Global fully integrated Store & Online

2020
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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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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.
Highlights

Global fully integrated Store&Online
- Sales €28.3 bn
- Online sales €3.9 bn
- Cash flow €4 bn
- Market cap. €75 bn

8 independent concepts
- ZARA
- ZARA HOME
- Bershka
- Massimo Dutti
- PULL&BEAR
- STRADIVARIUS
- OYSHO
- UTERQÜE
Unique business model: Global fully integrated Store & Online
Flexible, integrated business model

- Design
- Stores & Online
- Manufacturing & Sourcing
- Distribution & Logistics
Customer driven

- Latest fashions and quality at affordable prices
- Unique product strategy
  - ~ 50,000 new designs per year
  - delivery to stores at least twice per week
- Customer interaction
  - Constant feedback allows modification of collections
- Prominent stores in prime locations
- Global online sales
Customer driven
Customer driven
Customer driven
Customer driven
Unique “all in” customer experience
Seamless Store & Online integration

Click & Collect, Zara Corso Vittorio Emanuele Milano
Seamless Store & Online integration
Online: sector leading growth and profitability

- Strong advantage of business model and single inventory position
- Inditex enjoys sector leading growth rates and profitability
- Online business grow in all markets
- Online above 25% by 2022
Global Store & Online sales in 2019

- 16% Americas
- 16% Spain
- 46% Europe ex-Spain
- 23% Asia & RoW
Strong sales growth
Global growth opportunity

- Business model avoids the main fixed costs associated with international expansion
  - Single inventory position. No local distribution centres
  - Direct communication / Social media
  - Lean local head offices
  - Fully integrated Store & Online
Sustainability always in focus

**UN GLOBAL COMPACT**
Signed in 2001

**DOW JONES SUSTAINABILITY INDEX**
Consistently top rated in retail since in 2002

**FT SUSTAINABILITY FOR GOOD**
FTSE4Good member since 2002

**INTERNATIONAL LABOUR ORGANIZATION**
Joined Better Work Programme in 2007

**INDUSTRYALL GLOBAL UNION**
Collaboration agreement first signed 2007, renewed 2019

**MISTI**
Collaboration on research into sustainable technology since 2016

**MASS. INST. OF TECHNOLOGY (MIT)**
Partner since 2015

**FT SUSTAINABILITY FOR GOOD**
FTSE4Good member since 2002
Multi-concept strategy

- Market segmentation through distinctive concepts
- Independent management teams
- Same business model across all concepts
- Global presence
Concepts
Multi-concept strategy
Operating autonomy, central support

Arteixo (La Coruña)
Inditex
Zara
Zara Home

Narón (La Coruña)
Pull&Bear

Tordera
Massimo Dutti
Bershka
Oysho
Uterqüe

Cerdanyola
Stradivarius
Multi-concept strategy

Age Target

Zara
Massimo Dutti
Pull&Bear
Bershka
Stradivarius
Oysho
Zara Home
Uterqüe

Sales

Zara
Pull&Bear
Massimo Dutti
Bershka
Stradivarius
Oysho
Uterqüe

Zara & Zara Home
Zara + Zara Home

- FY19 Sales: €19.6 bn
- FY19 PBT: €3.4 bn
Zara

- Latest fashions for women, men and children
- Headquarters in Arteixo (La Coruña)
Zara
Zara
Zara
Zara Home

- Textiles for bed, bath and table complemented by decorative items
- Headquarters in Arteixo (La Coruña)
Zara Home
Zara Home

TIMELESS INTERIORS

Pictures by François Halard

The art of simplicity expressed through a new sense of colours and textures, a timeless approach to bring a warmer sense into the new season.

AW20
Massimo Dutti

- Elegant design with excellent quality for men, women and children
- Headquarters in Tordera
- FY19 Sales: €1.9 bn
- FY19 PBT: €282 m
Massimo Dutti
DISCOVER 'THE MOVEMENT STUDY'
by Laura Coulson
Pull&Bear

- Casual fashion and sport styles for young men and women (14 to 28)
- Headquarters in Narón
- FY19 Sales: €2 bn
- FY19 PBT: €301 m
Pull&Bear
Pull&Bear

Autumn - textures

Teddy jacket with hood
+ 2 Colours

Geometric print framed sunglasses
Bershka

- Latest fashions for young women and men (13 to 23)
- Headquarters in Tordera
- FY19 Sales: €2.4 bn
- FY19 PBT: €349 m
Bershka
Bershka

Join Life collection
Stradivarius

- Urban fashion for young women (18 to 35)
- Headquarters in Cerdanyola
- FY19 Sales: €1.75 bn
- FY19 PBT: €300 m
Stradivarius
DENIM CULTURE

Recent months haven’t just changed our lives, they’ve changed fashion too. Right now, less is more makes more sense than ever: it’s time to go back to basics, to hold onto the everlasting. And if there’s an ever-present fabric in our wardrobes, it’s denim.
Oysho

- Latest trends in women’s lingerie, loungewear and sport styles
- Headquarters in Tordera
- FY19 Sales: €604 m
- FY19 PBT: €70 m
Oysho
Uterqüe

- Premium accessories (bags, shoes, costume jewelry)
- Headquarters in Tordera
- FY19 Sales: €115 m
- FY19 PBT: €9 m
Financial Summary
Strong operating performance in 2019

- Strong sales performance
- Provision of €287m in the gross margin relating to the adjustment to Spring/Summer inventory as of 31 January 2020 to net realisable value
- Excluding provision reported net income grew 12%
- Impact of Leases under IFRS16 rules in 2019 Net Income +€88m

*excluding provision of €287m

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>*FY19</th>
<th>FY18</th>
<th>19/18</th>
<th>*19/18</th>
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<tr>
<td>Net sales</td>
<td>28,286</td>
<td>28,286</td>
<td>26,145</td>
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<td>8%</td>
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<td>Gross profit</td>
<td>15,806</td>
<td>16,093</td>
<td>14,816</td>
<td>7%</td>
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<tr>
<td>Net income</td>
<td>3,639</td>
<td>3,855</td>
<td>3,444</td>
<td>6%</td>
<td>12%</td>
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Strategy update: Inditex 2022

- Increased differentiation of fully integrated business model
- Unique Store&Online platform to provide the strongest customer experience
- Online sales above 25% of total by end of 2022
- Underlying LFL of 4-6% annually
- Gross space growth c2.5% annually, 2021 marks completion of store absorption plan
- Capital expenditure c€900m annually
- Increased profitability. Lower capital intensity
Global online to reach above 25% of total sales by 2022

- Online sales as a % of total is expected to continue rising over the long-term
- Digital capex €1 billion for 2020-2022
- Leverages on fully integrated and digital store network
  - Inditex Open Platform
- Online sales to reach above 25% of total by year end 2022
Global online developments

2007
Zara Home launch all over Europe

2010
Zara launch all over Europe

2011-2014
Zara launch in USA, China, Japan, Russia
All concepts in Europe
All key markets covered

2019
Global presence 14% of group sales

2020
Zara new studios 64,000 m²

2021e
Inditex Open Platform

2022e
Online >25% of group sales
Fully integrated Store & Online
Sustainability & Circular economy a key part of the strategy

- Sustainability in supply chain
- Renewable energy
- Sustainable fabrics
- Eco-efficient stores
- Zero-waste / recycling
Dividend

- FY2019 ordinary dividend of 35 cents per share to be paid on 2 November 2020
- Inditex’s dividend policy of 60% ordinary payout and bonus dividends remains in place
- The remainder of the bonus dividend (78 cents per share) will be paid in calendar 2021 and 2022
Stores
Madrid

Zara Serrano
London

Zara Oxford Street
Paris

Zara Champs Elysees
New York

Zara 666 Fifth Avenue
Dubai

Zara Mall of Emirates
Shanghai

Zara 592 East Nanjing Road
Tokyo

Zara Ginza
Global
fully integrated
Store & Online

2020