

INDITEX

FY2022 Results

1 February 2022 to 31 January 2023

- / In 2022, Inditex's fully integrated model maintained a very strong operating performance
- / Oscar García Maceiras, CEO, "The excellent results of 2022 show the strength of our business model and its ability to move towards the next level of development in which our fashion proposition, the experience of our customers, our commitment to sustainability and the talent of our teams will continue to be key."
- / Sales reached €32.6 billion (+17.5% versus 2021). Sales in constant currencies grew 18%. Sales were positive (i) in all key geographical areas (ii) both in stores and online (iii) and in all concepts
- / In 2022, traffic and store sales increased markedly and continue to do so. Key to this is store differentiation. Online sales also grew satisfactorily over the 2021 record figure to reach €7.8 billion
- / The execution of the business model was very strong. Gross profit increased 17% to €18.6 billion. The gross margin reached 57%. The control of operating expenses has been rigorous. Operating expenses increased 15%, below sales growth
- / In 2022, EBITDA increased 20% to €8.6 billion and EBIT 29% to €5.5 billion. PBT increased 28% to €5.4 billion
- / Net income increased 27% to €4.1 billion
- / Given the strong execution of the business model, lease adjusted funds from operations grew 18%. The net cash position grew 8% to €10 billion
- / Strategic update. Inditex continues to focus on four key areas: A unique product proposition, enhancing the customer experience, sustainability and the talent and commitment of our people. Over 2022, we have seen very strong progress of our unique business model. To advance to the next level and extend our differentiation further we are developing a number of initiatives in key areas in coming years
- / For FY2022, the Board of Directors will propose to the AGM a dividend increase of 29% to €1.20 per share, composed of an ordinary dividend of €0.796 and a bonus dividend of €0.404 per share. The dividend will be made up of two equal payments: On 2 May 2023 a payment of €0.60 per share (ordinary). On 2 November 2023 a payment of €0.60 per share (€0.196 ordinary + €0.404 bonus)
- / Spring/Summer collections have been very well received by our customers. Store and online sales in constant currency between 1 February and 13 March 2023 increased 13.5% versus the same period in 2022. Adjusting for the operations in the Russian

Federation and Ukraine over 2022 (1 February to 13 March) store and online sales in constant currency increased 17.5%

FY2022: Very strong execution

In 2022, Inditex's fully integrated model had a very strong operating performance. Sales, EBITDA and net income reached historic highs.

Inditex continues to focus on four key areas: A unique product proposition, enhancing the customer experience, sustainability, and the talent and commitment of our people.

Strong sales growth

In 2022, our collections were very well received by customers. Sales reached €32.6 billion (+17.5% versus 2021). Sales in constant currencies grew 18%. Sales were positive (i) in all key geographical areas (ii) both in stores and online (iii) and in all concepts.

In 2022, Inditex's traffic and store sales increased markedly. Key to this was store differentiation. Online sales continue progressing satisfactorily and were above the record figures of FY2021.

Inditex ceased operations in 514 stores and online platforms in the Russian Federation on 5 March 2022. 82 stores and online operations in Ukraine remain closed since 24 February 2022.

Store sales

In 2022, store sales grew 23% reflecting incremental footfall and increasing store productivity. This higher level of store sales has been achieved with 10% less stores and 6% less commercial space than in 2021. Our ongoing store optimisation and digitalisation programme continues to be key.

In 2022, Inditex opened stores in 33 markets. The group remained very active in store optimisation activities (201 openings, 186 refurbishments which include 94 enlargements and 349 absorptions). At the end of FY2022 Inditex operated 5,815 stores. The number of stores by concept is included in Annex IV.

Total Selling Space (m²)	2022	2021	22/21
Zara (Zara and Zara Home)	3,027,914	3,140,790	-4%
Pull&Bear	368,418	399,699	-8%
Massimo Dutti	218,263	256,505	-15%
Bershka	458,374	512,644	-11%
Stradivarius	304,075	321,147	-5%
Oysho	96,314	111,372	-14%
Total	4,473,358	4,742,157	-6%

In 2022, gross new space increased 4.5%. Net space growth, which adjusts for absorptions, was -6%. Excluding the space closed in the Russian Federation net space growth was +1%.

Online sales

Online sales also grew satisfactorily at 4% over the record figure of 2021 to reach €7.8 billion. Customer engagement remains very high.

Sales by concept

Net sales by concept in 2022 are shown in the table below:

Concept	2022	22/21
Zara (Zara and Zara Home)	23,761	21%
Pull&Bear	2,152	15%
Massimo Dutti*	1,593	4%
Bershka	2,384	10%
Stradivarius	2,056	13%
Oysho	623	4%
Total	32,569	18%

*Growth excludes Uterqüe sales in Massimo Dutti's 2021 reported sales.

Sales by geography

Store & Online sales by geographical area are shown in the table below:

Area	2022
Europe ex-Spain	47.5%
Americas	20.0%
Asia & RoW	18.1%
Spain	14.4%
Total	100%

Strong execution in 2022

In 2022, the execution of the business model was very strong. Gross profit increased 17% to €18.6 billion. The gross margin reached 57% (-8 bps).

The tight control of operations and the implementation of efficiencies has resulted in operating expenses growth of 15%, below sales growth. Including all lease charges, operating expenses grew 5 percentage points below sales growth.

Million Euros	2022	2021	22/21
Personnel expenses	4,753	4,179	14%
Rental expenses	859	519	66%
Other operating expenses	4,255	3,898	9%
Total	9,867	8,596	15%

EBITDA reached €8.6 billion (+20%), EBIT came to €5.5 billion (+29%).

A breakdown of financial results can be found in Annex VI.

Results from companies consolidated by the equity method came to €53 million.

PBT increased 28% to €5.4 billion. The breakdown of profit before tax by concept is shown below:

PBT by concept (€m)		
Concept	2022	2021
Zara (Zara and Zara Home)	4,002	2,890
Pull&Bear	355	317
Massimo Dutti	226	250
Bershka	326	321
Stradivarius	371	332
Oysho	78	89
Total PBT	5,358	4,199

Net income increased 27% versus 2021 to €4.1 billion.

Lease adjusted Funds from Operations have increased 18%.

€ million	FY22	FY21
Funds from Operations*	5,722	4,862
Change in working capital	(669)	223
Cash from Operations	5,053	5,085
Capital expenditure	(1,415)	(1,126)
Free Cash Flow	3,638	3,959

*The cash lease payments fixed charge has been added back.

Given the strong execution of the business model, the net cash position grew 8% to €10 billion.

Million Euros	31 January	31 January
	2023	2022
Cash & cash equivalents	5,561	7,021
Short term investments	4,522	2,374
Current financial debt	(13)	(35)
Non current financial debt	(0)	(1)
Net financial cash (debt)	10,070	9,359

In the face of possible supply chain tensions going into FY2022, Inditex temporarily accelerated inventory inflows in the first nine months of the year in order to increase product availability without any change to commitment levels. Collections were of high quality and

led to strong sales growth. Due to robust sales over 2022 and a progressive normalisation in supply chain conditions by the end of the year, inventory returned to regular levels and was just 5% higher as of 31 January 2023.

Million Euros	31 January 2023	31 January 2022
Inventories	3,191	3,042
Receivables	851	842
Payables	(6,561)	(6,411)
Operating working capital	(2,520)	(2,526)

Capital expenditure for FY2022 came to €1.4 billion, of which €192 million relates to extraordinary capex linked to multiyear projects.

Strategic update: To the next level

Inditex continues to see strong growth opportunities. Our key priorities are to continually improve the product proposition, to enhance the customer experience, to increase our focus on sustainability and to preserve the talent and commitment of our people. Prioritising these areas will drive long-term organic growth.

The flexibility and responsiveness of our business in conjunction with in-season proximity sourcing allows a rapid reaction to fashion trends and a unique market position. Our business model has great potential going forward.

The growth of the Group is underpinned by the investment in stores, the advances made to the online sales channel and the improvements to the logistics platforms with a clear focus on innovation and technology. Sustainability is a key part of the strategy.

Over 2022, we have seen very strong progress of our unique business model and a material increase in differentiation through efficiencies in all areas of our operations that will result in an enhanced customer experience.

To take our business model to the next level and extend our differentiation further we are developing a number of initiatives in key areas for the coming years.

/ Product Proposition

We will continue focusing on the creativity, quality and design of all our products and reinforcing the commercial initiatives of all our concepts. Zara Woman Vacation Look, Massimo Dutti Linen or Bershka Denim Statement are just some of the proposals that will be available throughout 2023.

To strengthen our ability to offer customers the latest fashion where and when they want, we are going to increase our logistics capacity in our distribution centres in Arteixo, in Zaragoza

and in Lelystad (Zara), Tordera (Bershka) and Sallent (Stradivarius) with a special focus on the optimisation and automation of our operations.

/ Customer experience

We will continue to offer the best shopping experience to our customers, both in our stores and on our online platforms.

Regarding our stores, the concepts will launch in new markets (Stradivarius in Germany, Oysho in the United Kingdom) and new locations (Zara in Champs Elysées-Paris and in Plaza del Duque-Seville). Additionally, we will make important enlargements in some of our most emblematic stores (Zara Rue de Rivoli-Paris, Zara Stratford-London or Bershka Vittorio Emmanuelle-Milan).

We see significant long-term growth opportunities in the United States. Over 2023-2025, Zara will undertake at least 30 projects (new stores, relocations and enlargements) in cities such as New York, Los Angeles, Miami, Chicago, Boston, Dallas, Austin and Las Vegas.

From 2023, we will introduce a new security technology in our stores that will eliminate the need for hard tags. This new technology will allow a significant improvement in customer experience, facilitating interaction with our products and improving the purchasing process. The new system will be progressively implemented in all the concepts and will be the basis for us to continue deepening the digitalisation of stores and their integration with online platforms in the coming years.

In our online channels, we will also continue to improve our customers' experience by making tools available to them such as a new size recommender and a real-time personalisation model that will facilitate the search.

/ Sustainability

At Inditex we are on the right track to achieve all the sustainability commitments previously announced. In this sense, in 2022 we achieved 100% of the electricity used in our facilities (central services, logistics platforms and stores) from renewable energy.

In terms of circularity, the Zara Pre-Owned platform, currently available in the United Kingdom, will reach new relevant markets, starting with France and Germany. Through this platform, we will continue helping our customers to extend the life cycle of their Zara garments through donation, repair or resale.

We continue deepening our sustainability strategy and we will present at the next AGM new commitments that demonstrate our ambition in this area.

/ People

We will continue to promote the talent and commitment of our teams in order to reinforce our attractiveness as a benchmark employer.

In 2023, our *Changemakers* project will already be present in all markets and with the ambition of having at least one sustainability ambassador in each store.

We are increasing our diverse and inclusive character, strengthened by our incorporation into the Global Business and Disability Network of the International Labor Organization (ILO) and our commitment to double the number of employees with some type of disability in two years.

Our commitment goes beyond our teams and reaches the people who work in our supply chain. In 2022, we have reached the fifteenth anniversary of our agreement with IndustriALL. This is one of the key tools used to promote worker participation, respect for freedom of association and collective bargaining. The next step will be the launch of a new strategy for Workers in the Centre 2023-2025 with renewed ambition in order to be able to positively transform the entire industry.

Outlook

Inditex operates in 213 markets with low share in a highly fragmented sector and we see strong growth opportunities. We expect increased sales productivity in our stores going forward. The growth of gross space in 2023 will be around 3%. Optimisation of stores is ongoing. Inditex expects space contribution to sales to be positive in 2023. We continue to see a very healthy evolution of online sales and an increasing participation in the group total. At current exchange rates, Inditex expects a -1% currency impact on sales in FY2023.

For 2023, Inditex expects a stable gross margin (+/-50 bps).

For 2023, we are planning investments that will scale our capabilities, obtain efficiencies and increase our competitive differentiation to the next level. We estimate ordinary capital expenditure of around €1.6 billion.

Dividend

Inditex's dividend policy consists of a 60% ordinary payout and bonus dividends. For FY 2022, the Board of Directors will propose to the AGM a dividend increase of 29% to €1.20 per share, composed of an ordinary dividend of €0.796 and a bonus dividend of €0.404 per share. The dividend will be made up of two equal payments: On 2 May 2023 a payment of €0.60 per share (ordinary). On 2 November 2023 a payment of €0.60 per share (€0.196 ordinary + €0.404 bonus).

Dividends		
Payment date	Record date	Ex-date
02 May 2023	28 April 2023	27 April 2023
02 November 2023	01 November 2023	31 October 2023

Start of the Spring/Summer season

Spring/Summer 2023 collections have been very well received by our customers. Store and online sales in constant currency between 1 February and 13 March 2023 increased 13.5% versus the same period in 2022.

Adjusting for the operations in the Russian Federation and Ukraine over 2022 store and online sales in constant currency between 1 February and 13 March 2023 increased 17.5%.

2023 corporate calendar

Inditex expects to release interim results for FY2023 on the following dates:

Interim three months: 7 June 2023

Interim half year: 13 September 2023

Interim nine months: 13 December 2023

FY2023: March 2024 (tbc)

For additional information:

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Consolidated financial statements

Inditex Group		
FY2022 profit & loss statement (€m)		
	FY2022	FY2021
Net sales	32,569	27,716
Cost of sales	(14,011)	(11,902)
Gross profit	18,559	15,814
<i>Gross margin</i>	57.0%	57.1%
Operating expenses	(9,867)	(8,596)
Other net operating income (losses)	(43)	(35)
Operating cash flow (EBITDA)	8,649	7,183
<i>EBITDA margin</i>	26.6%	25.9%
Other results	(231)	
Amortisation and depreciation	(2,899)	(2,901)
Operating income (EBIT)	5,520	4,282
<i>EBIT margin</i>	16.9%	15.5%
Financial results	(214)	(142)
Results from companies consolidated by equity method	53	58
Income before taxes	5,358	4,199
<i>EBT margin</i>	16.5%	15.1%
Taxes	(1,211)	(949)
Net income	4,147	3,250
Minorities	17	7
Net income attributable to the controlling company	4,130	3,243
<i>Net income margin</i>	12.7%	11.7%
Earnings per share, Euros (*)	1.327	1.042

(*) Shares for EPS calculation 3,112,455,405 for 2022 and 3,113,570,977 for 2021

Grupo Inditex
Consolidated Balance Sheet as of 31 January 2023 (€m)

	31 January 2023	31 January 2022
Assets		
Non Current Assets	15,344	15,343
Right of use	4,910	5,224
Intangible assets	1,003	790
Tangible assets	7,615	7,503
Financial investments	334	307
Other	1,481	1,519
Current Assets	14,639	13,602
Inventories	3,191	3,042
Receivables	851	842
Short term investments	4,522	2,374
Cash & cash equivalents	5,561	7,021
Other	515	323
Total Assets	29,983	28,945
Total Liabilities & Shareholders' Equity		
Shareholders' Equity	17,033	15,759
Equity attributable to the Group	17,008	15,733
Minority interests	25	26
Non Current Liabilities	4,813	5,157
Deferred taxes	385	359
Financial debt	0	1
Lease liability	3,924	4,262
Other	505	536
Current Liabilities	8,137	8,030
Financial debt	13	35
Lease liability	1,517	1,562
Payables	6,561	6,411
Other	46	22
Total Liabilities & Shareholders' Equity	29,983	28,945

Grupo Inditex
Consolidated Statement of Cash Flows as of 31 January 2023 (€m)

	2022	2021
Income before taxes	5,358	4,199
Adjustments to income-		
Depreciation and amortization	2,899	2,901
Lease financial expenses	116	92
Other	146	74
Corporate income tax-	(1,176)	(734)
Funds from operations	7,343	6,530
Changes in assets and liabilities		
Change in inventories	(193)	(759)
Change in accounts receivable	(58)	(154)
Change in current liabilities	(418)	1,136
Change in working capital	(669)	223
Cash from operations	6,674	6,754
Intangible assets investments	(388)	(460)
Tangible assets investments	(1,027)	(666)
Change in other long-term financial investments	24	25
Other assets investments	36	46
Change in short-term financial investments	(2,148)	(2,198)
Capital expenditure	(3,504)	(3,253)
Change in long-term financial debt	(1)	(5)
Acquisition of treasury stock	(61)	(71)
Change in current debt	(17)	27
Lease payments fixed charge	(1,621)	(1,668)
Dividends	(2,914)	(2,192)
Cash used in financing activities	(4,614)	(3,909)
Change in cash and cash equivalents	(1,443)	(408)
Cash and cash equivalents at beginning of the year	7,021	7,398
Foreign exchange impact on cash & cash equivalents	(17)	31
Cash and cash equivalents at end of the year	5,561	7,021

Annex I

Income statement: FY2022 quarterly results

	1Q	2Q	3Q	4Q
Net sales	6,742	8,103	8,211	9,514
Cost of sales	(2,688)	(3,563)	(3,272)	(4,488)
Gross profit	4,054	4,539	4,939	5,026
	60.1%	56.0%	60.2%	52.8%
	20 p.b.	-39 p.b.	-77 p.b.	33 p.b.
Operating expenses	(2,126)	(2,424)	(2,440)	(2,877)
Other net operating income (losses)	(11)	(3)	(8)	(21)
Operating cash flow (EBITDA)	1,917	2,112	2,491	2,129
	28.4%	26.1%	30.3%	22.4%
Other results	(216)	(0)	(14)	(0)
Amortisation and depreciation	(667)	(715)	(730)	(786)
Operating income (EBIT)	1,034	1,396	1,747	1,342
	15.3%	17.2%	21.3%	14.1%
Financial results	(49)	(62)	(59)	(44)
Results from companies consolidated by equity method	5	16	6	26
Income before taxes	990	1,350	1,693	1,324
	14.7%	16.7%	20.6%	13.9%
Taxes	(225)	(311)	(388)	(287)
Net income	766	1,039	1,305	1,037
	11.4%	12.8%	15.9%	10.9%
Minorities	6	4	5	2
Net income attributable to the controlling company	760	1,035	1,301	1,035
	11.3%	12.8%	15.8%	10.9%

Annex II

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

Million Euros	2022	2021
Net income	4,130	3,243
Shareholders equity - previous year	15,733	14,520
Shareholders equity - current year	17,008	15,733
Average equity	16,371	15,126
Return on Equity	25%	21%

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

Million Euros	2022	2021
Income before taxes	5,358	4,199
Average capital employed		
Average shareholders' equity	16,371	15,126
Average net financial debt (*)	0	0
Total average capital employed	16,371	15,126
Return on Capital employed	33%	28%

(*) Zero when net cash

Return on Capital Employed by concept:

Concept	2022	2021
Zara (Zara and Zara Home)	31%	25%
Pull&Bear	46%	40%
Massimo Dutti	27%	26%
Bershka	32%	32%
Stradivarius	51%	48%
Oysho	31%	35%
Total	33%	28%

Annex III

Company-managed stores and franchised stores at FYE:

Concept		Co. Managed	Franchised	Total
Zara		1,616	269	1,885
	Zara Home	341	86	427
Pull&Bear		624	165	789
Massimo Dutti		436	112	548
Bershka		694	166	860
Stradivarius		647	202	849
Oysho		369	88	457
Total		4,727	1,088	5,815

Sales in company-managed and franchised stores:

Concept	Company Managed	Franchised
Zara (Zara and Zara Home)	87%	13%
Pull&Bear	79%	21%
Massimo Dutti	79%	21%
Bershka	81%	19%
Stradivarius	76%	24%
Oysho	81%	19%
Total	85%	15%

Annex IV

Number of stores by concept:

Concept	31 January 2023	31 January 2022
Zara	1,885	2,007
Zara Home	427	482
Pull&Bear	789	864
Massimo Dutti	548	682
Bershka	860	971
Stradivarius	849	915
Oysho	457	556
Total	5,815	6,477

Annex V

Stores by concept and market as at 31 January 2023:

Market	Zara	Pull&Bear	Massimo Dutti	Bershka	Stradivarius	Oysho	Zara Home	INDITEX
ALBANIA	1	1	1	2	2		1	8
GERMANY	69	13	9	17			7	115
ANDORRA	2	1	1	1	1	1	1	8
SAUDI ARABIA	50	23	10	32	42	13	7	177
ALGERIA	3	3	1	4	4	2	3	20
ARGENTINA	11							11
ARMENIA	2	3	2	3	2	1	1	14
ARUBA	1							1
AUSTRALIA	17							17
AUSTRIA	11	4	1	7			2	25
AZERBAIJAN	3	2	3	3	2	1		14
BAHREIN	3	1	2	1	1	1	1	10
BELGIUM	27	8	14	15	3	3	6	76
BELARUS	2	2	1	3	3	1	1	13
BOSNIA	3	4	1	4	4			16
BRAZIL	43						8	51
BULGARIA	5	4	5	8	4	5	1	32
CANADA	31		3					34
CHILE	9						4	13
MAINLAND CHINA	119		54			39	30	242
HONG KONG SAR	12	1		1			2	16
MACAO SAR	1						1	2
TAIWAN, CHINA	9	3	4	3			2	21
CYPRUS	7	6	6	6	6	5	6	42
COLOMBIA	11	9	5	11	11	5	5	57
SOUTH KOREA	33		7			2	5	47
COSTA RICA	2	2	1	2	2	1	1	11
CROATIA	10	7	3	8	7	3	2	40
DENMARK	4							4
ECUADOR	2	3	1	3	3	1		13
EGYPT	10	7	6	7	5	5	5	45
EL SALVADOR	1	2		2	2	1		8
UAE	17	9	9	10	8	8	7	68
SLOVAKIA	3	4	2	6	4	1	1	21
SLOVENIA	4	2	1	4	4			15
SPAIN	304	175	119	165	243	122	97	1,225
UNITED STATES	98							98
ESTONIA	2	1	2	1	1		1	8
PHILIPPINES	9	3	2	5	4			23
FINLAND	4		1					5
FRANCE	113	38	7	54	36	5	15	268
GEORGIA	4	2	4	3	3	2	1	19
GREECE	40	22	11	27	22	17	9	148
GUATEMALA	3	3	1	3	3	1	1	15
NETHERLANDS	27	11	4	16	8		5	71
HONDURAS	2	2	1	2	2	1	1	11
HUNGARY	9	10	4	10	9	3	3	48
INDIA	21		3					24
INDONESIA	16	14	5	8	12	4	3	62
IRELAND	10	3	2	5	3			23
ICELAND	1							1
ISRAEL	26	25	2	15	14		2	84
ITALY	92	54	3	70	76	20	20	335
JAPAN	70							79
JORDAN	2	2	2	2	5	2	2	17
KAZAKHSTAN	5	5	4	6	5	5	4	34
KUWAIT	8	4	2	5	5	5	5	34
LATVIA	3	2	4	2	2	2	1	16
LEBANON	3	2	3	5	4	3	3	23
LITHUANIA	5	3	5	4	4	1	2	24
LUXEMBOURG	3	1	2	1	1	1	1	10
MACEDONIA	2	2	2	2	2	1	1	12
MALAYSIA	8	4	5	2				19
MALTA	1	3	1	1	1	1	3	11
MOROCCO	13	3	3	4	7	3	4	37
MEXICO	81	71	38	68	56	44	25	383
MONACO	1							1
MONTENEGRO	1	1		1	1			4
NICARAGUA	1	1		1	1			4
NORWAY	5							5
NEW ZEALAND	1							1
OMAN	3	1		2	2	2	2	12
PANAMA	2	2	1	2	2	1	1	11
PARAGUAY	1							1
PERU	4						3	7
POLAND	42	34	23	45	48	19	11	222
PORTUGAL	77	46	39	42	43	23	23	293
PUERTO RICO	3							3
QATAR	8	6	5	6	5	6	6	42
UNITED KINGDOM	60	10	11	9	9		6	105
CZECH REPUBLIC	5	3	2	5	4	1	1	21
DOMINICAN REPUBLIC	3	1	2	1	2	2	2	13
ROMANIA	24	26	12	29	25	13	9	138
SERBIA	7	7	5	8	8	4	4	43
SINGAPORE	7	3	4	1		1		16
SOUTH AFRICA	7						1	8
SWEDEN	8	1	3				1	13
SWITZERLAND	20	4	4	6	1	1	2	38
THAILAND	12	2	4	1		1	2	22
TUNISIA	6	3	2	4	4	3	2	24
TURKEY	39	31	26	31	30	28	17	202
UKRAINE	11	17	9	17	15	10	3	82
URUGUAY	2						2	4
VIETNAM	2	1	1		1			5
INDITEX	1,885	789	548	860	849	457	427	5,815

Annex VI

Breakdown of financial results:

Million Euros	2022	2021
Net financial income (losses)	56	(17)
Lease financial expenses	(116)	(92)
Foreign exchange gains (losses)	(155)	(33)
Total	(214)	(142)

The Gross Margin, EBITDA, EBIT, PBT, ROE, ROCE, working capital, average net financial debt, net financial position, Store operating profit and Earnings by individual quarters, Sales growth at constant exchange rates, and Sales in comparable stores are defined in the introduction to the Consolidated Annual Accounts 2022.

Disclaimer

This document and the information contained herein does not constitute an offer to sell, exchange or buy, or the solicitation of an offer to buy, or any recommendation or advice regarding, any securities issued by the Inditex Group.

This document may contain statements regarding intentions, expectations or forecasts. All statements other than statements of historical facts included herein, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations, are forward-looking statements. These statements represent the Company's best estimate on the basis of the information available as at the date hereof, but do not constitute a guarantee of future performance. Any such forward-looking statements may be subject to risks, uncertainties and other relevant factors which could cause them to differ materially from actual results. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements.

Some of these risks include, amongst others, ongoing competitive pressure in the sector, consumer tastes and spending trends, macro-economic, political, regulatory and trade conditions, foreign exchange risks, the surge of infectious diseases such as COVID-19, technological risks, restrictions to free trade and political volatility 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. Except where the prevailing regulations require otherwise, 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.

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 filed by the company with the *Comisión Nacional del Mercado de Valores* (the Spanish Securities Market Commission). Readers are invited to review the contents of any such documents.

This presentation contains, in addition to the financial information prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and derived from our financial statements, alternative performance measures ("APMs") as defined in the Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 and in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures ("Non-IFRS Measures"). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from Inditex Group; however those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors. These APMs and non-IFRS measures should be considered supplemental information to, and are not meant to substitute IFRS measures. Please refer to the audited consolidated financial statements of the Inditex Group for fiscal year 2022 for the definition of APMs and Non-IFRS Measures included herein.