

## **CONSOLIDATED RESULTS** **FOR FISCAL 2005**

1 February 2005 to 31 January 2006

- **Net Sales for FY2005 reached €6,741 million, 21% higher than in FY2004.**
- **Like-for-like sales for FY2005 grew by 5% compared to the previous year. In the second half 2005 LFL sales rose 5%.**
- **Gross profit reached €3,788 million, 23% higher. Gross margin is 56.2%.**
- **EBIT reached €1,094 million, 19% higher.**
- **Net Income increased to €803 million (€129 cents per share), 26% higher.**
- **Proposal of an ordinary dividend of €52 cents per share and a bonus dividend of €15 cents, a total of €67 cents per share, 40% higher.**
- **Net opening of 448 stores in FY2005. The Group estimates between 410 and 490 net store openings in FY2006.**

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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.

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. Consolidated financial statements

<b>Grupo Inditex</b>			
FY2005 profit & loss statement			
<i>Millions of euros</i>			
	FY2005	FY2004	Var % 05/04
Net sales	6,740.8	5,568.6	21%
Cost of sales	(2,953.1)	(2,483.4)	
<b>Gross profit</b>	<b>3,787.8</b>	<b>3,085.2</b>	<b>23%</b>
	<i>Gross margin</i> 56.2%	<i>Gross margin</i> 55.4%	
Operating expenses	(2,296.8)	(1,849.3)	24%
Other net operating income (losses)	(31.7)	(8.6)	
<b>Operating cash flow (EBITDA)</b>	<b>1,459.3</b>	<b>1,227.4</b>	<b>19%</b>
	<i>EBITDA margin</i> 21.6%	<i>EBITDA margin</i> 22.0%	
Amortisation and depreciation	(365.7)	(305.4)	20%
<b>Operating income (EBIT)</b>	<b>1,093.6</b>	<b>922.0</b>	<b>19%</b>
	<i>EBIT margin</i> 16.2%	<i>EBIT margin</i> 16.6%	
Financial results	8.0	(24.8)	
Results from companies consolidated by equity method	(0.2)	(0.4)	
<b>Income before taxes</b>	<b>1,101.4</b>	<b>896.8</b>	<b>23%</b>
	<i>EBT margin</i> 16.3%	<i>EBT margin</i> 16.1%	
Taxes	(290.6)	(251.0)	
<b>Net income</b>	<b>810.9</b>	<b>645.8</b>	<b>26%</b>
	<i>Net income margin</i> 12.0%	<i>Net income margin</i> 11.6%	
Minorities	7.7	7.3	
<b>Net income attributable to the controlling company</b>	<b>803.2</b>	<b>638.5</b>	<b>26%</b>
	<i>Net income margin</i> 11.9%	<i>Net income margin</i> 11.5%	
<b>Earnings per share, cents of euro (*)</b>	<b>129.3</b>	<b>102.8</b>	<b>26%</b>

(\*) Shares for EPS calculation 620.9 million for 2005 and 620.8 million for 2004

<b>Grupo Inditex</b>		
Consolidated Balance Sheet as of 31 January 2006		
<i>Millions of euros</i>		
	<b>31 Jan 2006</b>	<b>31 Jan 2005</b>
<b><u>ASSETS</u></b>		
<b><i>CURRENT ASSETS</i></b>	<b>2,046.6</b>	<b>1,561.7</b>
Cash & cash equivalents	988.4	771.8
Receivables	357.9	254.1
Inventories	684.4	517.9
Other	15.9	17.9
<b><i>NON CURRENT ASSETS</i></b>	<b>3,156.3</b>	<b>2,651.2</b>
Tangible assets	2,424.3	2,012.7
Intangible assets	499.1	444.5
Financial investments	68.1	60.7
Other	164.9	133.3
<b>TOTAL ASSETS</b>	<b>5,202.9</b>	<b>4,212.9</b>
<b><u>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</u></b>		
<b><i>CURRENT LIABILITIES</i></b>	<b>1,850.8</b>	<b>1,372.4</b>
Payables	1,641.6	1,208.6
Financial debt	209.2	163.7
<b><i>NON CURRENT LIABILITIES</i></b>	<b>431.2</b>	<b>447.2</b>
Financial debt	76.1	119.2
Deferred taxes	106.7	89.2
Other	248.3	238.8
<b><i>SHAREHOLDERS' EQUITY</i></b>	<b>2,920.9</b>	<b>2,393.3</b>
Equity attributable to the Group	2,898.9	2,376.1
Minority interests	22.0	17.2
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>5,202.9</b>	<b>4,212.9</b>

**Inditex Group**  
**Consolidated Statement of Cash Flows**  
*Millions of euros*

	FY 2005	FY 2004	Var % 05/04
<b>Income before taxes</b>	<b>1,101.4</b>	<b>896.8</b>	<b>23%</b>
<b>Adjustments to income</b>			
Depreciation and amortization	365.7	305.4	
Results on fixed assets disposals	1.1	4.5	
Corporate income tax	(290.6)	(251.0)	
Deferred and prepaid tax	0.3	8.0	
Foreign exchange impact	2.9	17.8	
Other	59.5	40.1	
<b>Funds from operations</b>	<b>1,240.3</b>	<b>1,021.6</b>	<b>21%</b>
<b>Changes in assets and liabilities</b>			
Increase in inventories	(164.2)	(27.2)	
Increase in accounts receivable	(69.5)	72.6	
Decrease in current liabilities	414.1	172.8	
<b>Changes in working capital</b>	<b>180.4</b>	<b>218.2</b>	
<b>Cash from operations</b>	<b>1,420.7</b>	<b>1,239.8</b>	<b>15%</b>
Intangible assets investments	(81.7)	(80.9)	
Tangible assets investments	(701.9)	(559.4)	
Acquisitions of businesses	(14.0)	(51.2)	
Addition to other long-term financial investments	(3.7)	(17.7)	
Other assets investments	(27.6)	(5.5)	
Fixed assets sales and retirements	17.1	14.2	
Sale of long-term financial investments	0.0	4.6	
<b>Capital expenditure</b>	<b>(811.9)</b>	<b>(695.9)</b>	<b>17%</b>
Net decrease in long-term financial debt	(25.7)	(64.3)	
Net decrease in other long-term debt	(97.9)	(56.6)	
Net increase in current debt	26.1	82.4	
Dividends	(301.8)	(219.4)	
Other financing activities	0.5	0.5	
<b>Cash used in financing activities</b>	<b>(398.9)</b>	<b>(257.3)</b>	<b>55%</b>
Net increase in cash and cash equivalents	210.0	286.6	
Foreign exchange impact on cash & cash equivalents	6.6	(11.7)	
Cash and cash equivalents at beginning of the year	771.8	496.9	
<b>Cash and cash equivalents at end of the year</b>	<b>988.4</b>	<b>771.8</b>	<b>28%</b>

## 2. Comments on the consolidated results

INDITEX FY2005 results have been audited and prepared according to the IFRS adopted by the European Union and include the FY2004 figures on a fully comparable basis.

The results for FY2005 reflect significant growth in sales and gross margin improvement, resulting in the Group maintaining its historical financial returns.

At FYE INDITEX operated 2,692 stores in 62 countries through eight different concepts: Zara, Kiddy's Class, Pull & Bear, Massimo Dutti, Bershka, Stradivarius, Oysho and Zara Home.

### 2.1. Sales

Net sales reached €6,740.8 million, an increase of 21% (20% on a constant currency basis) over the previous year.

#### Number of stores and openings

The list of openings and existing stores at FYE is as follows:

Concept	Net openings		Total stores	
	FY2005	FY2004	31 Jan 2006	31 Jan 2005
ZARA	129	97	852	723
KIDDY'S CLASS	20	26	149	129
PULL & BEAR	56	21	427	371
MASSIMO DUTTI	43	29	369	326
BERSHKA	66	49	368	302
STRADIVARIUS	36	36	263	227
OYSHO	50	28	154	104
ZARA HOME	48	36	110	62
<b>Total</b>	<b>448</b>	<b>322</b>	<b>2,692</b>	<b>2,244</b>

A list of quarterly openings and stores opened as at FYE by concept and by country is included in Annexes II and III.

## Company-managed stores and franchises

The breakdown of company-managed stores and franchised stores at FYE is the following:

COMPANY-MANAGED AND FRANCHISED STORES						
Formato	2005			2004		
	Co. Mag.	Fran-chises	Total	Co. Mag.	Fran-chises	Total
Zara	770	82	852	649	74	723
Kiddy's Class	149	--	149	129	--	129
Pull & Bear	380	47	427	333	38	371
Massimo Dutti	275	94	369	228	98	326
Bershka	351	17	368	295	7	302
Stradivarius	208	55	263	183	44	227
Oysho	149	5	154	102	2	104
Zara Home	100	10	110	62	--	62
<b>Total</b>	<b>2,382</b>	<b>310</b>	<b>2,692</b>	<b>1,981</b>	<b>263</b>	<b>2,244</b>

## Selling area

The selling area of company-managed stores and franchised stores at FYE is as follows:

SELLING AREA (SqM) IN COMPANY-MANAGED AND FRANCHISED STORES						
	TOTAL SELLING AREA			SALES PER SQM (€)		
	31 Jan 2006	31 Jan 2005	Chg % 05/04	FY2005	FY2004	Chg % 05/04
Zara	961,791	811,100	19%	5,182	5,130	1%
Kiddy's Class	28,999	25,265	15%	5,635	5,263	7%
Pull & Bear	95,179	73,774	29%	5,504	5,346	3%
Massimo Dutti	103,816	79,858	30%	6,609	7,921	-17%
Bershka	130,495	104,916	24%	5,551	5,441	2%
Stradivarius	67,297	57,301	17%	6,036	4,572	32%
Oysho	21,197	13,938	52%	6,599	5,664	17%
Zara Home	25,978	14,259	82%	4,082	4,296	-5%
<b>Total</b>	<b>1,434,752</b>	<b>1,180,411</b>	<b>22%</b>	<b>5,383</b>	<b>5,304</b>	<b>1%</b>

## Like-for-like sales (LFL)

**Store sales** are those that occur in company-managed stores and franchised stores of any of the Group's concepts, net of any consumption tax and converted to euros at the average exchange rates for the fiscal year.

The Group's **like-for-like sales** grew by 5% in FY2005. Like-for-like represents the annual change in store sales of any concept of the Group that were opened for the whole of fiscal years 2005 and 2004, converted to a fixed exchange rate.

Below is the increase in like-for-like sales bi-annually for the last two fiscal years:

	LFL sales growth	
	2005	2004
First Half	4.5%	8%
Second Half	5%	10%
<b>Full Year</b>	<b>5%</b>	<b>9%</b>

The like-for-like calculation includes 61% of the selling area as at FYE2005 (i.e. stores opened for the whole of fiscal years 2005 and 2004).

Space contribution, defined as sales growth in constant currency coming from space not included in LFL calculation, was 16% in FY2005.

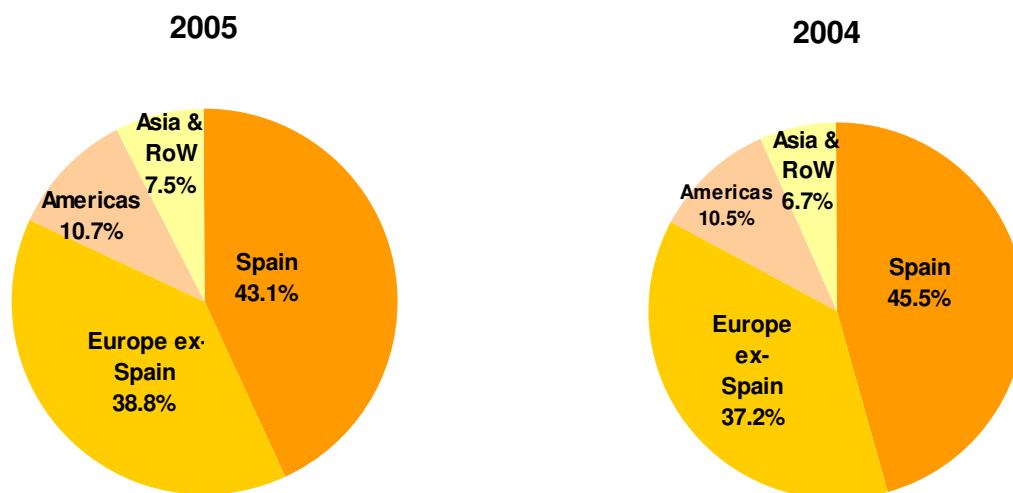
## Sales by concept

Net sales by concept in FY2005 and FY2004 are shown in the table below:

Concept	Net Sales (Million €)			% on total	
	2005	2004	% Chng. 05/04	2005	2004
ZARA	4,440.8	3,759.7	18%	65.9%	67.5%
KIDDY'S CLASS	155.4	120.6	29%	2.3%	2.2%
PULL & BEAR	445.1	367.2	21%	6.6%	6.6%
MASSIMO DUTTI	533.8	458.4	16%	7.9%	8.2%
BERSHKA	639.4	508.8	26%	9.5%	9.1%
STRADIVARIUS	341.1	241.9	41%	5.1%	4.3%
OYSHO	107.0	71.7	49%	1.6%	1.3%
ZARA HOME	78.1	40.4	93%	1.2%	0.7%
<b>Total sales</b>	<b>6,740.8</b>	<b>5,568.6</b>	<b>21%</b>	<b>100.0%</b>	<b>100.0%</b>

## Store sales by geographic area

The following graph shows store sales by geographic areas:



European markets ex-Spain are absorbing the greatest part of the international growth.

The percentage of international store sales by concept is the following:

Concept	% INTERNATIONAL STORE SALES	
	2005	2004
ZARA	68.9%	65.8%
KIDDYS CLASS	14.0%	12.8%
PULL & BEAR	33.2%	30.2%
MASSIMO DUTTI	45.6%	41.9%
BERSHKA	41.5%	35.7%
STRADIVARIUS	17.4%	15.4%
OYSHO	31.8%	31.5%
ZARA HOME	23.0%	12.7%
<b>Total</b>	<b>56.9%</b>	<b>54.5%</b>

## Sales in company-managed and franchised stores

The table below shows the breakdown of sales in company-managed and franchised stores for each of the concepts of the Group:

STORE SALES IN COMPANY-MANAGED AND FRANCHISED STORES				
Formato	2005		2004	
	Company Managed	Franchised	Company Managed	Franchised
Zara	90%	10%	91%	9%
Kiddy's Class	100%	0%	100%	0%
Pull & Bear	91%	9%	91%	9%
Massimo Dutti	72%	28%	68%	32%
Bershka	97%	3%	98%	2%
Stradivarius	82%	18%	82%	18%
Oysho	98%	2%	98%	2%
Zara Home	96%	4%	100%	0%
<b>Total</b>	<b>89%</b>	<b>11%</b>	<b>90%</b>	<b>10%</b>

## 2.2. Gross profit

The gross profit rose to €3,787.8 million, 23% higher than the previous year. The Gross margin improved 79 basis points to reach 56.2% (55.4% in FY2004). This improvement in the gross margin has been achieved due to a tight inventory management. The currency impact turned negative in the Second Half due mainly to a stronger dollar exchange rate versus the euro.

Under current circumstances, INDITEX considers 56.2% as its best estimate for the FY2006 gross margin.

## 2.3. Operating income (EBIT)

FY2005 EBITDA came to €1,459.3 million, an increase of 19% compared to the previous year, standing at 21.6% of sales (22.0% in FY2004)

Below is a breakdown of Operating expenses over the last two years:

Million euros	FY2005	FY2004	% 05/04
Personnel expenses	1,036.6	839.5	23%
Rental expenses	577.0	468.1	23%
Other operating expenses	683.1	541.7	26%
<b>Total operating expenses</b>	<b>2,296.8</b>	<b>1,849.3</b>	<b>24%</b>

At FYE 2005 the number of employees reached 58,190 (47,046 at FYE2004).

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

The future lease commitments as a result of the minimum non cancellable lease payments amounted to €1,973 million at FYE2005.

INDITEX aims to reduce the spread between Operating expenses growth and Sales growth over the next 3 years, while maintaining the growth strategy, thus aligning operating expenses growth and sales growth by FYE2008.

Other net operating losses amounted €31.7 million, compared to €8.6 million in FY2004. This line includes all profits and losses in relation with the valuation and execution of options in the joint-ventures the Group operates. Throughout FY2005, INDITEX has acquired a further 9.95% stake in Stradivarius and a 15% in Zara Japan. INDITEX has also reached an initial agreement to acquire an additional 28% in Zara Deutschland by FY2006. The result of this acquisition has been expensed in FY2005.

EBIT came to €1,093.6 million, 19% higher, standing at 16.2% of sales (16.6% in FY2004).

EBIT excluding Other net operating income (losses) rose to €1,125.3 million, 21% higher, unchanged at 16.7% of sales, and provides a fully comparable base of the operating performance.

## EBIT by concept

The breakdown of EBIT by concept is the following:

Concept	EBIT by concept (Million €)			% EBIT on sales		EBIT by concept on total (%)	
	2005	2004	% Chng. 05/04	2005	2004	2005	2004
ZARA	712.1	654.2	9%	16.0%	17.4%	65.1%	71.0%
KIDDY'S CLASS	28.8	20.8	39%	18.5%	17.2%	2.6%	2.3%
PULL & BEAR	75.3	52.2	44%	16.9%	14.2%	6.9%	5.7%
MASSIMO DUTTI	68.8	67.6	2%	12.9%	14.7%	6.3%	7.3%
BERSHKA	98.9	74.8	32%	15.5%	14.7%	9.0%	8.1%
STRADIVARIUS	83.7	36.7	128%	24.5%	15.2%	7.6%	4.0%
OYSHO	24.5	15.5	58%	22.9%	21.7%	2.2%	1.7%
ZARA HOME	1.4	0.2	652%	1.8%	0.5%	0.1%	0.0%
<b>Total EBIT</b>	<b>1,093.6</b>	<b>922.0</b>	<b>19%</b>	<b>16.2%</b>	<b>16.6%</b>	<b>100.0%</b>	<b>100.0%</b>

EBIT excluding Other net operating income (losses) rose 12% for Zara and 6% Massimo Dutti, the two concepts with higher impact from the joint-ventures structure.

## 2.4. Net income and net income attributable to the company

Income before taxes stands at €1,101.4 million, 23% higher than in FY2004.

Financial results break down as follows:

Millions of euros	2005	2004
Net financial income (losses)	3.8	(7.2)
Foreign exchange gains	4.2	(17.6)
<b>Total</b>	<b>8.0</b>	<b>(24.8)</b>

Foreign exchange gains include the impact of mark-to-market valuation of currency exchange financial instruments according to IAS 39.

Net income reached €810.9 million, an increase of 26%. The tax rate for the fiscal year is 26% versus 28% in FY2004.

Net income attributable to the controlling company came to €803.2 million, an increase of 26% over FY2004.

## Dividend proposal

INDITEX's Board of Directors will propose to the General Shareholders Meeting an ordinary dividend of €324 million (€52 cents per share) and a bonus dividend of €94 million (€15 cents per share), reaching a total dividend of €418 million (€67 cents per share), 40% higher than the previous FY.

INDITEX maintains a long term growth strategy combined with a healthy balance sheet structure. The financial strength of the company should provide flexibility enough to support the expansion of the business under a disciplined financial approach to sustain returns.

This must be combined with a predictable shareholder remuneration policy.

Accordingly, INDITEX new shareholder remuneration policy will be based on an increase in the proportion of net income distributed as ordinary dividend to around 50% from 2006 on. In addition, the Board of Directors could propose bonus dividends.

## Return on Equity (ROE)

The table below shows INDITEX Return on Equity, defined as net income on average Shareholder's equity.

RETURN ON EQUITY		
Description	2005	2004
Net income	803.2	638.5
Shareholders equity - previous year	2,376.1	1,966.6
Shareholders equity - current year	2,898.9	2,376.1
Average equity	2,637.5	2,171.3
<b>RETURN ON EQUITY</b>	<b>30%</b>	<b>29%</b>

## Return on Capital Employed (ROCE)

The table below shows INDITEX Return on Capital Employed, defined as EBIT on average capital employed (Shareholder's equity plus net financial debt).

RETURN ON CAPITAL EMPLOYED		
Description	2005	2004
<b>EBIT</b>	<b>1,093.6</b>	<b>922.0</b>
<b>Average capital employed</b>		
Average shareholders' equity	2,637.5	2,171.3
Average net financial debt (*)	0.0	0.0
<b>Total average capital employed</b>	<b>2,637.5</b>	<b>2,171.3</b>
<b>RETURN ON CAPITAL EMPLOYED</b>	<b>41%</b>	<b>42%</b>

(\*) Zero when net cash

## ROCE by concept

The table below shows the Return on Capital Employed by concept:

ROCE BY CONCEPT		
Concept	2005	2004
	ROCE	ROCE
Zara	41%	42%
Kiddy's Class	67%	59%
Pull & Bear	47%	41%
Massimo Dutti	27%	43%
Bershka	42%	47%
Stradivarius	82%	41%
OYSHO	50%	51%
ZARA HOME	3%	1%
<b>Total</b>	<b>41%</b>	<b>42%</b>

## 3. Comments on the balance sheet

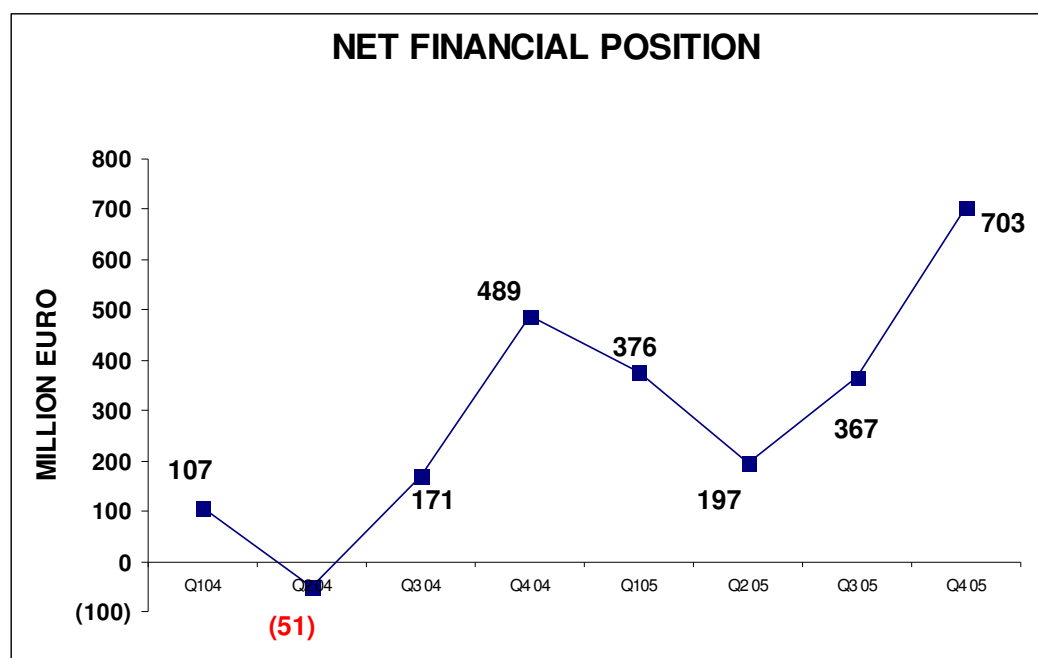
INDITEX Consolidated Balance Sheet maintains a similar structure to that it showed at FYE2004, without net financial debt and with a negative operating working capital position, a consequence of the business model.

### Net financial position

The net financial position is shown in the table below:

NET FINANCIAL CASH (DEBT) (Millions of euros)		
	31 Jan 2006	31 Jan 2005
Cash & cash equivalents	988.4	771.8
Current financial debt	(209.2)	(163.7)
Non current financial debt	(76.1)	(119.2)
<b>NET FINANCIAL CASH (DEBT)</b>	<b>703.1</b>	<b>488.9</b>

The evolution of the net financial position during the last nine quarters has been the following:



## Working capital

The table below shows a breakdown of working capital of the last two fiscal years:

WORKING CAPITAL (Millions of euros)		
	31 Jan 2006	31 Jan 2005
Inventories	684.4	517.9
Receivables	357.9	254.1
Payables	(1,641.6)	(1,208.6)
Other	15.9	17.9
<b>Operating working capital</b>	<b>(583.4)</b>	<b>(418.8)</b>
Cash & cash equivalents	988.4	771.8
Current financial debt	(209.2)	(163.7)
<b>Financial working capital</b>	<b>779.2</b>	<b>608.1</b>
<b>Total working capital</b>	<b>195.8</b>	<b>189.4</b>

Operating working capital financing has increased by 39% to €583.4 million (€418.8 million in FY2004), as a consequence of the business model.

## 4. Comments on the cash flow statement

The summary of the cash flow statement is the following:

CASH FLOW SUMMARY			
	FY 2005	FY 2004	Var % 05/04
Income before taxes	1,101.4	896.8	23%
Funds from operations	1,240.3	1,021.6	21%
Changes in working capital	180.4	218.2	
Cash from operations	1,420.7	1,239.8	15%
Net capital expenditure	(811.9)	(695.9)	17%
Free cash flow	608.8	543.9	12%
Dividends	(301.8)	(219.4)	
Net debt decrease	(307.5)	(325.0)	
Others	0.5	0.5	

Funds from Operations grew by 21% in 2005, reaching €1,240.3 million. Working Capital financing has taken Cash from Operations to €1,420.7 million, 15% higher than in FY2004.

Capital Expenditure for the FY amounted to €811.9 million.

Free cash flow increased by 12% to €608.8 million and a €301.8 million dividend was paid to shareholders.

## 5. Start of FY2006

During the eight weeks since the beginning of the 2006 Spring-Summer season sales growth is according to the Group's expectations.

The store openings plan for FY2006 is the following:

Concept	FY 2006 Openings forecast		% International	Total 2005
	Range			
ZARA	130	- 140	80%	129
KIDDY'S CLASS	30	- 40	10%	20
PULL & BEAR	45	- 55	65%	56
MASSIMO DUTTI	30	- 40	55%	43
BERSHKA	65	- 75	70%	66
STRADIVARIUS	35	- 45	45%	36
OYSHO	40	- 50	50%	50
ZARA HOME	35	- 45	60%	48
<b>Total net openings</b>	<b>410</b>	<b>- 490</b>		<b>448</b>

Approximately 50% of the contracts have been signed but in some cases openings may not take place in FY2006.

The Group expects the volume of international sales to grow more than domestic sales as has been the case in the last fiscal years.

Expected CAPEX in FY2006 is between €850 million and €950 million. The opening of new stores and the refurbishment of existing stores will represent the majority of the CAPEX.

Additionally, INDITEX has decided to enter the Korean market due to its strong potential for the Group. INDITEX has signed an agreement with Lotte Group to start its operations in Korea over 2006 with an initial Zara store in Seoul to be followed by further openings. Under this agreement Lotte will hold a 20% minority participation in Zara Korea.

## 6. Other subjects

INDITEX Board of Directors meeting to be hold next June will propose to the Annual General Meeting the approval of a Share Plan for a maximum of 2,348,383 shares for approximately 200 beneficiaries. The plan will be linked to the average performance of the INDITEX share over 2006 and 2007.

The plan has no cash impact, as it is based on shares subscribed in Fiscal 2000 and remaining from a previous stock option plan.

## 7. Release of 2006 results

INDITEX expects to release interim results for FY2006 on the following dates:

Interim Three Months 2006: 14 June 2006  
Interim Half Year 2006: 20 September 2006  
Interim Nine Months 2006: 13 December 2006  
Fiscal year 2006: March 2007 (tbc)

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## Annex I Income statement: quarterly results

	FY2005				FY2004				VAR % 05/04			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	1,405.9	1,413.8	1,831.6	2,089.5	1,183.0	1,169.2	1,525.7	1,690.8	19%	21%	20%	24%
Cost of sales	(622.2)	(612.9)	(763.4)	(954.6)	(544.7)	(533.0)	(642.8)	(762.9)	14%	15%	19%	25%
<b>Gross profit</b>	<b>783.7</b>	<b>800.9</b>	<b>1,068.2</b>	<b>1,135.0</b>	<b>638.3</b>	<b>636.2</b>	<b>882.9</b>	<b>927.9</b>	<b>23%</b>	<b>26%</b>	<b>21%</b>	<b>22%</b>
<i>Gross margin</i>	55.74%	56.65%	58.32%	54.32%	53.95%	54.41%	57.87%	54.88%				
Operating expenses	(519.8)	(545.7)	(584.9)	(646.3)	(415.3)	(429.7)	(486.9)	(517.3)	25%	27%	20%	25%
Other net operating income (losses)	(3.0)	1.9	(13.4)	(17.2)	(1.5)	(2.1)	(1.3)	(3.7)	106%	-190%	925%	362%
<b>Operating cash flow (EBITDA)</b>	<b>260.9</b>	<b>257.0</b>	<b>469.9</b>	<b>471.5</b>	<b>221.5</b>	<b>204.4</b>	<b>394.7</b>	<b>406.8</b>	<b>18%</b>	<b>26%</b>	<b>19%</b>	<b>16%</b>
<i>EBITDA margin</i>	18.56%	18.18%	25.66%	22.56%	18.72%	17.48%	25.87%	24.06%				
Amortisation and depreciation	(80.9)	(91.9)	(94.8)	(98.1)	(66.7)	(73.2)	(76.5)	(89.1)	21%	26%	24%	10%
<b>Operating income (EBIT)</b>	<b>180.0</b>	<b>165.1</b>	<b>375.1</b>	<b>373.4</b>	<b>154.8</b>	<b>131.2</b>	<b>318.2</b>	<b>317.8</b>	<b>16%</b>	<b>26%</b>	<b>18%</b>	<b>18%</b>
<i>EBIT margin</i>	12.80%	11.68%	20.48%	17.87%	13.08%	11.22%	20.86%	18.79%				
Financial results	(0.8)	12.4	(6.3)	2.8	(5.2)	(6.6)	(8.0)	(5.1)				
Results from companies consolidated by equity method	0.0	0.0	0.0	(0.2)	0.0	0.0	0.0	(0.4)				
<b>Income before taxes</b>	<b>179.2</b>	<b>177.5</b>	<b>368.8</b>	<b>376.0</b>	<b>149.5</b>	<b>124.6</b>	<b>310.3</b>	<b>312.3</b>	<b>20%</b>	<b>42%</b>	<b>19%</b>	<b>20%</b>
Taxes	(52.9)	(54.1)	(88.9)	(94.7)	(44.0)	(38.5)	(87.1)	(81.4)				
<b>Net income</b>	<b>126.3</b>	<b>123.4</b>	<b>279.9</b>	<b>281.3</b>	<b>105.6</b>	<b>86.1</b>	<b>223.2</b>	<b>230.9</b>	<b>20%</b>	<b>43%</b>	<b>25%</b>	<b>22%</b>
Minorities	1.5	2.0	5.6	(1.4)	2.0	(0.5)	6.0	(0.1)				
<b>Net income attributable to the controlling company</b>	<b>124.8</b>	<b>121.4</b>	<b>274.3</b>	<b>282.7</b>	<b>103.5</b>	<b>86.6</b>	<b>217.2</b>	<b>231.1</b>	<b>21%</b>	<b>40%</b>	<b>26%</b>	<b>22%</b>
<i>Net income margin</i>	8.88%	8.58%	14.97%	13.53%	8.75%	7.41%	14.24%	13.67%				

**Annex II**

**Summary of net openings and net stores opened by quarter**

NUMBER OF NET STORE OPENINGS IN EACH QUARTER										
Concept	1Q 2005	2Q 2005	3Q 2005	4Q 2005	total 2005	1Q 2004	2Q 2004	3Q 2004	4Q 2004	total 2004
ZARA	21	18	54	36	129	15	12	42	28	97
KIDDYS CLASS	6	4	4	6	20	7	6	8	5	26
PULL & BEAR	10	9	24	13	56	5	0	13	3	21
MASSIMO DUTTI	14	5	11	13	43	7	3	16	3	29
BERSHKA	16	6	20	24	66	7	12	15	15	49
STRADIVARIUS	7	8	12	9	36	8	8	9	11	36
OYSHO	9	9	17	15	50	4	6	12	6	28
ZARA HOME	7	11	21	9	48	8	7	11	10	36
<b>Total stores</b>	<b>90</b>	<b>70</b>	<b>163</b>	<b>125</b>	<b>448</b>	<b>61</b>	<b>54</b>	<b>126</b>	<b>81</b>	<b>322</b>

NUMBER OF STORES BY THE END OF EACH QUARTER								
Concept	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2004	2Q 2004	3Q 2004	4Q 2004
ZARA	744	762	816	852	641	653	695	723
KIDDYS CLASS	135	139	143	149	110	116	124	129
PULL & BEAR	381	390	414	427	355	355	368	371
MASSIMO DUTTI	340	345	356	369	304	307	323	326
BERSHKA	318	324	344	368	260	272	287	302
STRADIVARIUS	234	242	254	263	199	207	216	227
OYSHO	113	122	139	154	80	86	98	104
ZARA HOME	69	80	101	110	34	41	52	62
<b>Total stores</b>	<b>2,334</b>	<b>2,404</b>	<b>2,567</b>	<b>2,692</b>	<b>1,983</b>	<b>2,037</b>	<b>2,163</b>	<b>2,244</b>

## Annex III

### Stores by concept and country as at 31 January 2006



SPAIN	259	130	275	211	212	205	93	76	1461
PORTUGAL	46	19	60	45	33	26	20	11	260
FRANCE	90		1	10	21	1			123
BELGIUM	18			19	6			1	44
NETHERLANDS	6			1	4			1	12
UNITED KINGDOM	45			8	2			1	56
GERMANY	41			5					46
SWEDEN	4			3					7
NORWAY				2					2
ANDORRA	1		1	1				1	4
AUSTRIA	8								8
DENMARK	4								4
LUXEMBOURG	2			1					3
ICELAND	1								1
IRELAND	5		9	1	4				19
FINLAND	4								4
ITALY	36		7	5	12		11	3	74
SWITZERLAND	8			4	1				13
POLAND	11				1				12
CZECH REPUBLIC	3		1		1				5
GREECE	38		11	10	14	2	6	3	84
SLOVENIE	3								3
SLOVAKIA			2						2
MALTA	1		4		1				6
CYPRUS	3		2	1	3	2		1	12
ISRAEL	14		12						26
LEBANON	2		3	3	2	1	1		12
TURKEY	13		1	3	1	1	1	1	21
KUWAIT	4		3	1		2	1	1	12
UAE	5		4	5	4	3	1	3	25
SAUDÍ ARABIA	16			7	7	14	2	4	50
BAHRAIN	1		1	1					3
QATAR	1		1	1		1			4
JORDAN	1		1	1		2			5
CANADÁ	14								14
USA	18								18
PUERTO RICO	1								1
DOMINICAN REP.	1								1
MEXICO	39		18	18	30		18	3	126
VENEZUELA	9		3		9				21
EL SALVADOR	1								1
BRAZIL	14								14
ARGENTINA	6								6
CHILE	5								5
URUGUAY	2								2
JAPAN	18								18
SINGAPORE	3			1					4
RUSSIA	6		6			2			14
MALAYSIA	3								3
MARROCCO	1					1			2
HONG KONG	4								4
ESTONIA	1								1
LATVIA	1								1
ROMENIA	1		1						2
HUNGARY	2								2
LITHUANIA	2								2
PANAMÁ	1								1
COSTA RICA	1								1
INDONESIA	2								2
PHILIPPINES	1								1
MONACO	1								1
THAYLAND				1					1
<b>Total</b>	<b>852</b>	<b>149</b>	<b>427</b>	<b>369</b>	<b>368</b>	<b>263</b>	<b>154</b>	<b>110</b>	<b>2,692</b>