

**INDITEX GROUP CONSOLIDATED
(CONDENSED)
INTERIM FINANCIAL STATEMENTS
1ST HALF 2009**

**(Free translation from the original in Spanish.
In the event of discrepancy, the Spanish-language version prevails)**

INDITEX

- I. CONSOLIDATED (CONDENSED) INCOME STATEMENT
- II. CONSOLIDATED (CONDENSED) GLOBAL RESULT STATEMENT
- III. CONSOLIDATED (CONDENSED) BALANCE SHEET
- IV. CONSOLIDATED (CONDENSED) STATEMENT OF CASH FLOWS
- V. CONSOLIDATED (CONDENSED) STATEMENT OF CHANGES IN EQUITY
- VI. NOTES TO THE CONSOLIDATED (CONDENSED) INTERIM FINANCIAL STATEMENTS
 1. Basis of consolidation
 2. Selected accounting policies
 3. Activity and description of the Group
 4. Segment reporting
 5. Fixed assets
 6. Capital and reserves
 7. Income tax
 8. Remuneration of the Board of Directors and transactions with related parties

INDUSTRIA DE DISEÑO TEXTIL, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED (CONDENSED) INCOME STATEMENT

(in thousands of euros)

	31-01-09	31-01-08
Net sales	4.860.583	4.560.906
Cost of merchandise	(2.170.294)	(1.987.173)
GROSS PROFIT	2.690.289	2.573.733
	55,3%	56,4%
Operating expenses	(1.890.818)	(1.751.711)
Other net income/expenses	(73)	(113)
OPERATING PROFIT (EBITDA)	799.398	821.909
Amortization and depreciation	(307.806)	(274.838)
OPERATING PROFIT (EBIT)	491.592	547.071
Financial results	(328)	(7.233)
Losses from equity-accounted investments	0	
INCOME BEFORE TAXES	491.264	539.838
Income tax	(115.447)	(129.600)
NET INCOME	375.817	410.238
NET INCOME ATTRIBUTABLE TO MINORITY INTEREST	984	4.036
NET INCOME ATTRIBUTABLE TO THE PARENT	374.833	406.202
BASIC EARNINGS PER SHARE, euro cents	60,2	65,4

Notes 1-8 are part of these consolidated condensed interim financial statements.

INDUSTRIA DE DISEÑO TEXTIL, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED (CONDENSED) INTERIM STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)

	<i>31-07-09</i>	<i>31-07-08</i>
Net income	375.817	410.238
Other comprehensive income		
Exchange differences on translating foreign operations	(6.736)	(60.081)
Cash flow hedges	(76.499)	(11.686)
Other comprehensive income	22.561	(30.485)
Total comprehensive income for the year	315.143	307.986
Total comprehensive income attributable to:		
Owners of the parent	312.351	303.950
Minority interests	2.792	4.036
Total comprehensive income for the year	315.143	307.986

Notes 1-8 are part of these consolidated condensed interim financial statements.

INDITEX

INDUSTRIA DE DISEÑO TEXTIL, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED (CONDENSED) STATEMENT OF FINANCIAL POSITION

(in thousands of euros)

	31-07-09	31-01-09
<u>ASSETS</u>		
CURRENT ASSETS	2.956.219	3.264.041
Cash and cash equivalents	1.224.586	1.466.291
Trade and other receivables	431.830	585.311
Inventories	1.209.073	1.054.840
Income tax receivable	19.881	15.342
Other current assets	70.849	142.257
NON-CURRENT ASSETS	4.464.635	4.512.605
Property, plant and equipment	3.374.752	3.442.321
Investment property	7.864	8.455
Rights over leased assets	520.295	531.468
Other intangible assets	19.491	16.476
Goodwill	131.685	131.685
Financial investments	11.087	14.416
Deferred tax assets	231.328	203.100
Other	168.133	164.684
TOTAL ASSETS	7.420.854	7.776.646
<u>LIABILITIES</u>		
CURRENT LIABILITIES	2.467.748	2.390.848
Trade and other payables	2.111.796	2.073.141
Financial debt	257.350	234.037
Income tax payable	98.602	83.670
NON-CURRENT LIABILITIES	551.453	637.198
Financial debt	6.510	13.241
Deferred tax liabilities	151.213	213.847
Provisions	107.917	101.820
Other non-current liabilities	285.813	308.290
EQUITY	4.401.653	4.748.600
Net equity attributable to the parent	4.374.069	4.721.714
Net equity attributable to minority interest	27.584	26.886
TOTAL EQUITY AND LIABILITIES	7.420.854	7.776.646

Notes 1-8 are part of these consolidated condensed interim financial statements.

INDUSTRIA DE DISEÑO TEXTIL, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED (CONDENSED) STATEMENT OF CASH FLOWS

(in thousands of euros)

	1H 2009	1H 2008
Income before taxes and minority interest	491.264	539.838
Adjustments to income		
Amortization and depreciation	307.806	274.838
Income tax	(115.447)	(129.600)
Deferred tax assets and liabilities	(7.540)	(14.832)
Foreign exchange translation differences	15.280	12.091
Other	(43.545)	(50.193)
Cash flows generated	647.818	632.142
Variation in assets and liabilities		
Inventories	(155.440)	(133.727)
Receivables and other current assets	192.621	45.029
Current payables	(316.331)	(140.325)
Variation in the operative financing requirements	(279.150)	(229.023)
Cash flows from operating activities	368.668	403.119
Acquisition of intangible assets	(14.845)	(48.543)
Acquisition of property, plant and equipment	(209.553)	(424.613)
Acquisition of other financial investments	(3.132)	10.739
Acquisition of other assets	(14.958)	(12.268)
Other investment activities	(9.645)	0
Cash flows from investing activities	(252.132)	(474.685)
Variation in non-current financial debt	(6.785)	(24.461)
Variation in non-current non-financial debt	(19.110)	(40.211)
Variation in current financial debt	23.313	(91.314)
Dividends	(350.474)	(4.614)
Other financing activities	23	6.594
Cash flows used in financing activities	(353.032)	(154.006)
Net increase in cash and cash equivalents	(236.496)	(225.572)
Effect of exchange rate fluctuations on cash and cash equivalents	(5.209)	(12.091)
Cash and cash equivalents at beginning of the year	1.466.291	1.465.835
Cash and cash equivalents at the end of the year	1.224.586	1.228.172

Notes 1-8 are part of these consolidated condensed interim financial statements.

INDUSTRIA DE DISEÑO TEXTIL, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED (CONDENSED) STATEMENT OF CHANGES IN EQUITY

(in thousands of euros)

	Capital	Share premium	Retained earnings	Other reserves	Treasury shares	Translation differences	Cash flow hedges	Equity attributable to the parent	Minority interest	Equity
Balance as of 02/01/2008	93.500	20.379	4.127.061	54.489	(6.927)	(95.369)	-	4.193.133	23.922	4.217.055
Profit for the year	-	-	406.202	-	-	-	-	406.202	4.036	410.238
Transfers	-	-	(25.670)	-	-	25.670	-	0	0	0
Other comprehensive income for the year	-	-	(30.485)	-	43	(60.081)	(11.686)	(102.209)	213	(101.996)
Dividends	-	-	(656.988)	-	-	-	-	(656.988)	(4.827)	(661.815)
Balance as of 07/31/2008	93.500	20.379	3.820.120	54.489	(6.884)	(129.780)	(11.686)	3.840.138	23.344	3.863.482
Balance as of 02/01/2009	93.500	20.379	4.661.465	54.489	(617)	(169.491)	61.989	4.721.714	26.886	4.748.600
Profit for the year	-	-	374.833	-	-	-	-	374.833	984	375.817
Transfers	-	-	(3.133)	-	-	(2.598)	-	(5.731)	5.731	0
Other comprehensive income for the year	-	-	20.753	-	-	(6.736)	(76.499)	(62.482)	1.808	(60.674)
Dividends	-	-	(654.265)	-	-	-	-	(654.265)	(7.825)	(662.090)
Balance as of 07/31/2009	93.500	20.379	4.399.653	54.489	(617)	(178.825)	(14.510)	4.374.069	27.584	4.401.653

Notes 1-8 are part of these consolidated condensed interim financial statements.

Notes to the Consolidated Condensed Interim Financial Statement of the Inditex Group as at 31 July 2009

1) Basis of consolidation

The consolidated condensed interim financial statements of the Inditex Group for the first half 2009 have been prepared in accordance with International Financial Reporting Standards adopted by the European Union (hereinafter EU-IFRS), in compliance with (EC) Regulation No. 1606/2002 of the European Parliament, according to International Accounting Standard (hereinafter, IAS) 34 Interim Financial Reporting and the Royal Decree 1362/2007. Therefore, these financial statements do not include all the information and disclosures of the annual accounts and, for their interpretation, they should be read together with the annual accounts of the year ended as at 31 January 2009. These financial statements have been signed by the members of the Board of Directors' in the meeting held on 15 September 2009.

Inditex's financial year and that of most of its subsidiaries starts on 1 February of each year and ends on 31 January of the following year. The six-month period ended 31 July 2009 will hereinafter be referred to as the "first half 2009" period or year, the period ended 31 July 2008 as "first half 2008".

Unless otherwise stated, the amounts shown in the consolidated condensed interim financial statements accounts are expressed in thousands of euro. The euro is the functional and presentation currency of the Company.

The consolidated condensed interim financial statements for the first half 2009 and 2008 have been prepared on the basis of the accounting records of Inditex and the remaining group companies

These consolidated condensed interim financial statements accounts have been prepared on a historical cost basis, except for derivative financial instruments, which were not accounted for using hedge accounting and are stated at fair value.

The comparative financial statements are those of the first half 2008, except for the balance sheet, which is compared to the 31 January 2009. The following entities were incorporated and consolidated for the first time during the year:

Zara Bulgaria LTD

Bershka Bulgaria LTD

Massimo Dutti Bulgaria LTD

Stradivarius Bulgaria LTD

Pull and Bear Bulgaria LTD

Zara Diseño, S.L.
Bershka Diseño, S.L.
Massimo Dutti Diseño, S.L.
Stradivarius Diseño, S.L.
Oysho Diseño, S.L.
Pull and Bear Diseño, S.L.
Zara Home Diseño, S.L.
Tempe Diseño, S.L.
Uterqüe Diseño, S.L.
Indipunt Diseño, S.L.
Bershka Commercial Beijing, Co., LTD
Massimo Dutti Hrvatska d.o.o

On a half-year basis, the Group activity has not shown any cyclical development different from the historical pattern.

2) Selected accounting policies

The accounting policies applied for the first half 2009 are consistent with the ones applied for the 2008 annual accounts, except for:

The Group has applied the revised IAS1 “Presentation of Financial Statements” (2007) applicable for accounting periods started as of 1st January 2009. Pursuant to the requirements provided in such standard, the Group presents in the Interim Consolidated Condensed Statement of Changes in Equity all changes occurred regarding transactions with its shareholders. Changes in equity regarding transactions with third parties other than Group shareholders, including those made with the owners thereof not acting in such capacity are shown in the Consolidated (Condensed) Interim Statement of Comprehensive Income. Comparative information has been amended pursuant to the provisions of IAS 1 (2007).

As of 1st February 2009, the Group determines and presents the operating segments in accordance with the internal information provided to the governing bodies in charge of making operative decisions. This change in the accounting policy is supported by the adoption of IFRS 8 “Operating Segments”.

Pursuant to the requirements provided in the new Standard which replaces IAS 14, operating segments are deemed to be such components of the Group which engage in business activities from which revenues may be earned and expensed incurred and whose operating results are regularly reviewed by the entity’s chief operating decision maker in order to allocate resources to

the segments and to assess their performance; and for which discrete financial information is available..

Results of segments include both items capable to be directly charged to them and those which allocation be done reasonably.

No new Standard or Interpretation is expected to be issued by the International Accounting Standards Board (IASB), to be approved by the European Union which might have significant impact on the Group financial statements.

3) Activity and description of the Group

Industria de Diseño Textil, S.A. (hereinafter Inditex), which has its registered offices at Avenida de la Diputación s/n Edificio Inditex, Arteixo (A Coruña, Spain), is the parent of a group of companies, the principal activity of which consists of the distribution of fashion items, mainly clothing, footwear, accessories and household textile products. Inditex carries out its activity through various commercial formats such as Zara, Pull & Bear, Massimo Dutti, Bershka, Stradivarius, Oysho and Zara Home, which are managed separately but which share certain corporate functions. Inditex is domiciled in Spain, is listed on all four Spanish stock exchanges and, together with its subsidiary companies, comprises the Inditex Group (the Group).

Each format's commercial activity is carried out through chains of stores managed directly by companies in which Inditex holds all or the majority of the share capital, with the exception of certain countries where, for various reasons, the retail selling activity is performed through franchises.

Inditex business model is characterized by the search for flexibility in adapting production to market demand by controlling the supply chain throughout the different stages of design, manufacture and distribution. This enables it to focus both its own and suppliers' production on changes in market trends during each commercial campaign.

The Group's logistics system is based on constant deliveries from the distribution centers of the various commercial formats to stores throughout each season. This system essentially operates through centralized logistics centers for each concept in which inventory is stored and distributed to stores worldwide.

At 31 July 2009 the different group formats have stores in 73 countries, as follows:

	Número de tiendas		
	Propias	Franquicias	Total
España	1.864	35	1.899
Europa	1.578	174	1.752
América	286	60	346
Asia y resto del mundo	104	329	433
Totales	3.832	598	4.430

4) Segment reporting

The following tables show the development per segment (sales and results) for the first half 2009:

Segmentos principales

Primer semestre 2008

	ZARA	BERSHKA	Resto	Eliminaciones de consolidación	Totales
Ventas totales	3.332.012	450.181	1.106.947	-	4.889.139
Ventas a otros segmentos del Grupo	(305.926)	(4.642)	(17.665)	328.233	-
Ventas a terceros	3.026.086	445.539	1.089.282	-	4.560.906
Resultado total	374.812	60.105	127.817	-	562.733
Resultado con otros segmentos del Grupo	(15.662)	-	-	15.662	-
Resultado del segmento	359.150	60.105	127.817	-	547.071

Primer semestre 2009

	ZARA	BERSHKA	Resto	Eliminaciones de consolidación	Totales
Ventas totales	3.538.705	513.430	1.230.091	-	5.282.227
Ventas a otros segmentos del Grupo	(415.949)	(2.127)	(3.568)	421.644	-
Ventas a terceros	3.122.756	511.303	1.226.523	-	4.860.583
Resultado total	337.042	56.918	123.530	-	517.490
Resultado con otros segmentos del Grupo	(25.898)	-	-	25.898	-
Resultado del segmento	311.144	56.918	123.530	-	491.592

The result of the segment is the EBIT (earnings before interest and taxes). Those corporate income and expenses have been distributed according to management's best estimation.

(*) Non-audited data.

5) Fixed assets

The main net investments of the period have reached 246,049 euros (474,685 thousand euros for the first half 2008) and are related, mainly, to the new opening or refurbishment of stores. There are no significant write-downs in the period.

6) Capital and reserves

Share capital

At 31 July 2009 and 2008, parent company share capital amounted to euros 93,499,560 and is represented by 623,330,400 registered shares of euros 0.15 par value each, subscribed and fully paid. All shares belong to a single class and series, have the same voting and profit sharing rights and are represented by book entries.

Inditex shares are listed on the four Spanish stock exchanges and, consequently, the Company is unaware of how exactly its share capital is held. According to public information registered with the Spanish Stock Exchange Commission, at 31 July 2009 the members of the board of directors or related companies controlled approximately 59.349% of parent company share capital, compared to 59.348% as at 31 January 2009.

Treasury shares

Treasury shares held by the Inditex Group comprise the following:

- 41,000 treasury shares at 31 July 2009 (41,000 as at 31 July 2008) with an average acquisition cost of euros 2.18 per share.
- 180,264 shares with an acquisition cost of euros 2.93 per share (2.301.764 as at 31 July 2008), corresponding to the following operation:

At the meetings held on 20 July 2000, 19 January and 20 April 2001 the shareholders of Inditex agreed to launch a share option plan which awarded board members and management of Inditex and its group of subsidiaries option rights over a maximum of 3,018,400 ordinary Inditex shares of euros 0.15 par value each.

In order to hedge the share option plan, Banco Bilbao Vizcaya Argentaria, S.A. subscribed to 3,018,400 shares of a capital increase carried out in January 2001 and signed a call option agreement in favor of Inditex whereby the latter could acquire the shares for sale to beneficiaries in the event they exercised their option rights. This financial entity also subscribed a swap contract with Inditex in order to set the return on the investment in the Company's shares and regulate the associated cash flows. Upon expiry of this plan, 2,348,383 residual shares remained, which Inditex acquired in 2007 and recorded as treasury shares. The shareholders at an annual general meeting agreed to incorporate these remaining shares into a new share-based remuneration plan.

Through this Plan, beneficiaries were assigned an initial number of "units" (not shares) in order to determine the number of shares they would receive, which is based on the number of units that can be converted into shares in line with the conditions attached. These units were not transferable to

INDITEX

third parties, *inter vivos* or *causa mortis*, who would only be entitled to compensation in the event of early settlement deriving from the death of a beneficiary.

The Plan was aimed at members of the management team, including two executive board members and seven general managers, and other key employees of the Inditex Group.

The Plan was limited to a maximum of 2,348,383 shares, equivalent to 0.37% of share capital, which is the surplus amount of a previous share option plan. These shares were issued through a capital increase subscribed by a financial entity in order for the Company to fulfill its commitments with the beneficiaries of the plan. The Company acquired these shares by exercising its call option with the financial entity.

The Plan came into effect on 18 July 2006, the date on which the shareholders approved the Plan, and vested on 1 October 2008, when the beneficiaries' right to receive the shares materialized, without prejudice to any early settlement.

One of the conditions for receiving shares was that the beneficiary had to be employed by Inditex or any Inditex Group company on the Plan's vesting date, 1 October 2008, except in the case of early settlement (e.g. death, retirement, unfair dismissal or maternity leave), in which case the number of convertible units would be calculated in proportion to the time elapsed since the grant date (18 July 2006) and the Plan's vesting date (1 October 2008).

The final number of shares to be received upon vesting of the Plan depended on the share's revaluation in accordance with the conditions established by the board of directors: beneficiaries would be entitled to receive 100% of the shares corresponding to the units initially assigned when the average quotation price during 2006 and 2007 exceeded the weighted average quotation price during the last quarter of 2005 by a certain percentage established by the board of directors, based on the different forecast revaluation scenarios.

Personnel expenses recorded in the comparative consolidated income statement for the year amount to euros 11,024 thousand. No amount has been booked for the first half 2009, as this Plan vested on 1 October and 2,153,545 shares were distributed to beneficiaries.

Dividends

As at 15 July 2009, the Shareholders' General Meeting approved that the 2008 net profit of the parent company would be distributed as follows: a maximum of euros 654,000 thousand as dividends, to be paid on 4 May 2009 (0.55 euros per share) and 2 November 2009 (0.50 euros per share). This last amount is booked under the "Acreedores" caption of the consolidated condensed interim balance sheet.

7) Income tax

For the income tax calculation the average effective rate to be applicable for the full year has been used. However, the tax effects due to particular transactions have been considered in this calculation.

The tax expenses as at 31 July 2009 and 2008 has been calculated with a tax effective rate of 23.5% and 24.0%. The inter-annual variation is due to the modification of several tax rates of the countries in which the Group operates.

Tax inspections were initiated on the tax group during the year, which to date have focused on the parent company Industria de Diseño Textil, S.A. Certain foreign subsidiaries are also being inspected in Italy, Portugal and France.

The Company does not expect that significant additional liabilities will arise as a result of these inspections or those that could be carried out in the future in relation to periods that have not yet expired.

8) Remuneration of the Board of Directors and transactions with related parties

Remuneration of the board of directors

Remuneration received by the board of directors and senior management during the first half 2009 is shown in the section on transactions with related parties.

As in the first half 2008, the Group has no commitments in respect of pension plans or life insurance schemes.

Transactions with related parties

Related parties are subsidiaries, joint ventures and associates, as well as significant or controlling shareholders, members of the board of directors of Inditex and key management.

Inditex Group companies

Operations between Inditex and its subsidiaries are part of regular activities and have been fully eliminated in the consolidation process and are therefore not shown in this note.

INDITEX

Details of operations between Inditex and its joint ventures or associates, which have not been completely eliminated in the consolidation process as they are proportionately consolidated or accounted for using the equity method, are as follows:

Entity	Thousand euros	
	1H2009	1H2008
Joint ventures	(121.820)	(102.116)

Details of operations with significant shareholders, the members of the board of directors and management are as follows.

Significant shareholders

Operations carried out by the Inditex Group with the controlling shareholder, or with related persons or companies, are as follows:

First half 2009:

Nature of the relationship	Type of operation	Amount (thousand €)
Contractual	Asset leasing	(6.257)
Contractual	Asset leasing	73
Contractual	Works	2.923

First half 2008:

Nature of the relationship	Type of operation	Amount (thousand €)
Contractual	Asset leasing	(4.049)
Contractual	Asset leasing	73

Members of the board of directors and management

Total remunerations and indemnities received by Inditex board members and management during the first half 2009 are as follows:

INDITEX

	Board Members	Directors
Remunerations	3.488	7.779

Total remunerations and indemnities received by Inditex board members and management during the first half 2008 are as follows:

	Board Members	Directors
Remunerations	3.251	7.338

Consolidated Condensed Management Report

31 July 2009

Performance in 1H2009

The results for 1H2009 reflect INDITEX ongoing international multiconcept growth.

Net sales reached €4,861 million, with sales growth in local currencies of 9%.

At the end of 1H2009 INDITEX operated 4,430 stores in 73 countries:

Concept	1H2009	1H2008	31 Jul 2009	31 Jul 2008
Zara (*)	40	72	1,560	1,433
Pull and Bear	19	32	602	551
Massimo Dutti	18	18	488	444
Bershka	35	37	626	547
Stradivarius	26	27	482	408
Oysho	8	41	382	331
Zara Home	11	16	250	220
Uterqüe	9	6	40	6
Total	166	249	4,430	3,940

(*) Zara number of stores includes 219 Zara Kids stores as of 31 Jul 2009

Like-for-like sales were down 2% in 1H2009, compared with a 1% increase in 1H2008. The like-for-like calculation includes 81% of total store sales.

Net sales by concept in 1H2009 and 1H2008 are shown in the table below:

Concept	1H2009	1H2008	% Chng. 09/08	In local currencies
Zara	3.123	3.026	3%	5%
Pull & Bear	332	310	7%	10%
Massimo Dutti	347	318	9%	11%
Bershka	511	446	15%	18%
Stradivarius	318	257	24%	26%
Oysho	116	104	12%	15%
Zara Home	94	100	-7%	-5%
Uterqüe	20	-	-	n.a.
Total sales	4.861	4.561	7%	9%

Zara sales growth in the First Half is due to the different calendar of openings in 2009, which is biased towards the Second Half of the year.

INDITEX

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 highest proportion of total store sales was Europe ex-Spain, 44% of the total. Asia increased significantly its proportion of total store sales due to INDITEX successful expansion and strong reception in the area.

	1H2009	1H2008
Europe ex-Spain	44.3%	44.1%
Spain	31.9%	34.8%
Asia	12.1%	10.3%
Americas	11.6%	10.8%
Total	100.0%	100.0%

The **Gross profit** rose to €2,690 million, 5% higher than the previous year. The Gross margin has reached 55.3% of sales, compared with 56.4% in 1H2008.

Operating expenses have been tightly managed over the period growing by 8%, mainly as a result of the addition of new retail space.

EBITDA came to €799 million, compared with €822 million in 1H2008, and EBIT to €492 million, compared with €547 million in 1H2008.

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	1H2009	1H2008
Net financial income (losses)	1	11
Foreign exchange gains (losses)	(1)	(19)
Total	(0)	(7)

The tax rate for 1H2009 is the best estimate for FY2009 according to current information.

Net income came to €375 million, compared with €406 million in 1H2008.

INDITEX paid €343 million, €0.55 per share, on 4 May 2009 as FY2008 interim dividend and €0.50 per share will be payable on 2 November 2009 as FY2008 final dividend. INDITEX maintained its financial strength to reach a solid **net cash position** at the end of the period:

INDITEX

	31 July 2009	31 July 2008
Cash & cash equivalents	1,225	1,228
Current financial debt	(257)	(280)
Non current financial debt	(7)	(18)
Net financial cash (debt)	961	930

The evolution of **current accounts** is in line with the performance of the business:

	31 July 2009	31 July 2008
Inventories	1,209	1,141
Receivables	432	405
Payables	(2,210)	(2,619)

Start of 2H2009

Store sales in local currencies have increased by 9% from 1 Aug. to 14 Sept. 2009.

INDITEX expects to add approximately 10% new square meters to its retail space in FY2009, included the space added over the first half.

Expected Capital Expenditure in FY2009 is approximately €600 million as a result of greater efficiency in the opening of new stores and the refurbishment of existing stores.

Zara online sales

Zara will start online sales for the Autumn-Winter season 2010. Initially the online sales will be launched in Spain, France, Germany, UK, Italy and Portugal, to be followed by the progressive rollout in all Zara markets.

Transactions with related parties

Transactions with related parties are disclosed in note 8 of the notes to the condensed financial interim report. No significant transactions with related parties that have affected significantly the financial situation or the consolidated result for this period.

Risks

There are no significant risks for the second half 2009.

Grupo Inditex
H12009 profit & loss statement
Million euros

	H12009	H12008
Net sales	4.861	4.561
Cost of sales	(2.170)	(1.987)
Gross profit	2.690	2.574
<i>Gross margin</i>	<i>55,3%</i>	<i>56,4%</i>
Operating expenses	(1.891)	(1.752)
Other net operating income (losses)	(0)	(0)
Operating cash flow (EBITDA)	799	822
<i>EBITDA margin</i>	<i>16,4%</i>	<i>18,0%</i>
Amortisation and depreciation	(308)	(275)
Operating income (EBIT)	492	547
<i>EBIT margin</i>	<i>10,1%</i>	<i>12,0%</i>
Financial results	(0)	(7)
Income before taxes	491	540
<i>EBT margin</i>	<i>10,1%</i>	<i>11,8%</i>
Taxes	(115)	(130)
Net income	376	410
<i>Net income margin</i>	<i>7,7%</i>	<i>9,0%</i>
Minorities	1	4
Net income attributable to the controlling company	375	406
<i>Net income margin</i>	<i>7,7%</i>	<i>8,9%</i>
Earnings per share, cents of euro (*)	60	65

(*) Shares for EPS calculation 623.1 and 621.0 million for 2009 and 2008

Grupo Inditex
 Consolidated Balance Sheet as of 31 July 2009
 Million euros

31 July 2009 31 July 2008

ASSETS

CURRENT ASSETS	2.956	2.850
Cash & cash equivalents	1.225	1.228
Receivables	432	405
Inventories	1.209	1.141
Other	91	76
NON CURRENT ASSETS	4.465	4.323
Tangible assets	3.383	3.351
Intangible assets	671	669
Financial investments	11	25
Other	399	278
TOTAL ASSETS	7.421	7.173

**TOTAL LIABILITIES &
 SHAREHOLDERS' EQUITY**

CURRENT LIABILITIES	2.468	2.899
Payables	2.210	2.619
Financial debt	257	280
NON CURRENT LIABILITIES	551	411
Financial debt	7	18
Deferred taxes	151	110
Other	394	284
SHAREHOLDERS' EQUITY	4.402	3.863
Equity attributable to the Group	4.374	3.840
Minority interests	28	23
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	7.421	7.173

Hereby signed by all the members of the board in La Coruña on 15 September 2009.

Mr. Amancio Ortega Gaona (signed)
Chairman

Mr. Pablo Isla Álvarez de Tejera (signed)
First Deputy Chairman and Chief Executive Officer

Mr. Carlos Espinosa de los Monteros (signed)
Second Deputy Chairman

Gartler, S.L.
Board member

Ms. Flora Pérez Marcote (signed)

Mr. Francisco Luzón López (signed)
Board member

Ms. Irene Ruth Miller (signed)
Board member

Mr. Juan Manuel Urgoiti López de Ocaña (signed)
Board member

Mr. José Luis Vázquez Mariño (signed)
Board member

Mr. Antonio Abril Abadín (signed)
Secretary and Board member