

**INDITEX**  
**INTERIM THREE MONTHS 2007**  
**CONSOLIDATED RESULTS**

1 February to 30 April 2007

- **Net sales reach €2,039 million, 19% higher than 1Q06.**
- **Gross profit increases by 20% to €1,150 million.**
- **Operating cash flow (EBITDA) rises to €397 million, 27% higher.**
- **Operating income (EBIT) increases by 31% to €281 million.**
- **Net income reaches €200 million (€32 cents per share), 33% higher.**
- **Net opening of 114 stores in the first quarter of 2006 (vs. 114 in 1Q06).**

This document is of a purely informative nature and does not constitute an offer to sell, exchange or buy, or the solicitation of an offer to buy, securities issued by any of the companies mentioned herein.

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.

## 1. Profit & loss statement

<b>Grupo Inditex</b>			
Interim three months 2007 profit & loss statement			
<i>Million euros</i>			
	1Q 2007 (*)	1Q 2006 (*)	Var % 07/06
Net sales	2,039	1,715	19%
Cost of sales	(889)	(759)	
<b>Gross profit</b>	<b>1,150</b>	<b>956</b>	<b>20%</b>
	<i>Gross margin</i> 56.4%	<i>Gross margin</i> 55.7%	
Operating expenses	(752)	(640)	18%
Other net operating income (losses)	(1)	(3)	
<b>Operating cash flow (EBITDA)</b>	<b>397</b>	<b>313</b>	<b>27%</b>
	<i>EBITDA margin</i> 19.5%	<i>EBITDA margin</i> 18.2%	
Amortisation and depreciation	(117)	(99)	18%
<b>Operating income (EBIT)</b>	<b>281</b>	<b>214</b>	<b>31%</b>
	<i>EBIT margin</i> 13.8%	<i>EBIT margin</i> 12.5%	
Financial results	(4)	(5)	
Results from companies consolidated by equity method	(1)	(0)	
<b>Income before taxes</b>	<b>276</b>	<b>209</b>	<b>32%</b>
	<i>EBT margin</i> 13.5%	<i>EBT margin</i> 12.2%	
Taxes	(76)	(57)	
<b>Net income</b>	<b>201</b>	<b>151</b>	<b>33%</b>
	<i>Net income</i> 9.8%	<i>Net income</i> 8.8%	
Minorities	1	1	
<b>Net income attributable to the controlling company</b>	<b>200</b>	<b>150</b>	<b>33%</b>
	<i>Net income margin</i> 9.8%	<i>Net income margin</i> 8.8%	
<b>Earnings per share, cents of euro (**)</b>	<b>32</b>	<b>24</b>	<b>33%</b>

(\*) Unaudited data

(\*\*) Shares for EPS calculation 620.9 million for 2006 and 2005.

## 2. Consolidated Balance sheet

<b>Grupo Inditex</b>		
<b>Consolidated Balance Sheet as of 30 April 2007</b>		
<i>Million euros</i>		
	<b>30 Apr 2007 (*)</b>	<b>30 Apr 2006 (*)</b>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>	<b>1,942</b>	<b>1,772</b>
Cash & cash equivalents	801	791
Receivables	330	290
Inventories	738	609
Other	74	82
<b>NON CURRENT ASSETS</b>	<b>3,720</b>	<b>3,283</b>
Tangible assets	2,871	2,495
Intangible assets	586	505
Financial investments	33	82
Other	230	202
<b>TOTAL ASSETS</b>	<b>5,663</b>	<b>5,055</b>
<b><u>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</u></b>		
<b>CURRENT LIABILITIES</b>	<b>1,600</b>	<b>1,544</b>
Payables	1,395	1,324
Financial debt	205	220
<b>NON CURRENT LIABILITIES</b>	<b>391</b>	<b>373</b>
Financial debt	49	75
Deferred taxes	99	107
Other	243	191
<b>SHAREHOLDERS' EQUITY</b>	<b>3,671</b>	<b>3,138</b>
Equity attributable to the Group	3,656	3,115
Minority interests	15	23
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>5,663</b>	<b>5,055</b>
(*) Unaudited data		

## 3. Comments on the consolidated results:

### 3.1 Net sales

Net sales reached €2,039 million, a 19% increase over 1Q06 (21% on a constant currency basis), due both to the increase in selling area and to like-for-like sales growth.

The breakdown of openings and existing stores at the end of the period is the following:

Concept	Net openings		Total stores	
	1Q 2007	1Q 2006	30 Apr 2007	30 Apr 2006
ZARA	35	45	1,025	897
KIDDY'S CLASS	10	8	195	157
PULL & BEAR	8	13	475	440
MASSIMO DUTTI	3	7	402	376
BERSHKA	12	16	445	384
STRADIVARIUS	20	5	324	268
OYSHO	14	8	215	162
ZARA HOME	12	12	164	122
<b>Total</b>	<b>114</b>	<b>114</b>	<b>3,245</b>	<b>2,806</b>

### 3.2 Gross Profit

Gross profit in 1Q07 increased by 20% to €1,150 million. Gross margin is 56.4% on sales (55.7% in 1Q06).

### 3.3 Operating income (EBIT)

EBITDA in 1Q07 came to €397 million, 27% higher than a year earlier.

Operating expenses include all the start-up costs for new openings (essentially leases and salaries paid for stores that are not yet open).

EBIT in 1Q07 increased by 31% to €281 million, a 13.8% on sales (12.5% in 1Q06).

**3.4 Net income and net income attributable to the company**

Income before taxes has increased by 32% to reach €276 million.

Financial results break down as follows:

<b>Million euros</b>	<b>FY2006</b>	<b>FY2005</b>
Net financial income (losses)	2	2
Foreign exchange gains (losses)	(6)	(7)
<b>Total</b>	<b>(4)</b>	<b>(5)</b>

The tax rate for 1Q07 is the best estimate for FY2007 according with current information.

Net income has increased 33% to €200 million.

## 4. Comments on the balance sheet

The consolidated balance sheet of INDITEX maintains basically the same structure as in FYE2006.

The net financial position is shown in the table below:

<b>NET FINANCIAL CASH (DEBT) (Million euros)</b>		
	<b>30 Apr 2007</b>	<b>30 Apr 2006</b>
Cash & cash equivalents	801	791
Current financial debt	(205)	(220)
Non current financial debt	(49)	(75)
<b>NET FINANCIAL CASH (DEBT)</b>	<b>546</b>	<b>496</b>

The table below shows the breakdown of working capital at 1Q07:

<b>WORKING CAPITAL (Million euros)</b>		
	<b>30 Apr 2007</b>	<b>30 Apr 2006</b>
Inventories	738	609
Receivables	330	290
Payables	(1,395)	(1,195)
Other	74	82
<b>Trade working capital</b>	<b>(254)</b>	<b>(214)</b>
Debt in acquisition of JV	-	(129)
<b>Operating working capital</b>	<b>(254)</b>	<b>(343)</b>
Cash & cash equivalents	801	791
Current financial debt	(205)	(220)
<b>Financial working capital</b>	<b>596</b>	<b>571</b>
<b>Total working capital</b>	<b>342</b>	<b>228</b>

## 5. Other information

During the six weeks since the beginning of the 2Q07 LFL sales performance is according to Management expectations.

At present date, the Group maintains its expectation for net openings (440-520 stores) and CAPEX (850-950 million euros) in FY2007.

## 6. Agreements of the Board of Directors

The Annual General Meeting of shareholders will be held at the Company's registered office on 17 July 2007.

The Board of Directors will propose to the AGM a dividend of €84 cents per share corresponding to the FY2006 to be paid from 1 August 2007.

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The Interim Half Year 2007 results (1 February – 31 July) will be published on 19 September 2007

*For more information:*

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