

INDITEX

FY2002 Results Presentation

20 March 2003

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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.

Introduction

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- **1,567 stores**
 - **46 countries**
 - **Sales (FY2002) 4 Bn €**
 - **Net Income (FY2002) 438 MM €**
 - **Market Cap. (17/3/03) 14 Bn €**
- 7 independent concepts**

ZARA

Massimo Dutti

Kiddy's Class

Pull and Bear

Bershka



oysho

Unique business model



- **Significant growth despite a difficult economic environment in some countries**
- **Sales growth +22% to 4 bn €**
- **LFL Sales +11%**
- **Net Income growth +29%**
- **274 net store opening to 1,558 stores in 44 countries**

- **Improved operating margins despite...**
 - 40% average depreciation of Latin American currencies
 - Slowdown in sales 2 weeks pre-Christmas. Strong recovery afterwards
 - General strike in Venezuela December –January (23 stores closed)
- **European markets growing at double digit LFL increase their contribution to Group profits**
- **Break-even in Germany, Italy, Switzerland and Czeck Rep.**

FY2002: Overview (III)

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- **EBIT on Sales 16.6% (vs.15.9%).**
- **Net Income on Sales 11.0% (vs. 10.5%)**
- **ROCE 41% (vs. 39% in F2001).**
- **Proposed dividend 14 cents per share (+27%)**
- **Initial collections Spring-Summer 03 well received**

Consistent growth across all indicators

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Sales
27%

EBITDA
28%

EBIT
28%

Gross profit
28%

Net income
30%

Stores
20%

Cashflow
30%

5 year CAGR (1997-2002) growth

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Financial summary

Highlights

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million €

NET SALES

GROSS MARGIN
% margin

EBITDA
EBITDA margin

EBIT
EBIT margin

NET INCOME
Net income margin

2002

3,974

2,048
51.5%

868
21.8%

660
16.6%

438
11.0%

2001

3,250

1,687
51.9%

705
21.7%

518
15.9%

340
10.5%

% 02/01

22%

21%

23%

27%

29%

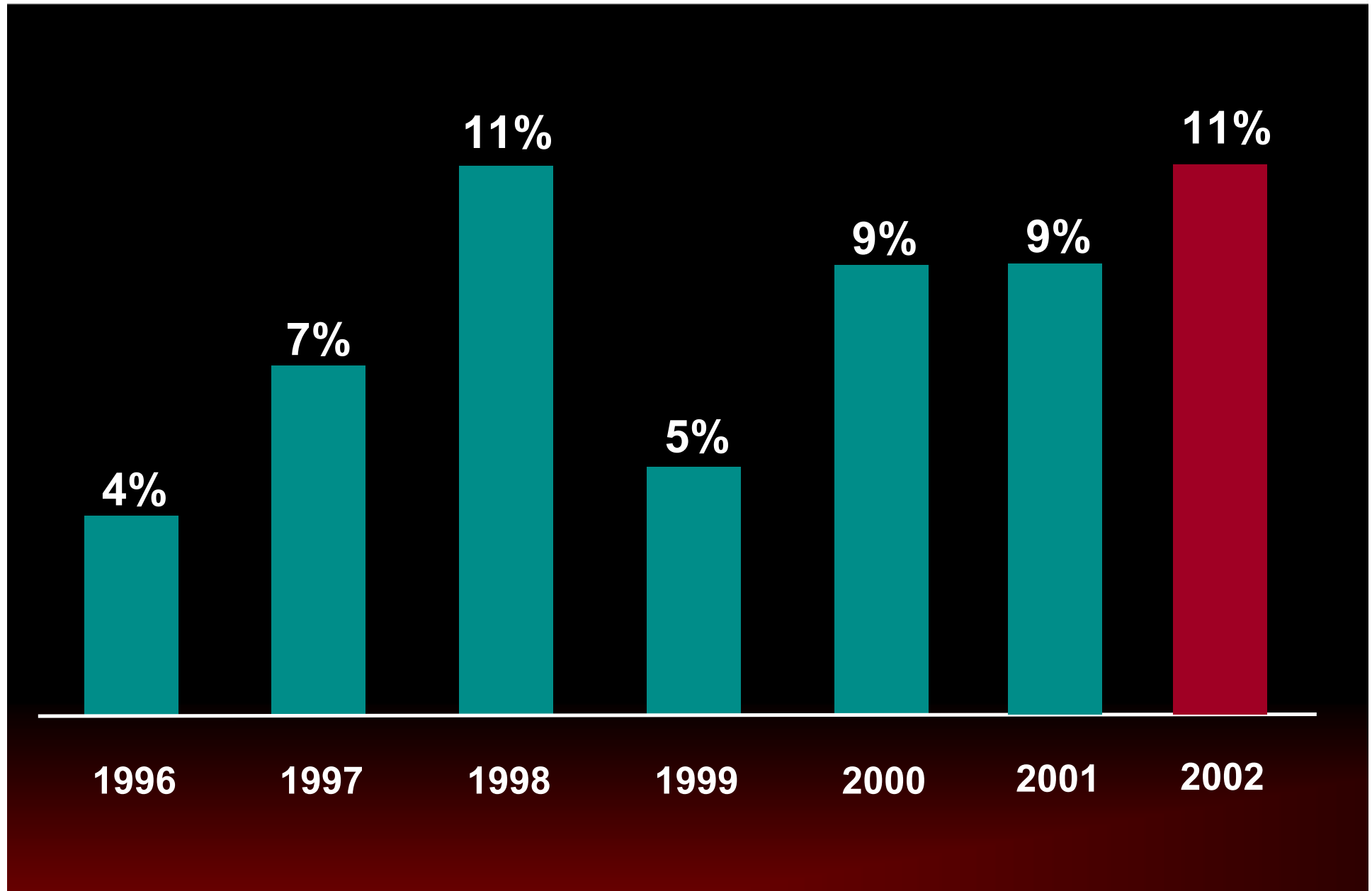
Store openings

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	2002		2001	
	total stores	net openings	total stores	net openings
ZARA	531	58	466	60
KIDDY'S CLASS	59	18	41	(2)
PULL & BEAR	296	47	249	20
MASSIMO DUTTI	250	27	223	25
BERSHKA	197	46	151	47
STRADIVARIUS	153	33	120	20
OYSHO	72	38	34	34
total net openings	1,558	274	1,284	204

Like-for-like growth

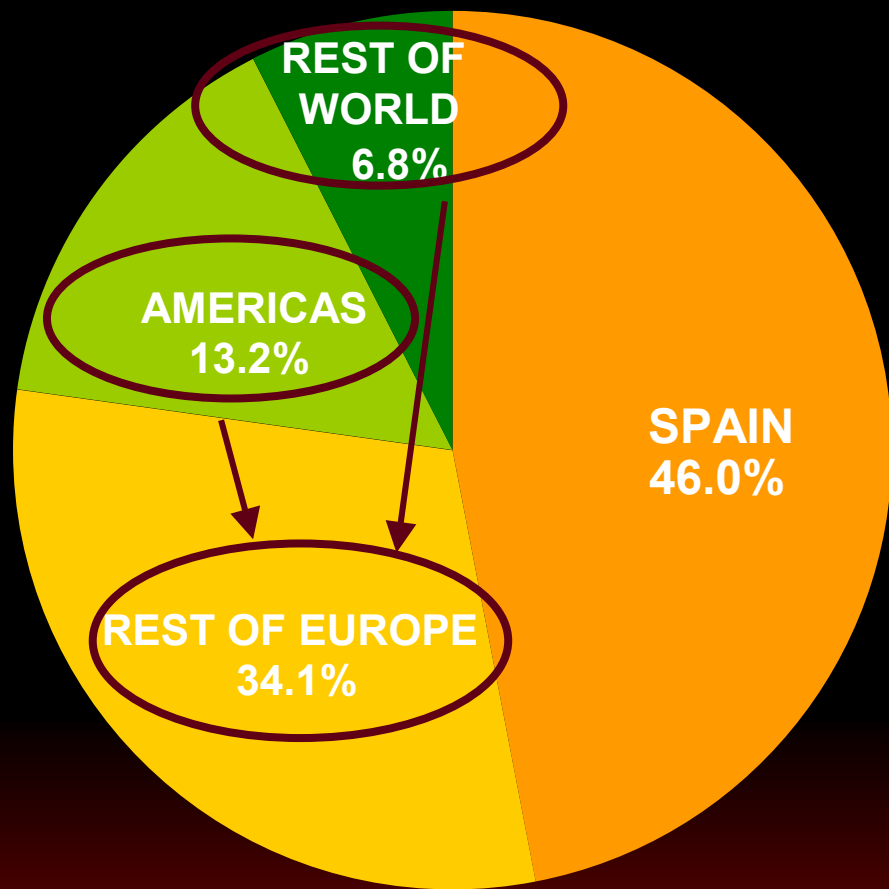
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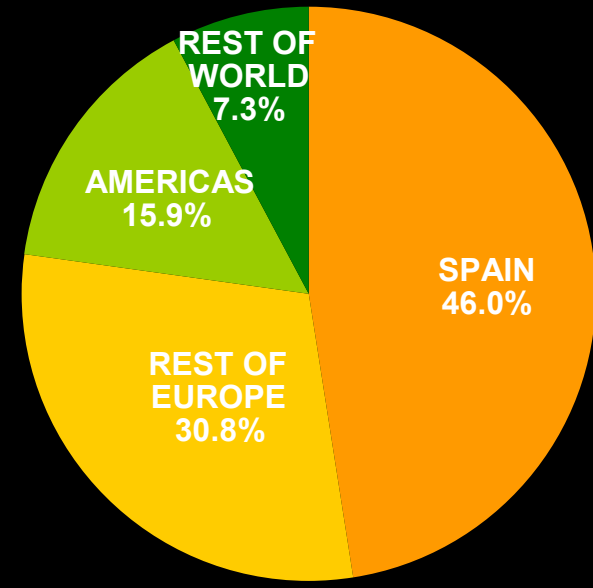
Geographic breakdown of store sales (1)

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2002



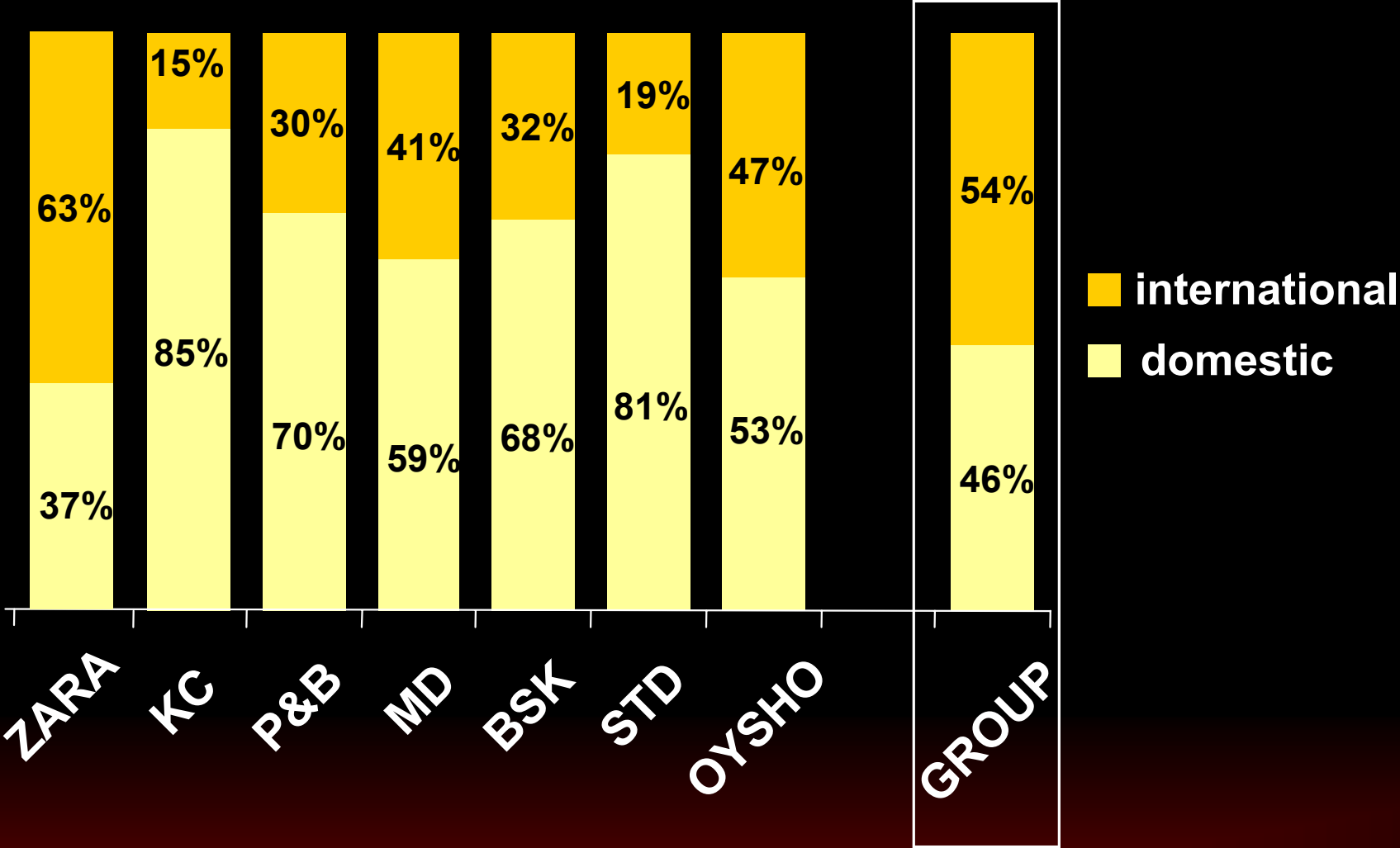
2001



(1) Store sales: Includes sales in OMS and franchises

International store sales by concept (1)

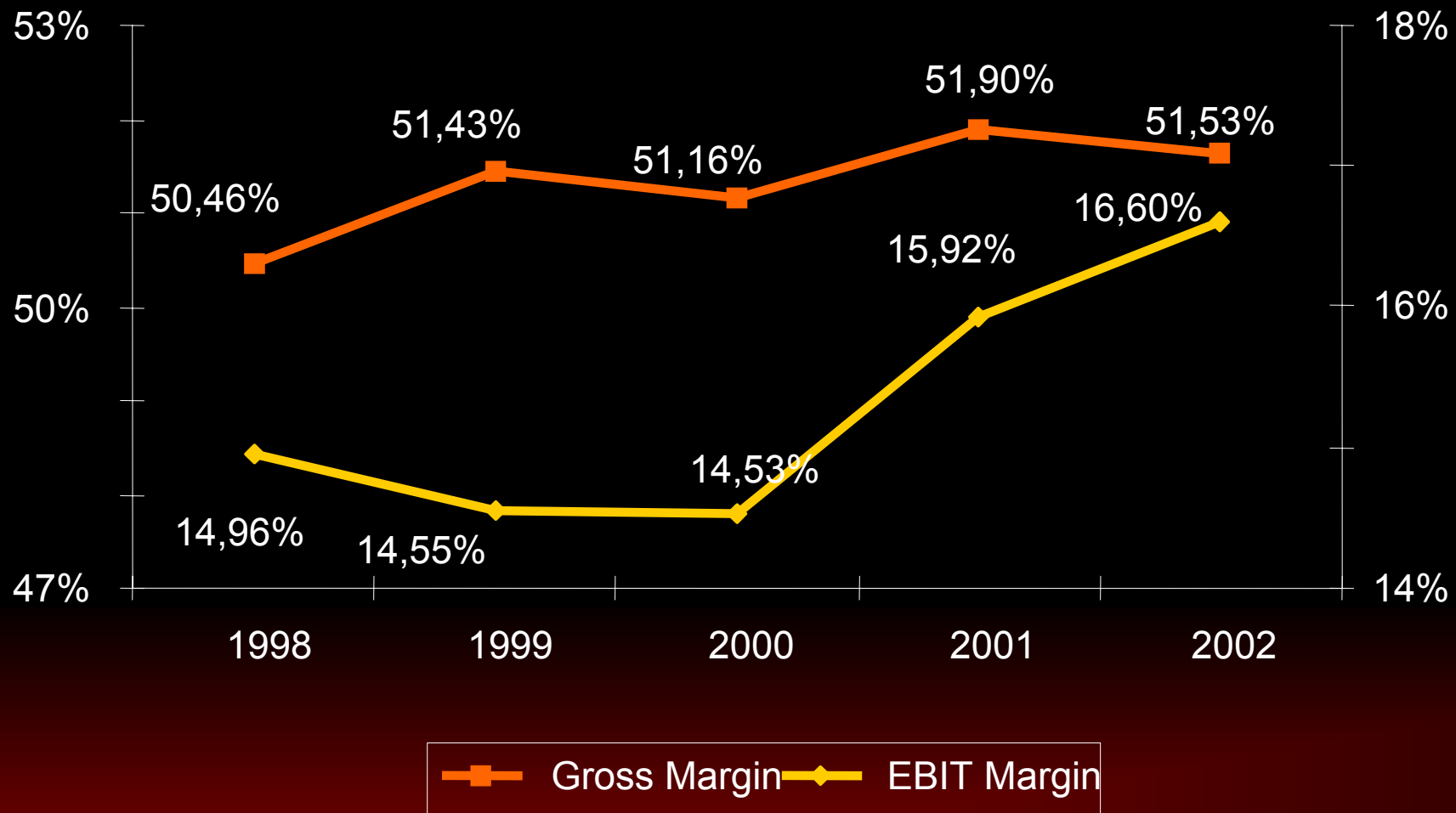
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(1) Store sales: Includes sales in CMS and franchises

Manage your gross margin

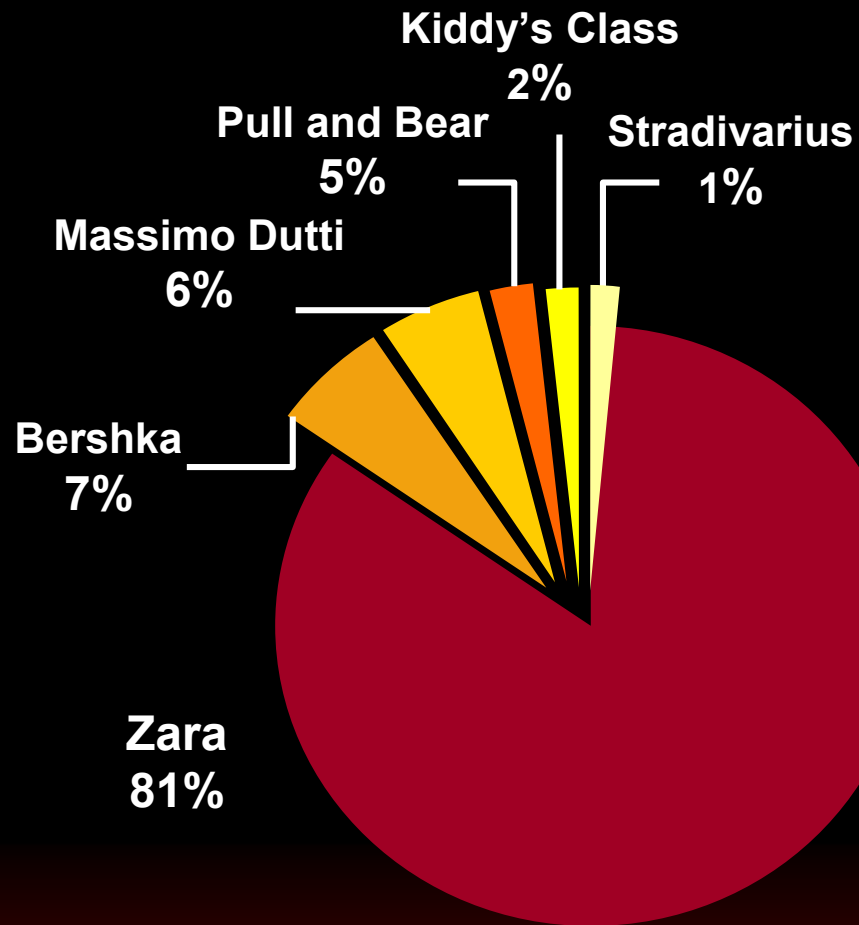
- Flexibility of in-house manufacturing vs. external commitment



EBIT by concept

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2002 EBIT by concept



EBIT (pre Goodwill): € 669 MM

Financial expenses

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€ MM

Net financial expenses

Foreign exchange losses

Results in co's carried by equity method

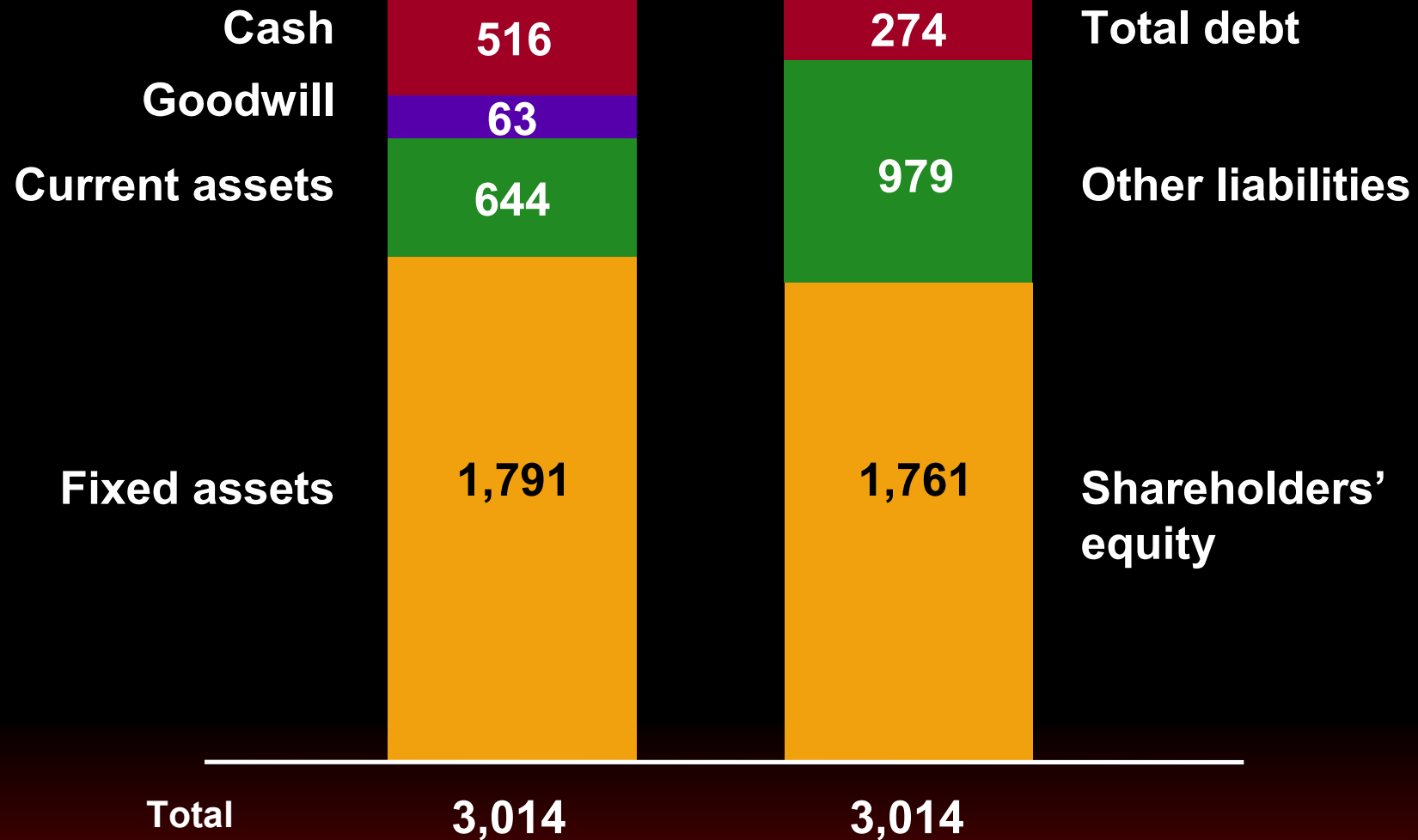
Total

2002	2001
6.2	12.2
23.7	7.3
0.1	1.8
30.0	21.3

Consolidated balance sheet

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€ MM



ROE and ROCE

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ROE

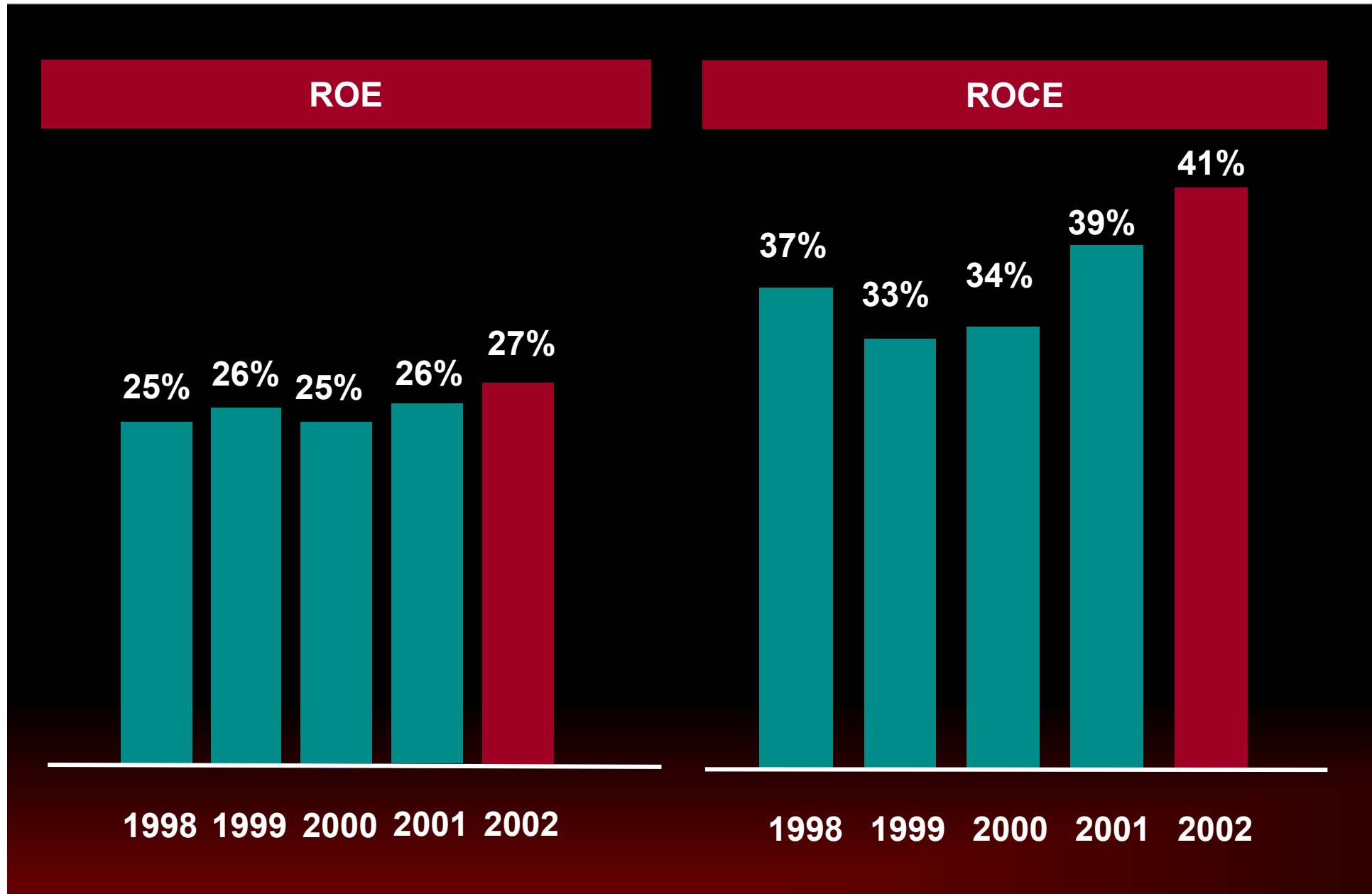
25% 26% 25% 26% 27%

1998 1999 2000 2001 2002

ROCE

37% 33% 34% 39% 41%

1998 1999 2000 2001 2002



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Inditex concepts

Zara

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million €

	2002	2001	% Var
Sales	2,913.4	2,435.1	20%
EBIT	540.4	440.6	23%
EBIT margin	18.5%	18.1%	
Stores	531	466	
ROCE	43%	42%	

Kiddy's Class

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million €

	2002	2001	% Var
Sales	60.4	47.6	27%
EBIT	14.1	10.8	31%
EBIT margin	23.4%	22.7%	
Stores	59	41	
ROCE	131%	166%	

Pull & Bear

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million €

	2002	2001	% Var
Sales	266.2	225.7	18%
EBIT	34.9	32.8	6%
EBIT margin	13.1%	14.5%	
Stores	296	249	
ROCE	39%	51%	

million €

	2002	2001	% Var
Sales	287.3	241.4	19%
EBIT	37.5	25.3	48%
EBIT margin	13.1%	10.5%	
Stores	250	223	
ROCE	49%	46%	

million €

	2002	2001	% Var
Sales	299.3	202.0	48%
EBIT	48.1	25.2	91%
EBIT margin	16.1%	12.5%	
Stores	197	151	
ROCE	49%	30%	

Stradivarius

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million €

	2002	2001	% Var
Sales	124.1	93.5	33%
EBIT ⁽¹⁾	8.7	6.2	42%
EBIT margin	7.0%	6.6%	
Stores	153	120	
ROCE	12%	12%	

(1) Before goodwill amortisation

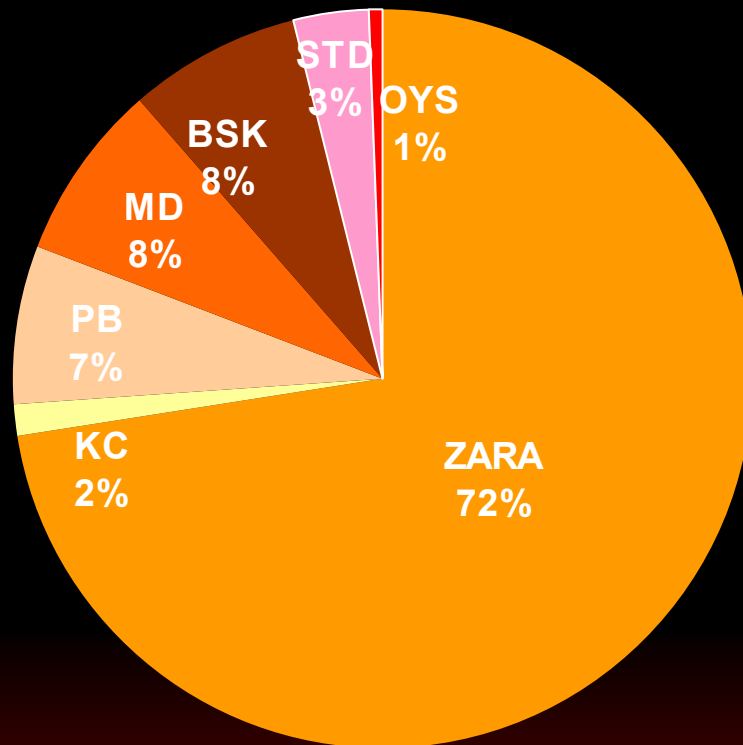
million €

	2002	2001	% Var
Sales	23.4	4.5	420%
EBIT	(14.9)	(6.3)	n.a.
EBIT margin	--	--	
Stores	72	34	
ROCE	--	--	

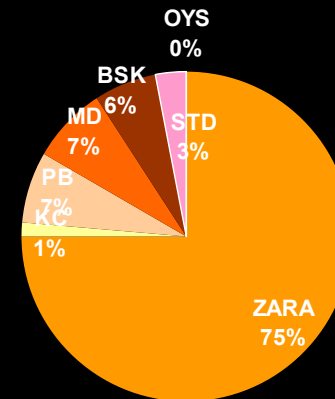
Store sales breakdown by concept

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2002

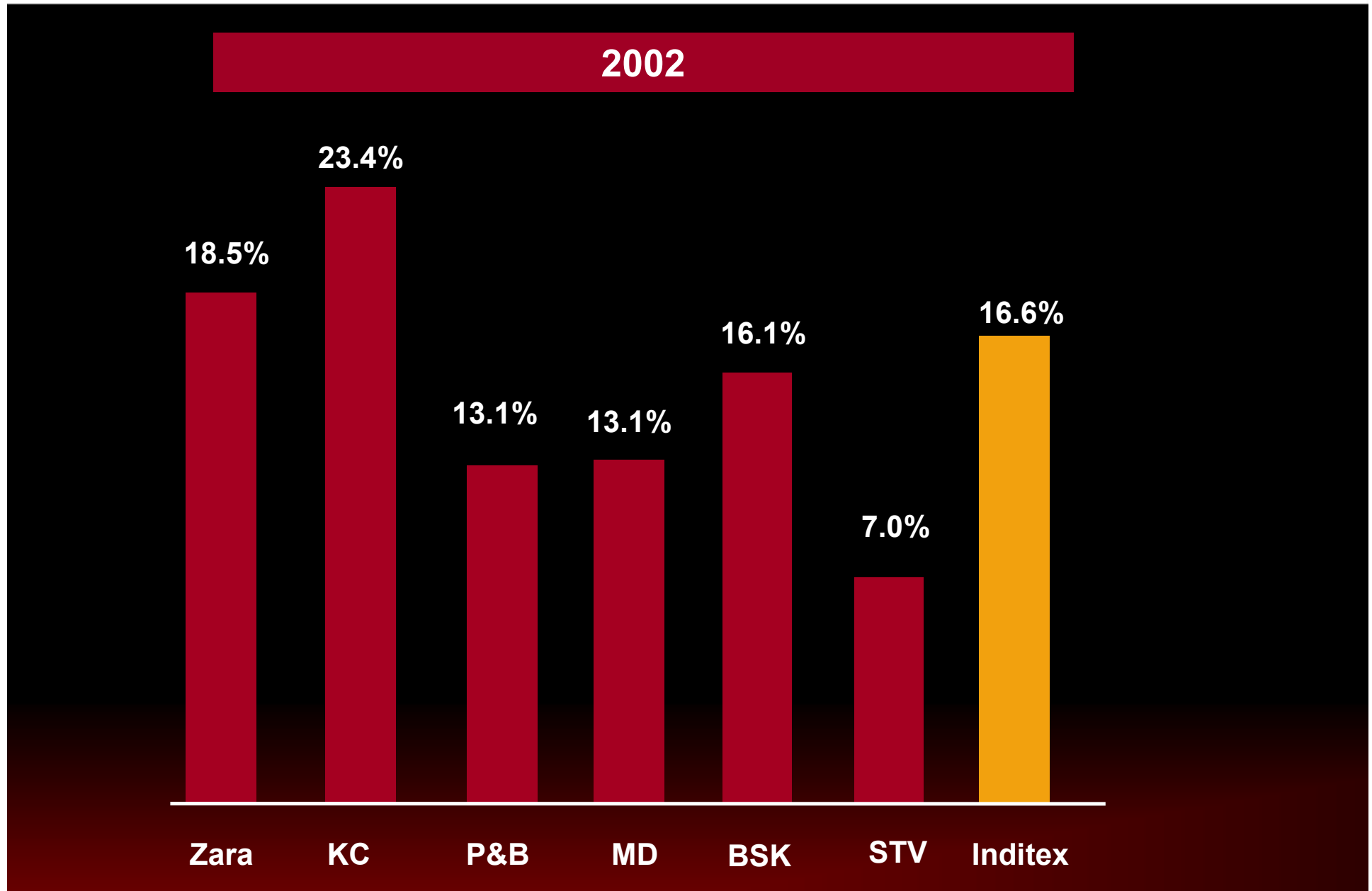


2001



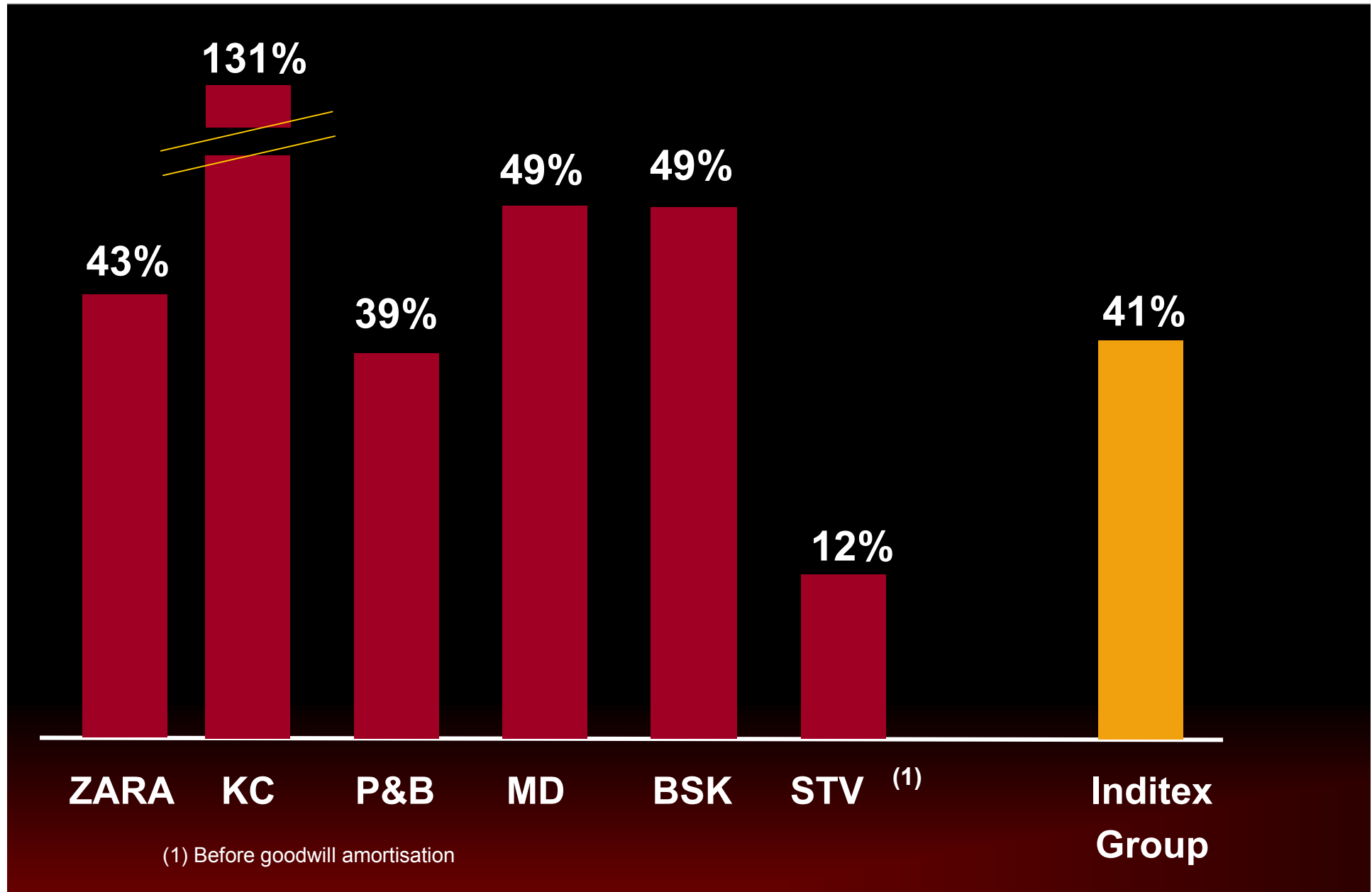
EBIT margins by concept

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ROCE by concept (2002)

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Growth prospects

Significant growth potential

- Increase depth in international markets where already present
- Enter selected new international markets
- Increase depth of Spanish coverage
- Further development of non-Zara concepts. Zara Home

Growth with profitability

2003

- Expected CAPEX 500-550 MM €
- Store openings program:

ZARA
 KIDDY'S CLASS
 PULL & BEAR
 MASSIMO DUTTI
 BERSHKA
 STRADIVARIUS
 OYSHO
 ZARA HOME
total net openings

Range	
75	90
35	40
40	50
25	30
45	50
20	25
10	15
10	15
260	315

% Intnal openings
80%
10%
30%
50%
40%
15%
20%
0%

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