

FY2009 RESULTS

1 February 2009 to 31 January 2010

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- **Net sales for FY2009 reached €11,084 million. Net sales in local currencies increased by 9%.**
 - **Gross profit reached €6,328 million, 7% higher than in FY2008, resulting in a Gross margin of 57.1%.**
 - **EBITDA reached €2,374 million, 9% higher.**
 - **Net Income increased to €1,314 million (€2.11 per share), 5% higher.**
 - **The Board of Directors will propose to the General Shareholders Meeting an ordinary dividend of €1.10 per share and a bonus dividend of €0.10 per share, a total of €1.20 per share, 14% higher.**
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Performance in FY2009

Net sales reached €11,084 million in FY2009, with sales growth in local currencies of 9%.

In FY2009 INDITEX **retail space** weighted by the calendar of openings increased by 10%. Total selling area at FYE reached 2,348,708 square meters:

	31 Jan 2010	31 Jan 2009	% Var. 09/08
Zara	1,541,291	1,447,313	6%
Pull & Bear	175,574	158,927	10%
Massimo Dutti	138,001	130,618	6%
Bershka	232,319	211,436	10%
Stradivarius	133,062	116,835	14%
Oysho	54,930	51,925	6%
Zara Home	65,761	59,655	10%
Uterqüe	7,770	4,180	n.s.
Total	2,348,708	2,180,889	8%

At FYE INDITEX operated 4,607 stores in 74 countries. In FY2009 INDITEX has opened stores in 46 countries:

Concept	Net openings	Total stores	
	FY2009	31 January 2010	31 January 2009
Zara	103	1,395	1,292
Zara Kids	(15)	213	228
Pull and Bear	43	626	583
Massimo Dutti	27	497	470
Bershka	60	651	591
Stradivarius	59	515	456
Oysho	18	392	374
Zara Home	22	261	239
Uterqüe	26	57	31
Total	343	4,607	4,264

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

Like-for-like sales were maintained in FY2009 (-2% in H1 and 2% in H2) demonstrating the flexibility of the business model. The like-for-like calculation includes 78% of FY2009 store sales (i.e. sales in stores opened for the whole of fiscal years 2009 and 2008).

Net sales by concept in FY2009 and FY2008 are shown in the table below:

Concept	FY2009	FY2008	% Var. 09/08	In local currencies
Zara	7,077	6,824	4%	6%
Pull & Bear	771	720	7%	9%
Massimo Dutti	790	722	9%	10%
Bershka	1,177	1,026	15%	17%
Stradivarius	702	633	11%	12%
Oysho	280	242	16%	18%
Zara Home	243	222	9%	10%
Uterqüe	44	17	n.s.	n.s.
Total sales	11,084	10,407	7%	9%

The ongoing International expansion has led to a widely diversified sales platform, with International store sales reaching 68% of the total. The area with the largest proportion of total store sales was **Europe** (ex-Spain), 46% of the total. **Asia** is the area with the highest growth in store sales due to INDITEX successful expansion and strong reception in the area.

	FY2009	FY2008
Europe ex-Spain	45.7%	44.8%
Spain	31.8%	33.9%
Asia	12.2%	10.5%
Americas	10.2%	10.7%
Total	100.0%	100.0%

All the concepts have increased the percentage of international store sales:

Concept	2009	2008
Zara	77%	75%
Pull & Bear	54%	50%
Massimo Dutti	56%	53%
Bershka	58%	54%
Stradivarius	38%	33%
Oysho	54%	48%
Zara Home	57%	54%
Uterqüe	24%	10%
Total	68%	66%

Gross profit rose to €6,328 million, 7% higher than the previous year. The Gross margin has reached 57.1% of sales (56.8% in FY2008).

Operating expenses have been tightly managed over the year growing by 7%, mainly as a result of the new retail space added. The FY2009 efficiencies plan has been fully achieved.

Million euros	FY2009	FY2008	% Var
Personnel expenses	1,792	1,703	5%
Rental expenses	1,134	1,028	10%
Other operating expenses	1,027	976	5%
Total operating expenses	3,953	3,708	7%

At FYE 2009 the number of employees was 92,301 (89,112 at FYE2008).

FY2009 **EBITDA** came to €2,374 million, 9% higher than the previous year, and **EBIT** to €1,729 million, 7% higher.

The breakdown by concept of EBIT is shown below:

Concept	EBIT by concept (Million €)			% EBIT on sales		% on total
	FY2009	FY2008	Var% 09/08	FY2009	FY2009	
Zara	1,105	1,048	5%	15.6%	63.9%	
Pull & Bear	101	119	-15%	13.1%	5.8%	
Massimo Dutti	117	108	9%	14.8%	6.8%	
Bershka	196	155	27%	16.7%	11.3%	
Stradivarius	149	144	4%	21.2%	8.6%	
Oysho	38	21	77%	13.6%	2.2%	
Zara Home	25	14	76%	10.3%	1.4%	
Uterqüe	-2	n.a	--	--	--	
Total EBIT	1,729	1,609	7%	15.6%	100.0%	

Financial results include the non-cash expenses as a result of the foreign exchange losses due to the conversion at closing exchange rates of accounts receivable and payable:

Million euros	FY2009	FY2008
Net financial income (losses)	8	17
Foreign exchange gains (losses)	(5)	(38)
Total	4	(22)

Net income came to €1,314 million, 5% higher than the previous year.

INDITEX's Board of Directors will propose to the General Shareholders Meeting an ordinary dividend of €1.10 per share and a bonus dividend of €0.10 per share, a **total dividend** of €1.20 per share. €0.60 will be payable on 3 May 2010 as interim ordinary dividend and €0.60 would be payable on 2 November 2010 as final ordinary and bonus dividend.

INDITEX maintained its financial strength to reach a higher **net cash position** at FYE:

	31 January 2010	31 January 2009
Cash & cash equivalents	2,420	1,466
Current financial debt	(35)	(234)
Non current financial debt	(5)	(13)
Net financial cash (debt)	2,380	1,219

The **operating working capital** position remains negative, a consequence of the business model:

	31 January 2010	31 January 2009
Inventories	993	1,055
Receivables	422	585
Payables	(2,270)	(2,157)
Operating working capital	(856)	(517)

Funds from operations reached €2,060 million in FY2009, 11% higher than the previous year.

Capital Expenditure for the FY amounted to €510 million.

Dividends paid to shareholders reached €662 million.

Start of FY2010

Store sales in local currencies have increased by 14% from 1 February to 14 March 2010. The Spring-Summer season is influenced by the performance over the Easter period due to its significant sales volumes.

Expected Capital Expenditure in FY2010 is approximately €570 million as a result of the store opening plan for the year. Approximately 95% of the new space will be added in International markets. Approximately 70% of the contracts have been signed but in some cases openings may not take place in FY2010:

Concept	Range	% International
Zara	110 - 120	98%
Pull and Bear	40 - 50	95%
Massimo Dutti	25 - 35	98%
Bershka	45 - 50	98%
Stradivarius	65 - 75	95%
Oysho	30 - 35	80%
Zara Home	25 - 30	65%
Uterqüe	25 - 30	65%
Total net openings	365 - 425	

FY2010 corporate calendar

INDITEX expects to release interim results for FY2010 on the following dates:

Interim Three Months 2010: 9 June 2010

Interim Half Year 2010: 22 September 2010

Interim Nine Months 2010: 15 December 2010

Fiscal year 2010: March 2011 (tbc)

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Disclaimer

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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.

- TABLES AND APPENDIX TO FOLLOW -

Consolidated financial statements

Grupo Inditex FY2009 profit & loss statement Million euros

	FY2009	FY2008
Net sales	11,084	10,407
Cost of sales	(4,755)	(4,493)
Gross profit	6,328	5,914
<i>Gross margin</i>	<i>57.1%</i>	<i>56.8%</i>
Operating expenses	(3,953)	(3,708)
Other net operating income (losses)	(1)	(19)
Operating cash flow (EBITDA)	2,374	2,187
<i>EBITDA margin</i>	<i>21.4%</i>	<i>21.0%</i>
Amortisation and depreciation	(646)	(578)
Operating income (EBIT)	1,729	1,609
<i>EBIT margin</i>	<i>15.6%</i>	<i>15.5%</i>
Financial results	4	(22)
Income before taxes	1,732	1,587
Taxes	(411)	(325)
Net income	1,322	1,262
Minorities	8	8
Net income attributable to the controlling company	1,314	1,253
<i>Net income margin</i>	<i>11.9%</i>	<i>12.0%</i>
Earnings per share, cents of euro (*)	211	202

(*) Shares for EPS calculation 623.1 and 621.7 million for 2009 and 2008

Grupo Inditex
Consolidated Balance Sheet as of 31 January 2010
Million euros

	31 January 2010	31 January 2009
<u>ASSETS</u>		
CURRENT ASSETS	3,944	3,264
Cash & cash equivalents	2,420	1,466
Receivables	422	585
Inventories	993	1,055
Other	109	158
NON CURRENT ASSETS	4,392	4,513
Tangible assets	3,307	3,451
Intangible assets	665	680
Financial investments	15	14
Other	404	368
TOTAL ASSETS	8,335	7,777
<u>TOTAL LIABILITIES & SHAREHOLDERS' EQUITY</u>		
CURRENT LIABILITIES	2,305	2,391
Payables	2,270	2,157
Financial debt	35	234
NON CURRENT LIABILITIES	660	637
Financial debt	5	13
Deferred taxes	173	214
Other	482	410
SHAREHOLDERS' EQUITY	5,371	4,749
Equity attributable to the Group	5,329	4,722
Minority interests	41	27
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	8,335	7,777

Inditex Group
FY2009 Consolidated Statement of Cash Flows
Millions of euros

	FY 2009	FY 2008
Income before taxes	1,732	1,587
Adjustments to income-		
Depreciation and amortization	625	569
Foreign exchange impact	31	(11)
Other	63	9
Corporate income tax-	(391)	(290)
Funds from operations	2,060	1,864
Changes in assets and liabilities		
Increase in inventories	48	(72)
Increase in accounts receivable	163	(160)
Decrease in current liabilities	50	143
Changes in working capital	261	(89)
Cash from operations	2,321	1,775
Intangible assets investments	(27)	(78)
Tangible assets investments	(461)	(852)
Acquisitions of businesses	0	(6)
Addition to other long-term financial investments	0	22
Other assets investments	(13)	(24)
Fixed assets sales and retirements	(10)	1
Sale of long-term financial investments	0	0
Capital expenditure	(510)	(937)
Net decrease in long-term financial debt	(4)	(29)
Net decrease in other long-term debt	11	11
Net increase in current debt	(204)	(137)
Dividends	(662)	(662)
Other financing activities	0	(2)
Cash used in financing activities	(859)	(818)
Net increase in cash and cash equivalents	953	20
Foreign exchange impact on cash & cash equivalents	1	(19)
Cash and cash equivalents at beginning of the year	1,466	1,466
Cash and cash equivalents at end of the year	2,420	1,466

Annex I Income statement: FY2009 quarterly results

	Q1	Q2	Q3	Q4
Net sales	2,338	2,522	2,898	3,325
Cost of sales	(1,007)	(1,163)	(1,159)	(1,426)
Gross profit	1,331	1,359	1,739	1,899
	56.9%	53.9%	60.0%	57.1%
Operating expenses	(936)	(954)	(983)	(1,079)
Other net operating income (losses)	(0)	0	(0)	(1)
Operating cash flow (EBITDA)	395	405	756	819
	16.9%	16.0%	26.1%	24.6%
Amortisation and depreciation	(146)	(162)	(159)	(179)
Operating income (EBIT)	249	243	597	640
	10.6%	9.6%	20.6%	19.2%
Financial results	(8)	8	4	(0)
Income before taxes	240	251	602	640
Taxes	(56)	(59)	(141)	(154)
Net income	184	192	460	486
Minorities	(0)	1	4	3
Net income attributable to the controlling company	184	191	456	483
	7.9%	7.6%	15.7%	14.5%

Annex II

Return on Equity, defined as net income on average Shareholder's equity:

	2009
Net income	1,314
Shareholders equity - previous year	4,722
Shareholders equity - current year	5,329
Average equity	5,025
Return on Equity	26%

Return on Capital Employed, defined as EBIT on average capital employed (Shareholder's equity plus net financial debt):

	2009
EBIT	1,729
Average capital employed	
Average shareholders' equity	5,025
Average net financial debt (*)	0
Total average capital employed	5,025
Return on Capital employed	34%

(*) Zero when net cash

Return on Capital Employed by concept:

Concept	FY2009
Zara	29%
Pull & Bear	41%
Massimo Dutti	56%
Bershka	59%
Stradivarius	73%
Oysho	27%
Zara Home	24%
Uterqüe	-
Total	34%

Annex III

Company-managed stores and franchised stores at FYE:

Concept	Co. Mag.	Franchised	Total
Zara	1,229	166	1,395
Zara Kids	213		213
Pull and Bear	541	85	626
Massimo Dutti	372	125	497
Bershka	574	77	651
Stradivarius	416	99	515
Oysho	359	33	392
Zara Home	233	28	261
Uterqüe	46	11	57
Total	3,983	624	4,607

Sales in company-managed and franchised stores:

Concept	Company Managed	Franchised
Zara	87%	13%
Pull & Bear	87%	13%
Massimo Dutti	72%	28%
Bershka	86%	14%
Stradivarius	84%	16%
Oysho	91%	9%
Zara Home	89%	11%
Uterqüe	92%	8%
Total	86%	14%

Annex IV

Summary of net openings by quarter:

Concept	1Q 2009	2Q 2009	3Q 2009	4Q 2009	Total 2009
Zara	22	27	31	23	103
Zara Kids	2	(11)	(2)	(4)	(15)
Pull and Bear	10	9	12	12	43
Massimo Dutti	11	7	6	3	27
Bershka	18	17	12	13	60
Stradivarius	15	11	17	16	59
Oysho	7	1	5	5	18
Zara Home	8	3	9	2	22
Uterqüe	2	7	10	7	26
Total	95	71	100	77	343

Total stores by quarter:

Concept	1Q 2009	2Q 2009	3Q 2009	4Q 2009
Zara	1,314	1,341	1,372	1,395
Zara Kids	230	219	217	213
Pull and Bear	593	602	614	626
Massimo Dutti	481	488	494	497
Bershka	609	626	638	651
Stradivarius	471	482	499	515
Oysho	381	382	387	392
Zara Home	247	250	259	261
Uterqüe	33	40	50	57
Total stores	4,359	4,430	4,530	4,607

Annex V

Stores by concept and country as at 31 January 2010

	Zara	Zara Kids	Pull and Bear	Massimo Dutti	Bershka	Stradivarius	Oysho	Zara Home	Uterqüe	INDITEX
ANDORRA	1		1	1		1	1	1		6
ARGENTINA	8									8
AUSTRIA	11				1					12
BAHREIN	2		2	2	1	1	1	1		10
BELGIUM	26		2	20	6			6	3	63
BRAZIL	26									26
CANADA	18									18
CHILE	7									7
CHINA	44		4	6	13	1				68
COLOMBIA	8			2	4	4				18
COSTA RICA	2			1						3
CROATIA	3		1	1	2	1				8
CYPRUS	4		4	2	5	6	2	2	1	26
CZECH REPUBLIC	6		3	1	4	1				15
DENMARK	3									3
DOMINICAN REPUBLIC	1									1
EGYPT	3		2	1	2					8
EL SALVADOR	2		1		1					4
ESLOVENIA	4		2	1	2	3				12
ESTONIA	2		1		1	1				5
FINLAND	4									4
FRANCE	114	4	19	16	43	19	10	18		243
GERMANY	64			8						72
GREECE	43	6	21	12	25	15	15	7	4	148
GUATEMALA	2		2	1	2	1				8
HONDURAS	2									2
HUNGARY	6		4		5	4	1			20
ICELAND	2									2
INDONESIA	8		2	3						13
IRELAND	9		5	1	5	2				22
ISRAEL	19		19	1						39
ITALY	78	12	34	7	40	24	53	22		270
JAPAN	50									50
JORDAN	2		2	2	1	2	1	1		11
KUWAIT	5		4	2	2	3	3	2	1	22
LATVIA	4		3		3	1				11
LEBANON	4		4	4	4	4	4	4	1	29
LITHUANIA	4		4		4	4				16
LUXEMBOURG	2			1						3
MALAYSIA	5		2	4						11
MALTA	1		5			1		1		10
MEXICO	48		33	28	41		29	13	1	193
MONACO	1									1
MONTENEGRO	1		1		1	1	1			5
MOROCCO	4			1		3		2		10
NETHERLANDS	15				7			1		23
NORWAY	3			2						5
OMAN	1					1	1	1		4
PANAMA	2									2
PHILIPPINES	6			2						8
POLAND	28		15	6	20	18	10	1		98
PORTUGAL	60	23	61	41	45	37	31	19	6	323
PUERTO RICO	1									1
QATAR	2		2	2	2	1	2	2	1	14
ROMANIA	9		7	2	6	6	4	3		37
RUSSIA	35		24	10	22	23	15	6		135
SAUDI ARABIA	21		8	9	19	22	10	4	2	95
SERBIA	4		2	2	2	2	2			14
SINGAPORE	7		3	4	1					15
SLOVAKIA	2		1		1	2				6
SOUTH KOREA	17									17
SPAIN	328	168	285	246	265	275	178	120	35	1,900
SWEDEN	8			3						11
SWITZERLAND	10			5	1					16
SYRIA	1		1	1	1	1				5
THAILAND	5			2						7
TUNISIA	2									2
TURKEY	27		15	12	16	15	13	10		108
UAE	8		5	8	5	7	5	7	2	47
UKRAINE	4		3		3	2				12
UNITED KINGDOM	65		4	11	4			7		91
URUGUAY	2									2
USA	48									48
VENEZUELA	11		3		11					25
Total	1,395	213	626	497	651	515	392	261	57	4,607