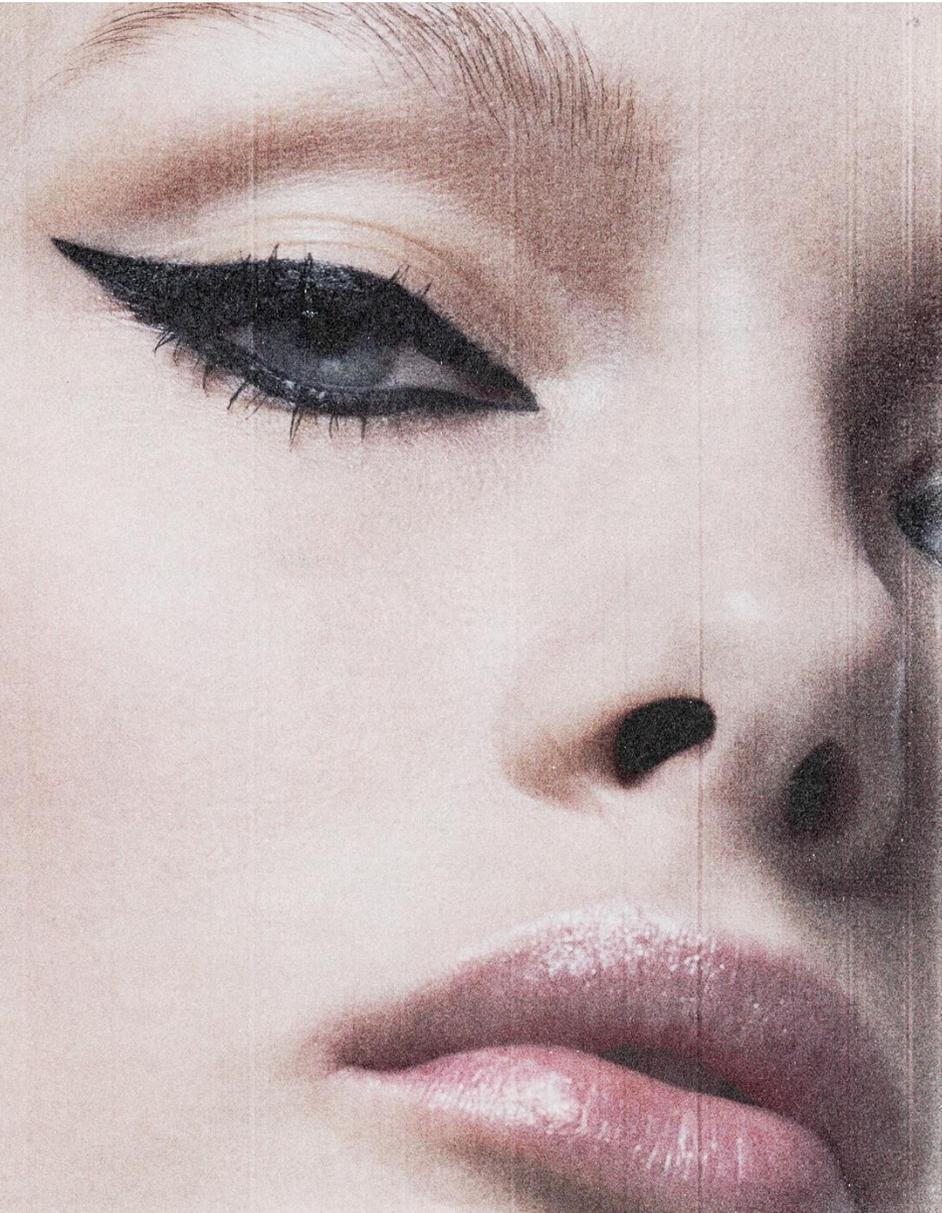
+67%
Online sales
growth in CC 1Q2021

- ▶ Strong advantage from the business model and fashion proposition
- ▶ Sector leading growth rates and profitability with lower capital intensity
- ▶ Online business grow in all concepts and markets

Zara S/S 2021



Launch of Zara Beauty



Zara Beauty



- ▶ Launched in selected stores and online 12 May
- ▶ Full range of beauty products for eyes, lips, face and nails in over 130 shades
- ▶ Made using top-quality compounds. Strong sustainability credentials. No animal testing
- ▶ The packaging is designed for refilling to foster reuse and makes extensive use of recycled glass

Zara Beauty



Zara, Zara Home and Stradivarius in Madrid Plaza de España



Zara Home launches new image



Zara Home launches new image



Massimo Dutti Cahier de Voyage editorial



Bershka launches new image



Pull&Bear On my way to Summer



Stradivarius Summer collection



Oysho weekend vibes collection

WEEKEND VIBES

Uterqüe Summer collection



Sustainability at stores



- ▶ Leading in sustainability. Eco-efficient stores
- ▶ LEED certificate on new flagship stores
- ▶ Inergy platform: centralised control and optimisation of energy consumption.
- ▶ Bigger, better, more beautiful stores, in best locations globally

Sustainability at HQ



- ▶ New Zara online studios represent the best visual example of Inditex's strategic transformation
- ▶ Store&Online integration, technology and advanced sustainability
- ▶ 100% renewable power use
- ▶ 3,380 solar panels supply 50% of energy needs
- ▶ Rainwater collected and reused
- ▶ Ultra-high performance heating and cooling system

Financial Summary



1Q2021: Strong recovery in operations

€ million	1Q21	1Q20	21/20
Net sales	4,942	3,303	50%
Gross profit	2,962	1,930	54%
EBITDA	1,235	484	155%
Net income	421	(409)	--

- ▶ Strong recovery in challenging environment
- ▶ Active management of supply chain
- ▶ Healthy gross margin evolution
- ▶ Very efficient cost management across all departments and business areas

Sales

€ million	1Q21	1Q20	21/20
Net sales	4,942	3,303	50%

- ▶ Strong recovery in sales
- ▶ Online sales +67% CC in 1Q2021
- ▶ 1Q2021 sales trends improve as stores reopen and online sustains outstanding progress

Gross margin

€ million	1Q2021	1Q2020	21/20
Gross margin	59.9%	58.4%	+152bps

- ▶ Flexibility of supply chain key to gross margin performance
- ▶ 1Q21 gross margin +47 bps vs 1Q19

Operating efficiencies

€ million	1Q21	1Q20	21/20
Op. expenses	1,716	1,448	19%

- ▶ Very efficient cost management across all departments and business areas
- ▶ Demonstrates our ability to react and adapt continuously to the changing trading environment
- ▶ The main components of operating expenses have shown a very good performance
- ▶ 1Q2021 operating costs were 7% below 1Q2019

Depreciation

€ million	1Q21	1Q20	21/20
Depreciation	666	992	(33%)

- ▶ 1Q2020: Depreciation & Amortisation includes completion of space optimisation 2020-2021
- ▶ 1Q2021 underlying depreciation and amortisation fell 3% vs 1Q2020

Flexibility of business model key to performance

€ million	1Q21	1Q20	1Q19
Inventory	2,769	2,629	2,923
Receivables	893	644	846
Payables	(5,781)	(3,877)	(6,306)
Op. working capital	(2,118)	(604)	(2,536)

- ▶ Flexibility of supply chain
- ▶ Single inventory
- ▶ High quality inventory at period end
- ▶ Improved working capital dynamics
- ▶ Working capital return to normal

Strong cash flow and financial condition

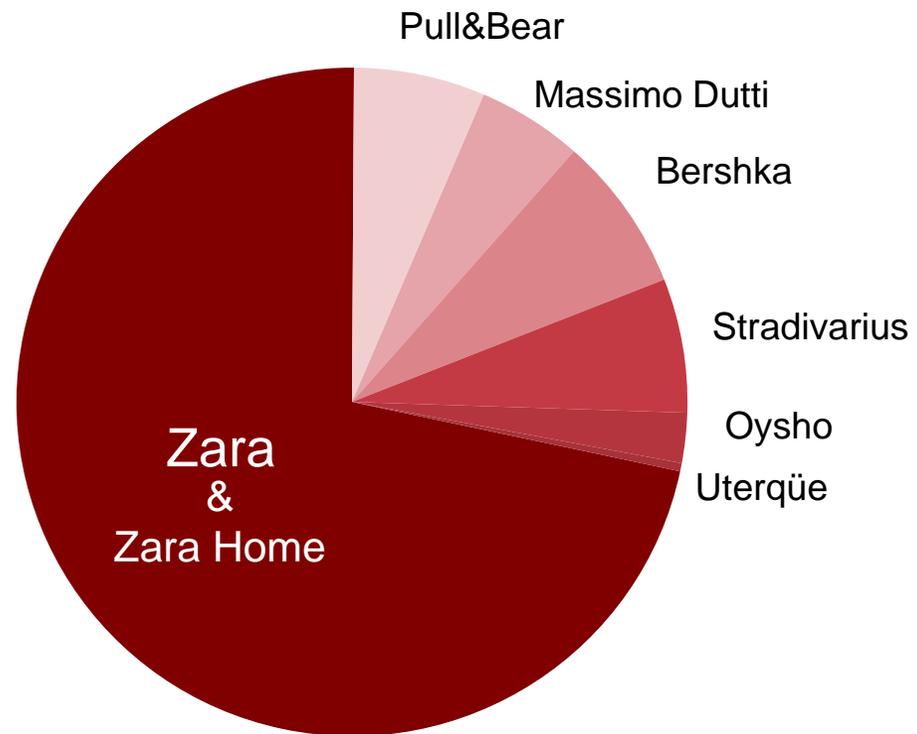
€ million	1Q21	1Q20	21/20
Net Cash Position	7,176	5,752	25%

- ▶ Strong cash generation
- ▶ Net cash position up +8% vs 2019

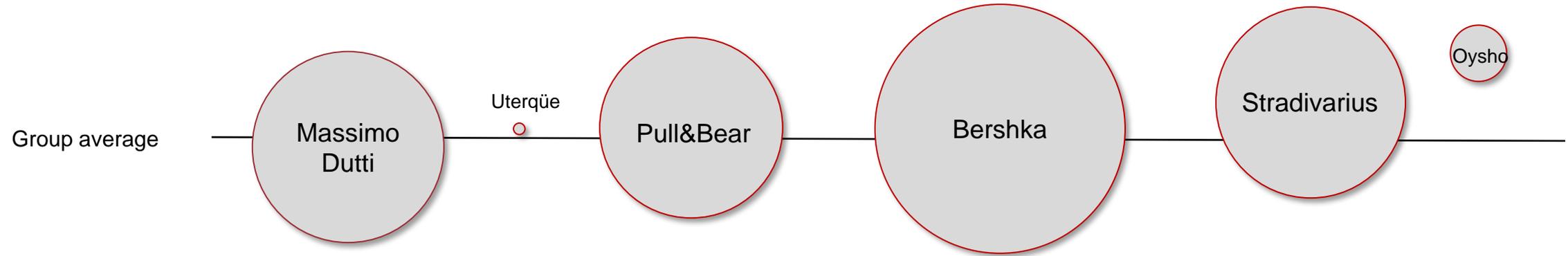
Concepts



Store & Online sales by concept

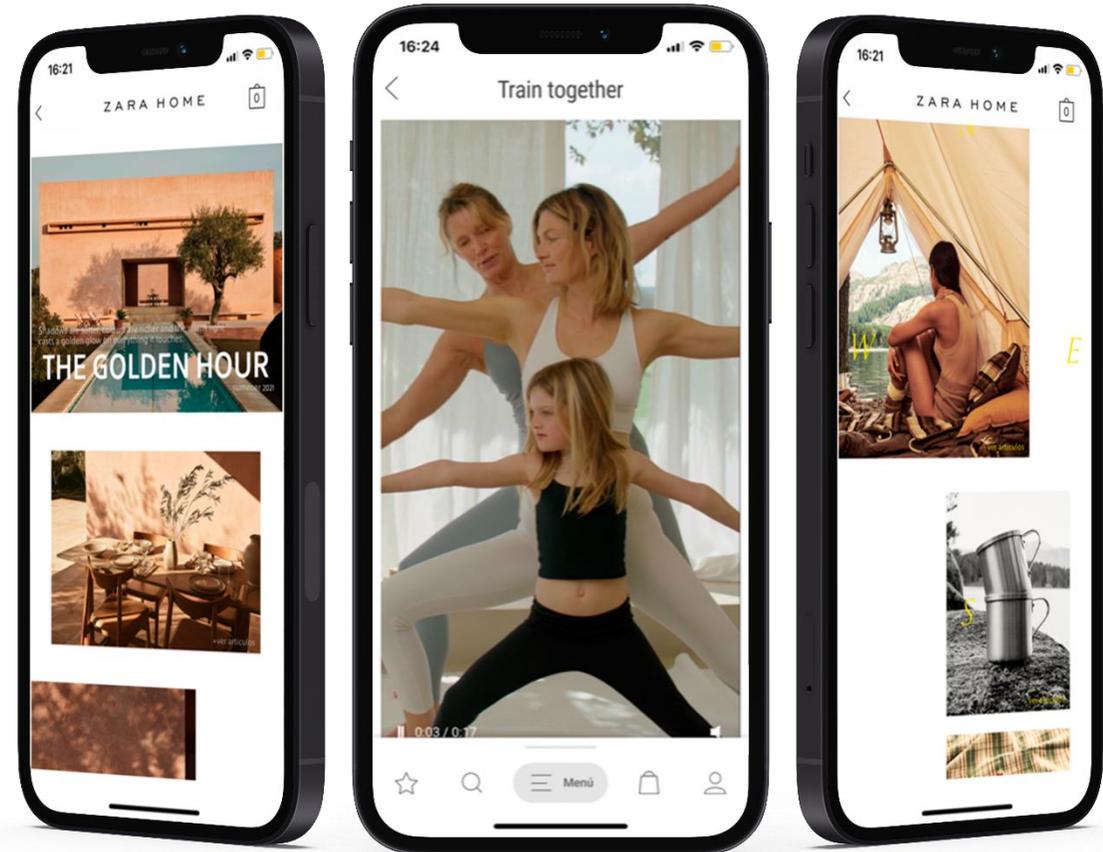


Performance per concept



Concepts

- ▶ Remarkable online growth across all concepts
- ▶ Strong performance of Oysho and Stradivarius
- ▶ Optimisation activity in all concepts



Outlook



Outlook

- ▶ Global fully integrated Store & Online
- ▶ Strong organic growth. Increased differentiation of the model
- ▶ Strong online sales growth to continue
- ▶ Capital expenditure c€900m annually (2020-22). Digital capex €1 billion for 2020-2022
- ▶ Sustainability central to the strategy
- ▶ Lower capital intensity. Increased profitability

Dividend

- ▶ As announced in March Inditex's Board of Directors will propose to the Annual General Meeting a dividend of 70 cents per share for fiscal 2020
- ▶ The dividend will be made up of two equal payments of 35 cents: the first was paid as interim on 3 May 2021 and the final will be made on 2 November 2021

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