EL CORTE INGLÉS GROUP

2025 FINANCIAL REPORT

CONTENTS

Audit report on the Consolidated Financial Statements issued by an Independent Auditor

EL CORTE INGLÉS, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and Management Report for the year ended

28 February 2026 (FY 2025) prepared under

the International Financial Reporting Standards (IFRS) adopted by the European Union.

Audit report on
Consolidated financial statements
issued by an Independent Auditor

EL CORTE INGLÉS, S.A.
AND SUBSIDIARIES
Consolidated Financial Statements and
Management Report for
the year ended
28 February 2026 (FY 2025)

The better the question.
The better the answer.
The better the world works.

EY
Shape the future
with confidence

Ernst & Young, S.L.
C/ Raimundo Fernandez Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax number: 915 727 238
ey.com

Shape the future
with confidence

AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the shareholders of El Corte Ingles, S.A.:

Audit report on consolidated financial statements

Opinion

We have audited the consolidated financial statements of El Corte Ingles, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 28 February 2026, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows, and the notes thereto, for the year then ended (FY 2025 or 2025).

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and the consolidated financial position of the Group at 28 February 2026, and of its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (EU-IFRS), and other provisions in the financial reporting framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those regulations are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of property, plant, and equipment and investment properties

Description	As disclosed in notes 5 and 6 to the accompanying consolidated financial statements, the Group recognised "Property, plant and equipment" and "Investment properties" with carrying amounts of €8,428,176 thousand and €565,131 thousand, respectively, as at 28 February 2026. "Property, plant and equipment" includes primarily net investments made in department stores, hypermarkets, supermarkets, and agencies operated by the Group, as well as other assets, such as offices, warehouses, logistics centres, etc. In accordance with the applicable regulatory financial reporting framework, the Group assesses, at least at the end of the reporting period, whether there are indications that any of its properties-both those used to conduct business and those earmarked for lease-may be impaired. For this purpose, the Group engages independent experts to appraise most of its properties and estimates their recoverable amounts. The recoverable amount of each cash-generating unit (CGU) and the rest of the Group's assets (offices, department stores, logistics centres, etc.) is the higher of the asset's fair value (determined based on those appraisals) and its value in use. The Group defines as a CGU each of its retail premises (department stores, hypermarkets, supermarkets and agencies). Given the complexity of the process of identifying whether there are indications of impairment of properties and valuing properties to determine their recoverable amount for the purpose of determining whether they are impaired, which requires management to make significant estimates (in particular, regarding the assumptions made on the generation of expected future cash flows and rents, the weighted average cost of capital and the growth to perpetuity rates), we determined this to be a key audit matter. The main criteria applied in determining the recoverable amount of the assets included in "Property, plant and equipment" and "Investment properties", as well as the related impairment, where applicable, are disclosed in 4.2.5 to the accompanying consolidated financial statements.
Our response	Regarding this matter, our procedures included, among others, the following: - Understanding the process established by the parent's management to determine the recoverable amount of the items of "property, plant, and equipment" and "investment properties", as well as evaluating the design and implementation of the relevant controls established in that process.

- Evaluating, with the involvement of our valuation specialists, the methodology used to perform impairment tests, verifying its integrity in conformity with the applicable financial reporting framework, as well as the reasonableness of the main assumptions used in estimating recoverable amount for a sample of CGUs and the rest of the Group's assets. We also evaluated the sensitivity of the results to reasonably possible changes in the assumptions made.
- Reviewing, for a sample of CGUs and the rest of the Group's assets, the accuracy of the calculations made to determine their recoverable amount.
- Reviewing the correct accounting of the results of the impairment test.
- Reviewing the disclosures in the notes to the consolidated financial statements and evaluating whether they are in conformity with the applicable regulatory financial reporting framework.

Recoverability of deferred tax assets

Description

As disclosed in note 21 to the accompanying consolidated financial statements, the Group recognised deferred tax assets at 28 February 2026 amounting to €557,911 thousand.

According to the Group's accounting policy disclosed in note 4.2.10 to the accompanying consolidated financial statements, deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which they can be utilised.

Assessment of the recoverability of deferred tax assets requires the parent's management to make complex judgements in estimating future taxable profit based on the Tax Group's financial projections and business plans, taking into account applicable tax laws at any given time.

Due to the complexity inherent in judgements underlying the projection of the Tax Group's business performance by the parent's management to determine the future taxable profits supporting the recoverability of recognised tax credits, we considered this to be a key audit matter.

Our response

Regarding this matter, our procedures included, among others, the following:

- Understanding the process established by the Parent's management for assessing the recoverability of deferred tax assets and assessing the design and implementation of the relevant controls established in that process.
- Evaluating the reasonableness of the assumptions made by the parent's management in assessing the recoverability of the deferred tax assets, focusing primarily on the economic and financial assumptions used to estimate future taxable profits.
- Assessing, with the involvement of our tax specialists, the key assumptions made by the parent's management regarding applicable tax regulations.
- Reviewing the disclosures in the notes to the consolidated financial statements and evaluating whether they are in conformity with the applicable regulatory financial reporting framework.

Valuation of inventories

Description	As disclosed in note 12 to the accompanying consolidated financial statements, the Group recognised inventories as at 28 February 2026 with a carrying amount of €1,896,802 thousand, valued as described in note 4.2.7 to the accompanying consolidated financial statements. These inventories relate primarily to the number of SKUs encompassed in the retail segment (e.g., fashion, beauty, household and electronics). The items are located primarily at the Group's points of sale and in its three main logistics centres. Given the nature of the Group's business, its inventories have high turnover rates. Moreover, sales prices in a large percentage of cases can vary substantially depending on the time of year (e.g., decreasing during sales seasons). Given the complexity of the judgements made by the parent's management in determining the cost and net realisable value of inventories, as well as the complexity of the technological environment supporting the valuation, and, given the relevance of the balance of "Inventories", we determined this to be a key audit matter.
Our response	Regarding this matter, our procedures included, among others, the following: ▶ Understanding the process in place for the parent management's to manage and value inventories, evaluating the design and implementation of the relevant controls established in that process and verifying the operating effectiveness of those controls, with the involvement of our information systems specialists. ▶ Reviewing that inventories in accordance with the accounting policy disclosed in the financial statements by performing substantive procedures for a sample of selected SKUs. ▶ Reviewing the disclosures in the notes to the consolidated financial statements and evaluating whether they are in conformity with the applicable regulatory financial reporting framework.

IT systems related to recognition of revenue from the Group's retail and travel businesses.

Description	As disclosed in note 25.1 to the accompanying consolidated financial statements, the Group earns most of its revenue from its retail and travel businesses. As a result, revenue is derived from a high volume of individual transactions for insignificant amounts when considered separately. Accounting of revenue from sales and the rendering of services pertaining to those businesses, through both the physical channel (i.e., network of department stores, hypermarkets, supermarkets, and agencies) and the online sales platform, is highly automated and supported by the interaction of several highly complex computer systems. Given the heavy reliance on IT systems for the proper processing and recognition of revenue, it is essential to maintain an adequate control environment over these systems to ensure that they can be used in the most efficient way possible.

Because of the significance of the amounts involved, the large number of transactions of individually insignificant amounts, and the complex and highly automated IT systems supporting the revenue recognition process, which pose a greater risk of material misstatement and require a considerable effort on the part of our audit team, we determined this to be a key audit matter.

Our response

Regarding this matter, our procedures included, among others, the following:

- Understanding the revenue recognition process established by the parent, evaluating the design and implementation of the relevant controls in that process, including general controls (access management, program changes and other general automated controls and backup copies) and automatic or application controls of those applications identified as crucial to that process, and verifying the operating effectiveness of those controls, with the involvement of our information systems specialists.
- Identifying and understanding the key IT systems that support the revenue recognition process for the retail and travel businesses and related internal controls, by checking whether there are security policies in place, reading and analysing the procedures established by the Group's IT department, and evaluating its structure, governance and organisation.
- Performing analytical procedures on the daily ledger of the Group's main subsidiaries to identify the possible existence of manual and/or unusual entries with an impact on revenue that may not have been recorded through the key computer applications supporting the automatic revenue recognition process, and verifying that these entries have been made by authorised personnel.
- Performing a detailed test on revenue for the year at the Group's main subsidiaries to match revenue to its respective cash inflows.
- Reviewing the disclosures in the notes to the consolidated financial statements and evaluating whether they are in conformity with the applicable regulatory financial reporting framework.

Other information: Consolidated management report

Other information refers exclusively to the 2025 consolidated management report, the preparation of which is the responsibility of the parent's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the consolidated management report entails:

a. Checking only that the consolidated non-financial statement has been provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described above, we have verified that the information referred to in a) above has been provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2025 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent's directors and the Audit and Compliance Committee for the consolidated financial statements

The directors of the parent are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with EU-IFRS and other provisions in the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the parent's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The parent’s Audit and Control Committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the parent's management.

- Conclude on the appropriateness of the use by the parent's directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are also responsible for the direction, supervision, and review of the work performed for purposes of the Group audit. We are solely responsible for our audit opinion.

We communicate with the parent's Audit and Control Committee regarding, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the parent's Audit and Control Committee with a statement that we have complied with relevant ethical requirements related to independence and communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, the safeguards adopted to eliminate or reduce the threat.

From the matters communicated with the parent's Audit and Compliance Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

Additional report to the parent's Audit and Control Committee

The opinion expressed in this audit report is consistent with the additional report we issued to the parent's Audit and Control Committee on 28 May 2026.

Term of engagement

At the Annual General Meeting held on 21 July 2023, we were appointed auditors of the Group for three years-2023 (year ended 29 February 2024), 2024 (year ended 28 February 2025, and 2025 (year ended 28 February 2026)-from the year ended 29 February 2024.

Previously, we have been carrying out the audit of the financial statements continuously since the year ended 28 February 2018.

ERNST & YOUNG, S.L.
(Registered in Spain's Official Register of Auditors under No. S0530)

Francisco Rahola Carral
(Registered in Spain's Official Register of Auditors under entry no. 20597)

28 May 2026

Consolidated financial statements for the year ended 28 February 2026 prepared in accordance with International Financial Reporting Standards adopted by the EU

EL CORTE INGLÉS GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2026

Assets	Note	28 Feb. 2026	28 Feb. 2025
Property, plant and equipment	5	8,428,176	8,376,276
Investment properties	6	565,131	538,199
Right-of-use assets	9.1	367,968	342,400
Goodwill	7	216,173	216,173
Other intangible assets	8	808,678	747,575
Non-current loans and other financial assets		8,286	6,422
Investments accounted for using the equity method	10	744,197	770,007
Non-current financial assets	11	122,527	93,959
Deferred tax assets	21	557,911	589,669
Total non-current assets		**11,819,047**	**11,680,680**
Inventories	12	1,896,802	1,863,429
Trade and other receivables	13	434,137	425,911
Trade receivables, associates and related parties	23.1	3,106	3,319
Current tax assets	21	50,723	42,865
Investments in associates and related parties	23.1	12,865	11,239
Current financial assets	11	52,999	89,937
Other current assets		72,901	52,515
Cash and cash equivalents	14	654,763	516,655
Total current assets		**3,178,296**	**3,005,869**
Total assets		**14,997,343**	**14,686,549**

In € 000.
Notes 1 to 26 are an integral part of the consolidated statement of financial position as at 28 February 2026

Consolidated financial statements for the year ended 28 February 2026 prepared in accordance with International Financial Reporting Standards adopted by the EU

EL CORTE INGLÉS GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2026

Equity and liabilities	Note	28 Feb. 2026	28 Feb. 2025
Capital	15.1	454,601	454,601
Reserves		6,742,770	6,662,376
Profit for the year attributable to equity holders of the parent		628,256	511,758
Own shares	15.4	(572,433)	(572,433)
Valuation adjustments	15.5	15,067	10,331
Translation differences		(2,080)	(884)
Non-controlling interests	15.6	115,645	102,379
Total equity		**7,381,826**	**7,168,127**
Non-current provisions	16.1	55,932	59,972
Non-current notes and other marketable securities	17	995,723	503,811
Non-current bank borrowings	17	1,262,417	1,726,201
Non-current loans and borrowings from associates and related parties	23.1	49,096	48,887
Non-current finance lease liabilities	17 & 9.1	291,644	278,577
Other financial liabilities	17	4,119	3,349
Payable to fixed-asset suppliers		14,716	16,228
Deferred tax liabilities	21	848,041	854,998
Total non-current liabilities		**3,521,688**	**3,492,023**
Current provisions	16.1	51,722	160,594
Current notes and other marketable securities	17	17,930	11,080
Current bank borrowings	17	55,762	88,689
Current loans and borrowings from associates and related parties	23.1	32,255	32,216
Current finance lease liabilities	17 & 9.1	115,091	95,628
Other current financial liabilities	17	12,026	25,769
Payable to fixed-asset suppliers		79,784	116,435
Trade and other payables	20	3,683,256	3,450,606
Trade payables, associates and related parties	23.1	18,693	18,051
Current tax liabilities	21	18,877	3,743
Accruals		8,433	23,587
Total current liabilities		**4,093,829**	**4,026,398**
Total equity and liabilities		**14,997,343**	**14,686,549**

In € 000.
Notes 1 to 26 are an integral part of the consolidated statement of financial position as at 28 February 2026

Consolidated financial statements for the year ended 28 February 2026 prepared in accordance with International Financial Reporting Standards adopted by the EU

EL CORTE INGLÉS GROUP

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	2025	2024
Revenue	22.1	14,987,783	14,786,057
Cost of sales	22.2	(9,896,153)	(9,820,538)
Employee benefits expense	22.3	(2,585,138)	(2,581,410)
Other operating income	22.4	231,776	227,750
Operating expenses	22.4	(1,471,802)	(1,402,434)
Provisions for employee benefits	16 & 4.2.12b	(18,637)	(33,518)
Depreciation and amortisation	5, 6, 8 & 9	(532,037)	(515,040)
Other gains/(losses)	5, 8 & 22.5	13,551	46,889
Operating profit		**729,343**	**707,756**
Finance income	22.6	29,989	17,387
Finance costs	22.6	(103,010)	(109,383)
Interest expense on leases	9 & 22.6	(15,486)	(16,518)
Change in fair value of financial instruments	11 & 22.6	(3,481)	1,653
Share of profit of companies accounted for using the equity method	10	79,626	83,899
Exchange differences		1,620	(3,453)
Other finance income	10	1,458	972
Net finance cost		**(9,284)**	**(25,444)**
Profit before tax		**720,059**	**682,312**
Income tax		(73,652)	(149,828)
Net income		**646,407**	**532,484**
Profit attributable to non-controlling interests	15.6	(18,151)	(20,726)
Profit attributable to equity holders of the parent		**628,256**	**511,758**

In € 000.
Notes 1 to 26 are an integral part of the consolidated statement of profit or loss for the year ended 28 February 2026.

Consolidated financial statements for the year ended 28 February 2026 prepared in accordance with International Financial Reporting Standards adopted by the EU

EL CORTE INGLÉS GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	2025	2024
Profit for the year as per statement of profit or loss (I)		**646,407**	**532,484**
Income and expense recognised directly in equity			
- Measurement of financial instruments at fair value through OCI	15.5	25,111	714
- Cash flow hedges	19	(13,438)	8,417
- Translation differences		(1,196)	(12,170)
- Tax effect	21.2	3,431	(2,283)
Total income and expense recognised directly in equity (II)		**13,908**	**(5,322)**
Amounts transferred to profit or loss			
- Measurement of financial instruments at fair value	15.5	-	1
- Cash flow hedges	19	(13,820)	(28,477)
- Translation differences		-	-
- Tax effect	21.2	3,455	7,119
Total amounts reclassified to profit or loss (III)		**(10,365)**	**(21,357)**
Total comprehensive income (I+ II+ III)		**649,950**	**505,805**
Total comprehensive income attributable to equity holders of the parent		**668,101**	**526,531**
Total comprehensive income/(loss) attributable to noncontrolling interests		**(18,151)**	**(20,726)**

In € 000.

Notes 1 to 26 are an integral part of the consolidated statement of comprehensive income for the year ended 28 February 2026.

Consolidated financial statements for the year ended 28 February 2026 prepared in accordance with International Financial Reporting Standards adopted by the EU

EL CORTE INGLÉS GROUP

CONSOLIDATED STATEMENT OF TOTAL CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2026

		Reserves								
	Capital	Legal reserve	Other reserves	Total	Own shares	Reserves in consolidated companies	Profit attributable to equity holders of the parent	Valuation adjustments and translation differences	Non-controlling interests	Total
Balance at 29 February 2024	**454,601**	**90,920**	**5,506,804**	**5,597,724**	**(566,137)**	**744,189**	**479,573**	**36,127**	**106,233**	**6,852,310**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**511,758**	**(26,678)**	**20,726**	**505,806**
Transactions with shareholders	**-**	**-**	**211,881**	**211,881**	**(6,296)**	**107,692**	**(479,573)**	**-**	**(23,710)**	**(190,006)**
- Appropriation of 2023 profit	-	-	211,881	211,881	-	107,692	(479,573)	-	(23,710)	(183,710)
Dividends	-	-	-	-	-	-	(160,000)	-	(23,710)	(183,710)
Reserves	-	-	211,881	211,881	-	107,692	(319,573)	-	-	-
- Transactions with own shares (note 15.4)	-	-	-	-	(6,296)	-	-	-	-	(6,296)
- Adjustment to legal reserve for capital reduction	-	-	-	-	-	-	-	-	-	-
Other changes in equity	**-**	**-**	**-**	**-**	**-**	**890**	**-**	**(3)**	**(870)**	**16**
- Other	-	-	-	-	-	890	-	(3)	(870)	16
Balance at 28 February 2025	**454,601**	**90,920**	**5,718,685**	**5,809,605**	**(572,433)**	**852,771**	**511,758**	**9,446**	**102,379**	**7,168,126**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**628,256**	**3,543**	**18,151**	**649,950**
Transactions with shareholders	**-**	**-**	**161,382**	**161,382**	**-**	**125,376**	**(511,758)**	**-**	**(5,190)**	**(230,190)**
- Appropriation of 2024 profit	-	-	161,382	161,382	-	125,376	(511,758)	-	(5,190)	(230,190)
Dividends	-	-	-	-	-	-	(225,000)	-	(5,190)	(230,190)
Reserves	-	-	161,382	161,382	-	125,376	(286,758)	-	-	-
Other changes in equity	**-**	**-**	**(220,000)**	**(220,000)**	**-**	**13,636**	**-**	**(2)**	**305**	**(206,061)**
- Other changes in equity – note 20.1	-	-	(220,000)	(220,000)	-	-	-	-	-	(220,000)
- Other	-	-	-	-	-	13,636	-	(2)	305	13,939
Balance at 28 February 2026	**454,601**	**90,920**	**5,660,067**	**5,750,987**	**(572,433)**	**991,783**	**628,256**	**12,987**	**115,645**	**7,381,826**

In € 000.

Notes 1 to 26 are an integral part of the consolidated statement of total changes in equity for the year ended 28 February 2026.

Consolidated financial statements for the year ended 28 February 2026 prepared in accordance with International Financial Reporting Standards adopted by the EU

EL CORTE INGLÉS GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	2025	2024
Net cash flows from operating activities (I)		1,049,463	1,086,315
Profit for the year before tax from continuing operations		**720.059**	**682.312**
Adjustments to profit		**546,632**	**518,455**
- Depreciation and amortisation	5.6 & 8	532,037	515,040
- Impairment losses	5	(34,055)	(31,965)
- Change in provisions		9,820	42,788
- (Gains)/losses on derecognition and disposal of non-financial assets	5	29,546	(32,851)
- (Gains)/losses on derecognition and disposal of financial instruments		(1,458)	(972)
- Finance income	22.5	(29,989)	(17,387)
- Finance costs		118,497	125,901
- Exchange differences		(1,621)	3,453
- Change in fair value of financial instruments	11 & 19	3,481	(1,653)
- Share of profit of companies accounted for using the equity method		(79,626)	(83,899)
Working capital changes		**(98,876)**	**440**
- Inventories		(33,373)	(8,044)
- Trade and other receivables		(8,013)	(45,448)
- Other current assets		(22,012)	(19,909)
- Trade and other payables		1,684	88,799
- Other current liabilities		(1,063)	(12)
- Other non-current assets and liabilities		(36,099)	(14,946)
Other cash flows used in operating activities		**(118,352)**	**(114,892)**
- Interest paid		(98,050)	(105,897)
- Dividends received		106,594	39,242
- Interest received		28,832	15,142
- Income tax received/(paid)		(29,575)	(30,838)
- Other receipts/(payments)		(126,153)	(32,541)
Net cash flows used in investing activities (II)		(554,658)	(475,997)
Payments for investments		**(579.205)**	**(562.750)**
- Group companies and associates		-	(33,999)
- Intangible assets	8	(226,132)	(189,102)
- Property, plant and equipment	5	(350,715)	(310,112)
- Investment properties	6	(494)	(28,637)
- Other financial assets		(1,864)	(900)
Proceeds from sale of investments		**24,547**	**86,753**
- Associates and other related parties		-	2,120
- Intangible assets, property, plant and equipment and investment properties		3,080	10,282
- Other financial assets		21,467	26,951
- Assets held for sale		-	47,400
Net cash flows used in financing activities (III)		(355.502)	(213.964)
Proceeds from and payments for equity instruments		**-**	**(6.297)**
- Acquisition of own equity instruments		-	(6,297)
Proceeds from and payments for financial liability instruments		**(124,902)**	**(24,856)**
- Repayment of notes and other marketable securities		-	(209,373)
- Repayment of bank borrowings		(494,816)	(181,321)
- Repayment of other borrowings		(43,898)	(17,949)
- Issuance of notes and other marketable securities		491,907	494,302
- Issuance of bank borrowings		-	1,728
- Increase in finance lease liabilities		32,530	202
- Issuance of borrowings from group companies and associates		247	1,248
- Issuance of other borrowings		6,052	-
- Operating lease liabilities (IFRS 16)		(116,924)	(113,693)
Dividends and payments on other equity instruments		**(230,600)**	**(182,811)**
- Dividends		(230,190)	(183,710)
- Other equity instruments		(410)	899
Effect of changes in exchange rates on cash and cash equivalents (IV)		(1.195)	(13.059)
Net increase in cash and cash equivalents (I+II+III+IV)		138.108	383.295
Cash and cash equivalents, opening balance		516.655	133.360
Cash and cash equivalents, closing balance		654,763	516,655

In € 000.

Notes 1 to 26 are an integral part of the consolidated statement of cash flows for the year ended 28 February 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2026

CONTENTS

EL CORTE INGLÉS GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2026

1. CORPORATE INFORMATION

El Corte Inglés, S.A. (the "Parent", the "Company" or "El Corte Inglés") was incorporated in Spain under Spanish company law. Its registered office is located in Madrid, at calle Hermosilla, 112.

The core business of El Corte Inglés, S.A. and its consolidated subsidiaries and associates is the retailing of consumer goods and the provision of a wide range of services (e.g., Travel Group, surface commercialization, insurance brokerage, security services, logistics, financial services) through a network of department stores, hypermarkets, supermarkets, convenience stores, agencies and digital platforms.

The Parent is the head of a group of subsidiaries and under current legislation is obliged to separately prepare consolidated financial statements, which include interests in joint ventures and investments in associates. The consolidated financial statements of El Corte Inglés Group (the "Group") for the year ended 28 February 2026 were authorised for issue by the Parent's Board of Directors at a meeting held on 26 May 2026 and will be submitted for approval at the Annual General Meeting. They are expected to be approved without modification. The consolidated financial statements for the year ended 28 February 2025 were approved at the Annual General Meeting of El Corte Inglés, S.A. held on 24 July 2025 and duly filed with the Madrid Companies Register.

The financial year of El Corte Inglés, S.A. and most of its subsidiaries commences on 1 March each year and ends on 28 February the following year (or 29 February in leap years). However, the financial year of certain subsidiaries and associates is the calendar year. Information on the companies consolidated by El Corte Inglés Group (none of which is publicly traded) at 28 February 2026 is presented in Appendix I, which is an integral part of these consolidated financial statements.

El Corte Inglés Group carries out the majority of its business in Spain (note 22.1).

2. BASIS OF PREPARATION AND BASIS OF CONSOLIDATION

2.1 Basis of preparation

El Corte Inglés Group's consolidated financial statements for the year ended 28 February 2026 were prepared on the basis of the accounting records kept by El Corte Inglés, S.A. and by the other entities comprising the Group and were authorised for issue by the Parent's Board of Directors at its meeting held on 26 May 2026, to give a true and fair view of the consolidated equity and financial position of the Group at 28 February 2026 and the consolidated results of its operations, and changes in consolidated equity and consolidated cash flows, for the year then ended.

The accompanying financial statements were prepared in accordance with the applicable financial reporting framework and, in particular, the International Financial Reporting Standards (IFRS) and their interpretations (issued by IFRIC and SIC), as adopted by the European Union, in conformity with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council and other applicable financial reporting framework provisions.

These consolidated annual financial statements were prepared using the historical cost convention, except for certain financial assets and the derivative financial instruments, which were measured at fair value (note 4.2). The carrying amounts of the assets and liabilities that are hedged items in fair value hedges are adjusted for fair value changes originating from the risk being hedged.

Since the accounting policies and measurement criteria used in preparing the Group's consolidated financial statements for the year ended 28 February 2026 (IFRS) differ from those used by the consolidated entities (local GAAP), the required adjustments and reclassifications were made on consolidation to unify the policies and methods used and make them compliant with the IFRS adopted in Europe.

The accompanying consolidated financial statements are expressed in thousands of euros, unless indicated otherwise. Foreign transactions are accounted for in accordance with the policies explained in note 4.2.9.

The Group uses alternative performance measures (APMs), which complement the metrics provided in accordance with IFRS. Those APMs provide essential information for appraising the Group's performance. They are explained and defined in Appendix I of the consolidated management report.

These consolidated financial statements do not include information or disclosures that do not require detailing on account of their qualitative importance or are not considered material in accordance with the definition of materiality in the IFRS Conceptual Framework.

2.2 Accounting policies

The directors of the Parent have authorised the issuance of the accompanying consolidated financial statements taking into account all the mandatory accounting policies and standards and measurement bases with a material effect on the consolidated financial statements, as well as the alternative treatments permitted by regulations, which are specified in note 4.2.

2.3 Accounting estimates

The information in these consolidated financial statements is the responsibility of the directors of the Parent.

In preparing the consolidated financial statements, estimates were used to measure certain of the assets, liabilities, income, expenses and commitments recognised therein. The estimates subject to greatest uncertainty and therefore requiring the use of judgement in making them are the following:

- The assessment of potential impairment losses on certain non-current assets. Estimating the recoverable amount of non-current assets requires drawing up cash flow projections by cash-generating unit (CGU), underpinned by assumptions about same-store sales growth and gross margins, the trend in operating expenses and appraisals carried out by independent experts. The assets affected by these estimates are classified within "Property, plant and equipment", "Investment properties", "Other intangible assets" and "Goodwill" (note 4.2.5).

- The consideration of options to terminate or extend leases in determining the lease liability and the related right-of-use asset (note 4.2.6)

- Inventory measurement requires making estimates about sales trends, inventory turnover and obsolescence applicable discounting policies (note 4.2.7).

- The fair value of certain financial instruments. Estimating the fair value of certain financial instruments requires management to use significant judgement and valuation techniques that rely on assumptions based on observable market inputs and, on occasion, inputs that are not directly observable, such as interest rates, exchange rates, discount curves, volatilities and other relevant parameters (note 4.2.8).

- The recoverability of deferred tax assets. Assessing the recoverability of deferred tax assets requires the use of significant judgement, especially in order to estimate the probability of generating sufficient taxable profits in the future to enable their utilisation. Those estimates are based on projected taxable earnings, available tax planning and the expected time horizon for reversing temporary differences and are subject to intrinsic uncertainty insofar as they depend on the business's future performance and the applicable tax framework (note 4.2.10).

- The estimation of certain employee benefit obligations. Estimating employee benefit obligations involves significant judgement regarding, among other matters, long-term benefits, such as multi-year incentive plans, whose quantification depends on assumptions about the probability that the commitments will materialise and the degree of delivery of the underlying targets; those estimates are intrinsically uncertain as the assumptions depend on future developments (note 4.2.12).

- The calculation of provisions, including amounts to cover tax contingencies, and the outcome of ongoing litigation (note 4.2.17).

Although these estimates were made on the basis of the best information available as of the date of authorising these consolidated financial statements regarding the facts analysed, future events could make it necessary to revise these estimates in future periods. In accordance with IAS 8, the effect of a change in accounting estimates is recognised prospectively by including it in profit or loss, unless it relates to an error or change in accounting policy.

2.4 Comparative information

As required under IAS 1, the information contained in these consolidated financial statements in respect of 2024 is provided to enable the reader to compare it with that relating to 2025 and does not, therefore, constitute the Group's 2024 consolidated financial statements.

2.5 Aggregation of items

Certain items in the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows have been aggregated with other items to make them easier to understand. However, whenever the amounts involved are material, the information is disclosed separately in the related notes.

2.6 Changes in accounting policies and corrections of errors

The accounting policies applied in the preparation of these consolidated financial statements for the year ended 28 February 2026 are consistent with those applied in the consolidated financial statements for the year ended 28 February 2025, which were approved by Parent's shareholders at the Annual General Meeting.

2.7 Main impacts for the year

2.7.1 Macroeconomic and political environment

The international macroeconomic environment continues to be characterised by significant uncertainty derived from geopolitical tensions, which have intensified in the wake of the recent conflict in the Middle East, joining other sources of persistent instability. Those events have increased volatility in the financial and energy markets, particularly in oil and gas prices. Nevertheless, El Corte Inglés Group's positioning in its operating segments and markets and the strength and flexibility of its procurement and logistics chains help absorb the potentially adverse impact these factors could have on its businesses and performance.

In Spain, where the Group's business is concentrated, the economy registered estimated growth of 2.8%, above the European average. In 2026, before the conflict in the Middle East escalated, growth in Spain was expected to stabilise at around 2.2%, albeit already condition by geopolitical uncertainty. However, following recent developments, the forecasts currently point to an uptick in inflation in 2026, derived mainly from the stress in the energy and commodities markets. The Spanish labour market continued to perform well, with unemployment dipping below 10% for the first time since 2008, while private consumption also remained strong but is expected to slow in 2026. The tourism sector hit new records in 2025 but is showing signs of growing more modestly in 2026.

In this overall context, considering the lingering geopolitical uncertainty but also the favourable momentum in the main Spanish economic indicators, as at the date of authorising these financial statements for issue, there had been no adverse development with a significant impact on the estimates used to prepare them. However, the Parent's directors are monitoring the trend in key macroeconomic variables closely, particularly inflation, interest rates and consumer spending, assessing their direct impact on its operating activities, costs and demand in its main business markets.

2.7.2 Going concern

The Parent's directors have prepared the consolidated financial statements on a going concern basis. They believe that the recurring operating profit obtained, prospect of additional profits in the coming years, the Group's robust financial position thanks to actions taken in recent years and its real estate and financial assets will enable the Group to meet its short- and long-term payment obligations business as usual.

The businesses in the Group's sector tend to have negative working capital, which in the case of El Corte Inglés Group amounted to 915.53 million euros as at 28 February 2026 (28 February 2025: negative working capital of €1,020.53 million). Retailers rely on high inventory turnover and the generation of recurring funds from operations to reduce exposure to liquidity risk related to working capital.

2.8 Basis of consolidation

2.8.1 Full consolidation method

All subsidiaries over which the Parent exercises control, as defined in IFRS 10, are fully consolidated. Control is presumed to exist, in general, when the Group directly or indirectly holds the majority of an investee's voting rights and has the current ability to direct the relevant activities that significantly affect the investee's returns. These investees are considered subsidiaries and they are accounted for as outlined in note 2.8.2 below.

El Corte Inglés does not fully consolidate any investee in which it does not hold the majority of voting rights; nor does it not fully consolidate any investee in which it does hold such a majority.

2.8.2 Subsidiaries

Subsidiaries are investees over which the Parent has the power to exercise effective control, which is presumed to exist if: it has power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of its returns.

Subsidiaries (all investees in which the Parent holds the majority of voting rights) are accounted for using the full consolidation method.

The Group applies the acquisition method to account for business combinations. The cost of an acquisition (the consideration transferred) is the acquisition-date (refer to IFRS 3 *Business Combinations*) fair values of the assets transferred, the liabilities incurred or assumed, and any equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Any excess of the cost of an acquisition over the fair value of the identifiable net assets is recognised as goodwill. If the cost of an acquisition is less than the fair value of the identifiable net assets, i.e. in a bargain purchase, the gain is recognised directly in profit on the acquisition date.

The results of subsidiaries acquired during the year are included in the consolidated statement of profit or loss from the effective date of acquisition to the year-end. Similarly, the results of subsidiaries disposed of during the year are included in the consolidated statement of profit or loss from the beginning of the year up to the date of disposal.

Any third-party interest in the equity of the Group's investees is presented under "Non-controlling interests" in the consolidated statement of financial position within Group equity. Meanwhile, their interest in profit or loss for the period is presented under "Profit/(loss) attributable to non-controlling interests" in the consolidated statement of profit or loss.

In acquisitions of non-controlling interests, the difference between the consideration paid and the proportionate share of the carrying amount of the subsidiary's net assets is recognised in equity. Gains or losses on disposals of non-controlling interests, where control is not relinquished, are also recognised in equity.

2.8.3 Joint ventures

“Joint ventures” are contractual arrangements whereby two or more entities have interests in entities and any strategic, financial or operating decisions affecting them require the unanimous consent of all the venturers, provided the joint arrangements only have rights to the net assets of the arrangement.

In joint arrangements between the Group and one or more unrelated parties to manage an investee where the parties act together to direct the relevant activities and decisions about the relevant activities require the unanimous consent of the parties sharing control, the Group assesses whether it directly has rights and obligations for its proportionate interest in the assets and liabilities of the arrangement (joint operation) or it only has rights to the net assets of the arrangement (joint venture).

Joint ventures or companies over which the Group has significant influence (associates) are accounted for using the equity method (notes 2.8.3 and 2.8.4).

2.8.4 Associates

“Associates” are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control.

In the consolidated financial statements, investments in associates (and joint ventures, defined in note 2.8.3) are accounted for using the equity method, in proportion to the Group’s share of the net assets of the associate (or joint venture), after adjusting for dividends received and other equity eliminations.

The portion of the cost that exceeds the Group’s share of the fair value of the associate’s net assets at the acquisition date is recognised implicitly as goodwill. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group’s share of the net fair value of the associate at the acquisition date over the cost of the investment is included as income.

The Group’s share of an associate’s net profit or loss is included in the consolidated statement of profit or loss under “Share of profit/(loss) of companies accounted for using the equity method”.

If as a result of losses incurred by an associate its equity were negative, the Group would reduce the carrying amount of its investment in the consolidated statement of financial position to zero, unless the Group has an obligation to provide financial support to the associate.

Given the materiality of these investees, the Group tests these investments for impairment annually.

2.8.5 Intragroup eliminations

All balances receivable and payable and transactions carried out between and among subsidiaries, associates and joint ventures are eliminated on consolidation in accordance with the financial reporting framework applicable to the Group.

2.8.6 Uniformity of measurement

The consolidation of the entities comprising the consolidation scope was carried out on the basis of their respective separate financial statements, which are prepared under the Spanish General Accounting Plan for companies resident in Spain and local GAAP for the foreign subsidiaries. The directors have made all the material adjustments needed to adapt these separate financial statements for IFRS and/or to align them with the Parent's accounting policies as part of the consolidation process.

2.8.7 Companies with a different reporting date

Companies with a different reporting date have been consolidated in the financial statements as at their reporting date (31 December 2025 | Appendix 1). Uniformity adjustments are made for transactions carried out between the reporting date of these subsidiaries and the date of the consolidated financial statements if material.

2.8.8 Translation of foreign currency financial statements

2.8.8.1 Functional and presentation currency

Transactions and balances of El Corte Inglés Group entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in euros, which is the functional and presentation currency of the Parent and the main subsidiaries.

2.8.8.2 Transactions and balances

Transactions in foreign currency are translated into the of presentation currency using the spot rates of exchange at the dates of the transactions. Foreign exchange gains and losses arising on the settlement of these transactions and the translation of monetary assets and liabilities denominated in foreign currencies at closing rates are recognised in profit or loss.

2.8.8.3 Group entities

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency using the following procedures:

- Assets and liabilities for each statement of financial position are translated at the closing rate at the reporting date;

- Income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates at the dates of the transaction); and

- All resulting exchange differences, i.e., the differences resulting from the application at the end of each reporting period of the closing rates to assets and liabilities and average rates to items of income and expenses (or the spot rates of exchange on the dates of the transactions, as appropriate) are recognised in equity, under “Translation differences”.

On the disposal of a foreign operation, the exchange differences relating to that foreign operation are recognised in the statement of profit or loss as part of the gain or loss on the disposal.

Any goodwill arising on the acquisition of a foreign operation and fair value adjustments to the net assets arising on the acquisition of that foreign entity are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.8.9 Changes in consolidation scope

There were no noteworthy changes in the Group's consolidation scope in 2025.

The main changes in Group scope in 2024 were as follows:

On 1 October 2024, the Parent acquired the 50% of the equity it did not already own of KUMO Networks, S.A.U. (formerly, KIO Networks España, S.A.). The main assets and liabilities identified at KUMO Networks, S.A.U., measured at cost, were the following:

Item	€ 000
Non-current assets:	**25,077**
Current assets:	**9,697**
(=) Total assets	**34,774**
Non-current liabilities:	**(2,009)**
Current liabilities:	**(7,868)**
(=) Total liabilities	**(9,877)**
(=) Total net assets	**24,897**

As prescribed in IFRS 3, this transaction qualified as a business combination achieved in stages, whose main impacts are itemised below:

Item	€ 000
Acquisition date: 1 October 2024	
(+) Fair value of the original equity interest	27,619
(-) Carrying amount of the equity interest in the	(12,449)
(=) Remeasurement of equity interest (note 10)	**15,170**
(+) Transaction price	29,000
(-) Net assets acquired	(12,449)
(=) Consolidation difference	**16,551**
(=) Preliminary goodwill	**31,721**

Having analysed the net assets acquired, in keeping with applicable accounting standards, the Group carried out the valuation work needed to complete the purchase price allocation (PPA). That work focused on the intangible assets recognised, essentially the measurement of the customer lists and main service provision contracts. The outcome of the purchase price allocation was the following:

Item	€ 000
(=) Preliminary goodwill	**31,721**
(-) Industrial property (note 8)	(600)
(-) Other intangible assets (note 8)	(10,600)
(+) Tax effect	2,800
(=) Goodwill (note 7)	**23,321**

3. APPROPRIATION OF PARENT'S SEPARATE PROFIT

The directors' proposal for the appropriation of the Parent's separate profit, to be submitted for approval at the Annual General Meeting, is as follows:

Item	€ 000
Dividends	250,000
Voluntary reserves	297,459
Total	**547,459**

4. MATERIAL ACCOUNTING POLICIES

4.1 Adoption of new standards and interpretations issued

4.1.1 Standards and interpretations effective in the current period

The following accounting standards, amendments and interpretations took effect on 1 January 2025 and were applied in the preparation of these consolidated financial statements:

Standards and amendments	Description	Mandatory effective date
Amendments to IAS 1 *Lack of Exchangeability*	These amendments clarify the criteria for determining when a currency is effectively not exchangeable and the related disclosure requirements.	1 January 2025

Application of these standards and amendments did not have a significant impact on the figures presented in the Group's consolidated financial statements or the disclosures in the notes thereto because they either did not imply material changes or did not apply to the Group's transactions.

4.1.2 Standards and interpretations issued but not yet effective

As at the date of authorising these consolidated financial statements, the most significant standards and interpretations that had been issued by the IASB but were not yet effective, either because their effective date is subsequent to the date of the consolidated financial statements or because they had not yet been adopted by the European Union, are disclosed below:

Standards and amendments	Description	Mandatory effective date
Adopted by the EU		
IFRS 18 *Presentation and Disclosure in Financial Statements*	This standard introduces new requirements designed to improve the information companies provide about their financial performance and offer investors a better basis for analysing and comparing companies.	1 January 2027

El Corte Inglés Group intends to adopt these standards, if applicable, when they become effective. The Parent's directors estimate that their potential application will not have a material impact on the Group's consolidated financial statements or the disclosures presented in the notes to the Group's consolidated financial statements.

El Corte Inglés is currently in the process of estimating the impacts of first-time application of IFRS 18, a standard that will, above all, affect its financial statement disclosures. As a result, its application is not expected to have a material impact on the amounts recognised in the consolidated annual financial statements but is expected to substantially change their presentation and disclosures.

4.2 Recognition and measurement standards

4.2.1 Goodwill

Business combinations in which the Group acquires control over one or several business are accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations*.

Any positive differences between the cost of the Parent's equity investments in consolidated entities and the carrying amounts of the net assets acquired, as restated on the date of first-time consolidation, are accounted for as follows:

– Where the excess can be allocated to specific assets of the company acquired: by increasing the value of the assets (or reducing the value of the liabilities) whose fair values were higher (lower) than the carrying amounts at which they had been recognised in the acquirees' statements of financial position and which were treated similarly to the Group's same assets (liabilities): depreciation, amortisation, accruals, etc.

– If the excess can be allocated to specific intangible assets, those intangible assets are explicitly recognised in the consolidated statement of financial position to the extent that their acquisition-date fair value can be measured reliably.

- The remaining amount is recognised as goodwill, which is allocated to one or more specific cash-generating units.

Goodwill is only recognised when it has been acquired for consideration and represents, therefore, a payment made by the acquirer in anticipation of future economic benefits from assets of the acquired company that are not capable of being individually identified and separately recognised.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Any goodwill arising on the acquisition of a foreign operation whose functional currency is not the euro is measured in the acquiree's functional currency and translated to euros at the spot rate of exchange at the reporting date.

Goodwill is not amortised, but is subject to an impairment test at least annually (note 4.2.5).

4.2.2 Other intangible assets

Other intangible assets include assets without physical substance, non-monetary assets and specifically identified intangible assets acquired from a third party or developed by the Group. Only assets whose cost can be estimated objectively and from which future economic benefits are expected are recognised.

Intangible assets are initially recognised at acquisition or production cost and subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses.

An intangible asset is regarded as having an "indefinite useful life" when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. In all other cases, it is regarded as having a "finite useful life".

The Group's intangible assets with an indefinite useful life are its goodwill and certain trademarks, as outlined in notes 7 and 8, respectively.

Based on an analysis of all the relevant factors, the Group has determined that there is no foreseeable limit to the period over which its trademarks will generate net cash inflows for the Group. Therefore, it determines that they have indefinite useful lives.

Intangible assets with finite lives are amortised on a straight-line basis applying rates calculated based on the estimated useful lives of the related assets.

Intangible assets with indefinite lives are not amortised, but are tested for impairment at least annually, using the same criteria as are used to test goodwill for impairment (note 4.2.5).

The Group recognises any impairment loss on the carrying amount of these assets in "Other gains/(losses)" in the consolidated statement of profit or loss. The criteria used to recognise impairment losses on these assets and any potential reversal of a previously recognised impairment loss are described in note 4.2.5.

a) Development costs:

Development costs are only recognised as an intangible asset if the Group can demonstrate all of the following:

- That the assets are individually itemised by project;
- The expenditure to develop the asset can be measured reliably; and
- It is probable that the asset created will generate economic benefits in the future.

Capitalised development costs are amortised on a straight-line basis over their useful life (up to a maximum of five years).

If there is any doubt regarding the technical feasibility of a project or its ability to generate economic benefits, the related expenses are recognised immediately in profit or loss.

b) Industrial property:

Industrial property includes amounts paid to acquire the property or the right to use it in its various forms (patents, trademarks and licences) or the expenditure incurred by the Group for its development.

Patents and trademarks are measured on initial recognition at cost and amortised on a straight-line basis over their estimated useful lives, except for trademarks considered to have an indefinite useful life, which are subject to annual impairment testing.

Other assets classified as "Industrial property" are considered to have a finite useful life and are amortised generally over a period of five years.

c) Service concession arrangements:

Service concession arrangements may only be capitalised when they have been acquired by the Group for consideration, in the case of transferable concessions, or at the amount of expenses incurred to obtain them directly from the grantor.

The service concession arrangements recognised by the Group as assets include the amounts paid to acquire the rights to build and operate certain premises and are amortised on a straight-line basis over the term of the arrangement (between 20 and 99 years).

d) Software:

Costs incurred to acquire and develop the Group's basic management information systems are capitalised within "Other intangible assets" in the consolidated statement of financial position.

Software maintenance costs are expensed as incurred.

Software is amortised on a straight-line basis over five years from when each application is brought into use.

e) Key money:

Key money is measured at the amount paid on acquisition and amortised over the period in which it is expected to generate income; i.e. 10 years.

4.2.3 Property, plant and equipment

Property, plant and equipment acquired for use in the production or supply of goods or services, or for administrative purposes, are shown in the consolidated statement of financial position at cost of acquisition or production less accumulated depreciation and any accumulated impairment losses.

Costs incurred to enlarge, upgrade or improve property, plant and equipment which increase productivity, capacity or extend the useful life of the asset are capitalised as an increase in the related asset. Cost includes professional fees and borrowing costs incurred to finance a project during the construction period to the extent it takes more than one year until the asset is reclassified to the appropriate item of property, plant and equipment.

The interest rate used is the Group's average borrowing cost.

Upkeep and maintenance costs are expensed in the period in which they are incurred.

For assets retired due to upgrades, store refurbishment, operational streamlining or identification in the course of physical control and verification processes, the carrying amounts of the related costs and accumulated depreciation are derecognised.

The cost of self-constructed items of property, plant and equipment is recognised at accumulated cost (external costs plus internal costs determined on the basis of warehouse materials consumed in-house and manufacturing costs incurred).

Property, plant and equipment are depreciated using the straight-line method, distributing the cost of the assets over their estimated useful lives, as follows:

Item	Years
Buildings and other structures	33 – 85
Machinery, plant and tools	3.5 – 20
Furniture and fixtures	3.5 – 15
Computer equipment	4 – 6
Vehicles	5 – 15

The gain or loss arising from the disposal or derecognition of an item of property, plant and equipment is calculated as the difference between the selling price and the carrying amount of the asset and included in profit or loss under "Other gains/(losses)" in the consolidated statement of profit or loss.

4.2.4 Investment properties

Investment properties in the accompanying consolidated statement of financial position reflects the values of the land, buildings and other structures held to earn rentals or for capital appreciation.

Investment properties are presented at cost, using the same criteria as for similar items of property, plant and equipment (note 4.2.3).

Rental income from the lease of investment properties amounted to approximately €21.85 million in 2025 (2024: €22.54 million) and is recognised under "Revenue", specifically in the Surface Commercialization segment, in the accompanying consolidated statement of profit or loss.

4.2.5 Impairment of non-current assets

Whenever there are indications of impairment and usually at the end of each reporting period, the Group assesses the recoverability of the carrying amounts of its property, plant and equipment, investment properties and intangible assets (including goodwill) by performing an impairment test. Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually or more frequently if there are indications of impairment.

To check for indications of impairment, the Group tracks noteworthy changes in the economic or market environment, significant movements in discount rates and internal factors such as obsolescence, idle assets or lower-than-expected returns.

The Group's main CGUs are each of its retail premises (department stores, hypermarkets, supermarkets and agencies).

The rest of the Group's assets (e.g. offices, warehouses, logistics centres) are similarly tested for impairment following the procedure explained in this note.

The recoverable amount is the higher of the asset's fair value (determined based on independent expert appraisals) less estimated costs of disposal and its value in use.

To this end, the Group classifies its assets by type for the purpose of determining their recoverable amount, although in practice it engages appraisals from independent experts for virtually all of its assets.

- Core operational centres (stores, department stores and smaller-sized establishments operating business as usual). These assets generate recurring cash flows. Their recoverable amount is the higher of their fair value (appraisals in conformity with RICS
- standards) and value in use.
- Other operational assets in the course of being repositioned whose operating regime may be modified. Their recoverable amount is their fair value, calculated using appraisals carried out in accordance with RICS standards.
- Offices, premises and logistics assets. This category includes corporate offices, outdoor premises and logistics platforms that support the store network. Their recoverable amount is their fair value, calculated using appraisals carried out in accordance with RICS standards.
- Other assets. Leases assets and tested using value in use calculations based on expected future cash flows.

If the estimated recoverable amount of an asset (or CGU) is less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense in “Other gains/(losses)” in the consolidated statement of profit or loss.

When an impairment loss subsequently reverts, the carrying amount of the asset (or CGU) is written up to its recoverable amount, so long as the restated carrying amount does not exceed the carrying amount that would have been recognised had no impairment loss been recognised on that asset (or CGU) in prior years.

Goodwill is tested for impairment (i.e. a reduction in its recoverable amount to below its carrying amount) at the end of each reporting period, and any impairment loss is recognised. An impairment loss recognised for goodwill may not be reversed in a subsequent period.

For trademarks, which have an indefinite useful life, recoverable amount is determined as their value in use, using cash flow projections that are generally based on forward-looking information.

4.2.5.1 Value in use

Value in use is calculated for each CGU based on estimated future cash flows discounted at a rate that reflects current market assessments of the time value of money adjusted for the risks specific to the asset that have not been incorporated into the cash flow estimates.

The Group draws up cash flow forecasts for a CGU generally covering a period of five years based on the best estimates available for revenue and expenses using industry forecasts, past experience and future expectations (e.g. corporate budgets, business plans), and macroeconomic indicators that reflect each market's current and foreseeable economic situation. These estimates are prepared internally by Group management based on past experience and observable trends.

Taking into account strategic objectives and trends in macroeconomic indicators (e.g., population, inflation, GDP), Group management believes that the weighted average sales growth rate projected for the coming years is consistent with past experience.

Terminal value is calculated as a function of normalised cash flow in the last year of the projection period, extrapolated at a rate of growth in perpetuity that in no case is higher than prior year growth rates. The cash flows used to calculate the terminal value take into account the maintenance capex required to ensure the business's continuity at the forecast growth rate.

Cash flows are discounted using an after-tax rate based on the weighted average cost of capital, factoring in country risk considerations, business risk and other variables contingent on the current market situation. The average after-tax discount rate applied varies by business and country. For the Group's main assets, it was 8.1% in 2025.

4.2.5.2 Fair value

For assets whose fair value is determined using market values (appraisals) determined by independent experts, El Corte Inglés' management, in collaboration with those experts, chooses the fair value measurement method that best reflects the situation in the asset's market, also factoring in its strategic importance for the Group.

The Group's portfolios of department stores, offices, logistics assets and other properties are appraised following the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards (Red Book).

The valuation standards defined by RICS are recognised by the international financial community (advisors, consultants, appraisers, etc.), real estate asset owners, the European Group of Valuers (TEGoVA) and the International Valuation Standards Committee (IVSC).

The following methodologies were used to arrive at market value:

- For operational department stores, discounted cash flow (DCF) methodology was used, determining rental income as a percentage of EBITDA based on the property's classification. For operational properties with fluctuating income, the Group also used DCF methodology but determined the most viable yield based on maintainable trade (income over sales). For the other department stores, the market approach was used, based on transactions involving comparable assets undergoing major repositioning-investment programmes.

- For the rest of the asset portfolio (offices, logistics assets and other properties), market value was determined using rent capitalisation, DCF and comparable transaction methodologies, factoring in, among other things, prevailing leases, market rents, yields, discount rates and customary management costs, framed by generally accepted valuation practices.

The total value of the independent expert appraisals of the Group's portfolio of department stores, offices, logistics centres and other assets amounted to €15,666.26 million in 2025.

4.2.5.3 Sensitivity analysis

The Parent's management performs a sensitivity analysis, especially the sensitivity to the discount rate used and the terminal growth rate, to ensure that changes in estimates of these rates will not have a material effect on the recoverable amount of the assets tested for impairment. Specifically, the following assumptions were used:

- A 50bp increase/decrease in the discount rate. For assets whose recoverable amount was determined based on value in use, this would result in an increase or decrease in/reversal of impairment of €53.39 million or €61.94 million, respectively.

- A 0.5% increase/decrease in the rate of growth in perpetuity. For assets whose recoverable amount was determined based on value in use, this would result in an increase or decrease in/reversal of impairment of €35.20 million or €34.42 million, respectively.

- A 5% increase/decrease in the projected cash flows. For assets whose recoverable amount was determined based on value in use, this would result in an increase or decrease in/reversal of impairment of €38.50 million or €32.24 million, respectively.

The results of these sensitivity analyses, taking the assumptions separately, did not imply a significant additional impairment loss or reversal thereof with respect to the carrying amounts of the assets presented in the consolidated financial statements.

4.2.6 Right-of-use assets

Group as lessee

The Group leases its retail premises, travel agencies, computer equipment and other assets (e.g. offices, car parks and vehicles). It applies a single recognition and measurement approach for all leases in which it is lessee except for short-term leases and leases of low-value assets.

Right-of-use assets

El Corte Inglés Group recognises right-of-use assets at the lease commencement date, on the date the underlying asset is available for use. Right-of-use assets are initially measured and are subsequently carried at cost less any accumulated depreciation and any accumulated impairment losses, adjusted as necessary for any remeasurement of the related lease liabilities (note 4.2.5.1). The initial cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date, less any incentives received.

Right-of-use assets are depreciated on a straight-line basis over the lease term unless the useful life of the asset is shorter than the lease term or when it expects to exercise the purchase option or the assets can be relocated, in which case the depreciation period is the same as the useful life of the asset.

The depreciation rates for each type of underlying asset, as classified by the Group based on their average useful lives are as follows:

– Retail premises: 4 years.

– Travel agencies: 3 years.

– Computer hardware and other equipment: 2 years.

– Other: 2 years.

However, where the Group considers it reasonably certain that it will obtain ownership of the leased asset at the end of the lease term or that it will exercise any purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset. In keeping with IFRS 16, right-of-use assets are not tested separately for impairment but are tested together with the rest of the assets comprising the corresponding CGU. The recoverability of their carrying amount is tested by assessing whether the leases are onerous.

The Group’s leases do not include significant obligations to dismantle or restore assets.

Lease liabilities

At the commencement of a lease, the Group recognises a liability for lease payments, including extensions if it is reasonably certain that it will exercise the option, and the right to use the underlying asset during the lease term.

"Finance lease liabilities" include fixed payment commitments (including payments that contractually contain variability but are in-substance fixed payments) and any initial or future payments that are highly likely to be made (e.g. direct costs incurred in obtaining the lease or penalties), less lease incentives and excluding variable payments that depend on the future measurement of a variable. Lease liabilities are measured at amortised cost discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate for that lease. The liability is discounted using the effective interest rate and reduced by the lease payments made.

The lease liability is remeasured, generally by adjusting the right-of-use asset, when there are subsequent changes to the lease agreement, e.g. in the following cases: a change in the lease term, a change in future lease payments resulting from a change in an index used in the lease, a modification of future payments, etc. The lease liability is remeasured using a revised discount rate when there are modifications to the lease term or substantial modifications to the scope of the lease.

Judgements made in determining the lease term

The Group sums together the non-cancellable term of its leases plus any optional extension period it is reasonably certain to exercise. The lease term also includes the periods covered by an option to terminate the lease, if it is reasonably certain not to exercise that option.

The Group has the option in certain contracts to lease the assets for additional periods under standard market clauses. The Group assesses whether it is reasonably certain to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew. The Group has included the renewal period as part of the lease term for leases of retail premises and other facilities due to the importance of these assets for its operations. For other less critical assets and those where the economic rationale for exercising the options was not clear, Group policy is not to include renewal options as part of the lease term.

Leases of low-value assets and short-term leases

There are two exemptions for the recognition of assets and lease liabilities where the income and expense is recognised as accrued:

- Leases of low value assets: These are insignificant leases; i.e. leases in which the value of the underlying asset when it is new is insignificant.

- Short-term leases: Leases with a lease term of less than 12 months.

Right-of-use assets and lease liabilities are not recognised for leases that contain variable payments or substitution rights.

Group as lessor

The leases in which the Group acts as lessor were accounted for in accordance with IFRS 16, applying the following criteria:

Finance leases.

For leases in which the Group retains ownership of the asset but transfers substantially all the risks and rewards incidental to ownership, the leased asset is derecognised and a receivable is recognised at the commencement date at an amount equal to the net investment in the lease, taking into account the interest rate implicit in the lease.

The Group also recognises finance income over the lease term based on a pattern reflecting a constant periodic rate of return on its net investment in the lease.

Operating leases

Leases that do no transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising on the lease is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss to the extent generated from business activities. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are accrued.

4.2.7 Inventories

The Group's core business is the sale of consumer goods in the Retail segment. Inventories in this segment are valued at the lower of cost and net realisable value.

The Group measures inventories initially at cost and subsequently, as the product moves through its life cycle, determines the cost of inventories by reducing the sale price by an estimated percentage gross margin, any markdowns for sales and the age of the merchandise, and changes in seasons and trends, mostly for fashion items. The Group applies this method consistently for all its product families.

Under this method, no specific impairment allowance is required since the risk is hedged implicitly by the valuation method.

4.2.8 Financial instruments

a) Financial assets:

Upon initial recognition, financial assets are classified into one of three categories on the basis of the contractual cash flow characteristics of the financial asset and the Group's expected business model for managing them:

- Financial assets at amortised cost: these assets are initially recognised at fair value plus transaction costs.
- Financial assets at fair value through other comprehensive income (OCI): these assets are also initially recognised at fair value plus transaction costs.
- Financial assets at fair value through profit or loss: these assets are initially recognised at fair value.

For subsequent measurement purposes, the Group may assign its financial assets to one of the following four categories:

- Financial assets at amortised cost.
- Financial assets at fair value through OCI, with subsequent recycling to profit or loss.
- Financial assets at fair value through OCI, without subsequent recycling to profit or loss.
- Financial assets at fair value through profit or loss.

– <u>Financial assets at amortised cost:</u>

This category mainly includes loans extended and trade receivables; these assets are measured at amortised cost using the effective interest method, less credit impairment, if any. The income accrued on these assets is recognised within "Finance income" in the consolidated statement of profit or loss.

Nevertheless, financial assets due within one year for which there is no contractual interest rate are carried at their face value, both initially and subsequently, to the extent the effect of not discounting the cash flows is not material.

The El Corte Inglés card is accepted by most of the Group companies as a customer payment method. Financiera El Corte Inglés E.F.C., S.A. owns all of the cards, and oversees invoice management and administration and collection of sales made using the card.

– <u>Financial assets at fair value through OCI, with subsequent recycling to profit or loss (debt instruments).</u>

The Group did not have any financial assets in this category as at 28 February 2026 or 2025.

– Financial assets at fair value through OCI, without subsequent recycling to profit or loss (equity instruments).

Upon initial recognition, the Group can elect to irrevocably classify its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 and are not held for trading. That designation can be made instrument by instrument.

Gains and losses on these financial assets are never recycled to profit or loss. Dividend income is recognised with a credit to "Other finance income" in the consolidated statement of profit or loss when the right to receive the dividend is established, unless those dividends are considered a return of capital, in which case they are recognised as a reduction in the carrying amount of the investment. The equity instruments included in this category are not tested for impairment.

The Group includes all equity instruments that do not give it control, joint control or significant influence within this category, regardless of whether they are publicly traded.

– Financial assets at fair value through profit or loss.

These assets are recognised at their fair value and changes in that value are credited or charged to the consolidated statement of profit or loss.

The Group only recognises derivatives with a positive fair value in this category.

Derecognition of financial assets

Financial assets are derecognised when:

- The right to receive the cash flows from the asset has expired; or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' transfer; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has an obligation to do so under a pass-through transfer, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset. In that case, the Group also recognises an associated liability.

Impairment of financial assets

The Group recognises a provision for expected credit losses (ECLs) on all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows include the cash flows derived from the sale of collateral held or any other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures in which there has not been a significant increase in credit risk since their initial recognition, an ECL provision is recognised for the expected shortfalls from default events possible within the next 12 months (12-month ECLs). For credit exposures in which there has been a significant increase in credit risk since origination, the provision is recognised for the expected credit losses that result from all possible default events over the expected life of the instrument (lifetime ECLs).

The Group uses the simplified approach for trade receivables and contract assets. As a result, it does not monitor changes in credit risk but rather recognises lifetime ECLs for these assets at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Nevertheless, given the nature of the Group's core business (retail) and the management of credit extended via the El Corte Inglés card by Financiera El Corte Inglés, the risk and amounts associated with financial asset credit impairment are very small.

b) Financial liabilities:

Initial recognition, measurement and presentation

Financial liabilities are classified upon initial recognition as financial liabilities at fair value through profit or loss, borrowings (loans and notes), trade payables or derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and trade payables, net of directly attributable transaction costs.

For subsequent measurement purposes, the Group assigns its financial liabilities to one of the following two categories:

- Financial liabilities at amortised cost.
- Financial liabilities at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in “Finance costs” in the consolidated statement of profit or loss.

Financial liabilities at fair value through profit or loss.

This category includes long-term issued notes and trading derivatives.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

A substantial modification of the terms of a financial liability is accounted for by derecognising the original liability and recognising a new financial liability.

Offsetting financial instruments

Financial assets and liabilities are offset, and presented net on the consolidated statement of financial position, only if the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

c) Equity instruments:

An equity instrument is a contract that evidences a residual interest in the assets of the Parent after deducting all of its liabilities.

Equity instruments issued by the Parent are recognised in equity at the amount received net of any issue costs.

Own shares

Own shares acquired are recognised at the amount of consideration given and deducted directly from equity. Any gain or loss on the purchase, sale, issue or cancellation of own equity instruments is recognised directly in equity and not in consolidated profit or loss.

d) Derivative financial instruments

Hedge accounting

The Group uses derivative financial instruments, such as currency forward contracts, interest rate swaps and commodity forward contracts, to hedge its exposure to fluctuations in exchange rates, fluctuations in interest rates and to energy price volatility, respectively.

Those derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is arranged and are subsequently remeasured at fair value at every reporting date.

The Group uses two types of accounting hedges: For hedge accounting purposes, its hedges are classified as:

- Fair value hedges, when hedging exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges, when hedging exposure to variability in cash flows that is either attributable to a specific risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

Fair value hedges

Changes in the fair value of a hedging instrument are recognised in “Change in the fair value of financial instruments” in the consolidated statement of profit or loss. The carrying amount of the hedged item is adjusted for fair value changes attributable to the risk being hedged, and those fair value changes are recognised in that same heading.

For fair value hedges for which the hedged item is an asset or liability carried at amortised cost, the adjustment to the carrying amount is amortised through profit or loss over the remaining term to maturity using the effective interest method.

If the hedged item is derecognised, the unamortised fair value hedge adjustment is recognised immediately in the consolidated statement of profit or loss.

Cash flow hedges

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in directly in equity and the ineffective portion is recognised immediately in profit or loss for the period.

The amount recognised the cash flow hedge reserve in equity is the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value (present value) of the expected cash flows on the hedged item.

The Group arranges currency forward contracts to hedge its exposure to fluctuations in exchange rates on forecast transactions and firm commitments and arranges commodity forwards to cover its exposure to commodity price volatility. The ineffective portion of the gains or losses on the currency forwards is recognised within other expenses, whereas the ineffective portion of commodity forwards is recognised as part of other operating income or expenses. For further details, refer to note 19.

The Group only designates the movement in the spot interest rate in its forward contracts as a hedging instrument. The forward element of the interest rate forward is recognised in equity, where the gains and losses are accumulated in a separate component.

The amounts accumulated in the hedging reserve in equity are subsequently accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability.

For any other cash flow hedges, the amount accumulated in equity is reclassified to the consolidated statement of profit or loss as a reclassification adjustment in the same period or periods in which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount accumulated in equity remains in equity if the hedged future cash flows are still expected to occur. If those cash flows are no longer expected to occur, that amount is immediately reclassified to profit or loss as a reclassification adjustment. After hedge accounting has been discontinued, once the hedged cash flow occurs, any amount remaining in equity is accounted for depending on the nature of the underlying transaction, as outlined above.

4.2.9 Foreign currency transactions and balances

Transactions in currencies other than the functional currency of each company are recorded at their functional currency spot rates at the date of the transaction. Differences arising in the year between the exchange rate recorded and used at the date of the receipt or payment are recognised in “Exchange differences” in the consolidated statement of profit or loss.

Receivables and payables at 28 February (or 29 February in leap years) denominated in currencies other than the currency in which the Group companies’ financial statements are denominated are translated into the functional currency using the closing rate at the end of the reporting period. The measurement differences are recognised in that consolidated statement of profit or loss item.

4.2.10 Income tax

Income tax expense represents the sum of the income tax payable and the change in deferred tax assets and liabilities.

Income tax expense for the year is calculated as the sum of current tax resulting from applying the corresponding tax rate to taxable profit for the year less any allowable tax deductions, taking into account changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities include taxable and deductible temporary differences, identified as the amounts expected to be payable or recoverable due to differences between the carrying amounts of assets and liabilities and their tax bases, as well as the carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realised or the liability settled within a possible time horizon.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill whose amortisation is not deductible for tax purposes or the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are only recognised for deductible temporary differences to the extent that it is probable that the consolidated entities will generate sufficient taxable profit against which the deductible temporary differences can be utilised except when the deferred tax asset arises as a result of the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting profit or taxable profit or loss. Any other deferred tax assets (unused tax losses and unused tax credits) are only recognised to the extent that it is probable that the consolidated entities will generate sufficient taxable profit in the future against which these assets can be utilised.

Income tax and changes in deferred tax assets and deferred tax liabilities that do not arise on business combinations are recognised in full in the consolidated statement of profit or loss or in equity in the consolidated statement of financial position depending on where the gains or losses giving rise to their recognition were initially recognised.

Deferred tax assets and deferred tax liabilities are not discounted and are classified as non-current assets or non-current liabilities in the consolidated statement of financial position.

Deferred tax assets and liabilities are reviewed at the end of each reporting period to verify that they continue to qualify for recognition, and the appropriate adjustments are made on the basis of the results of the reassessment.

In accordance with prevailing regulations, El Corte Inglés, S.A. files consolidated tax returns with Spanish subsidiaries in which it holds at least 75% of their capital, except companies with a different reporting date than the Parent due to sector regulations.

Since 1 January 2008, El Corte Inglés, S.A., as Parent, has availed itself of the special regime for consolidated groups regulated by Chapter IX of Title IX of Law 37/1992 on value added tax, together with certain Spanish subsidiaries.

4.2.11 Revenue and expenses

a) Identification and classification of revenue

The revenue generated by El Corte Inglés Group originates mainly from the following activities:

- Retail sales of consumer goods to end customers through its network of department stores and smaller retail stores, as well as through its e-commerce platform. This revenue is classified in the "Retail" segment (note 25).
- The provision of services derived from the sale of tickets for corporate and leisure travellers and the revenue generated from intermediation in the management of the sale of vacation packages designed and formulated by other tour operators and revenue from the sale of packages created on its own behalf. This revenue is classified in the "Travel Group" segment (note 25).
- Provision of the services classified within the "Surface Commercialization" segment (note 25), which encompasses revenue from the real estate leases in which the Group acts as lessor and all of the business arrangements whereby third parties access Group establishments.
- The provision of services in other sectors, including corporate security services and household services for end customers (the sale of energy and home alarms, among others). This revenue is classified in the "Other Business Lines" segment (note 25).

b) Principal versus agent consideration and recognition.

- **Revenue in the Retail segment**: Revenue in this segment originates from the sale of consumer goods to individuals through the Group's department stores, smaller-sized retail stores and its e-commerce platform (note 25).

  Revenue in this segment is recognised at the fair value of the consideration delivered by customers when they obtain ownership of the various goods.

  Except in the specific instances outlined further on in this note, in the Retail segment, the Group acts as principal, therefore recognising the revenue obtained at the price paid by the customer, since:

  - The Group is responsible for supplying the good to the customer.
  - The Group acquires the consumer goods from suppliers under formal supply agreements and subsequently distributes those goods to end customers through its department stores, other retail establishments and online platforms. As a result, it bears inventory risk throughout the entire supply cycle, from receipt of the merchandise at its logistics platforms through to distribution to one of its department stores and until delivery to the end customer.
  - The Group has the ability to set the end sale price.

The Group recognises a provision for product returns under “Trade and other payables” on its consolidated statement of financial position for the goods sold it expects to be returned, estimated on the basis of its past experience. It also recognises the right to recover those products from the customer as inventory (with a charge against “Revenue”), with the corresponding adjustment to cost of sales.

In addition, discounts and coupons granted to customers are recognised when it becomes probable that the attached terms will be met with a charge against “Revenue” in the consolidated statement of profit or loss.

Elsewhere, the Group operates with certain suppliers of high-end goods under a management model in which those suppliers supply the product directly to their sales outlets set up within the department stores; is also operates with certain online operations which supply their products directly to the customer’s home. Under these arrangements, the supplier has inventory risk up until right before the product is transferred to the end customer and, in the case of high-end product suppliers, it is the supplier who sets its own returns policy. As a result, additionally considering that the Group at no time assumes any inventory risk and its capacity to set the end sales price is limited, in these instances the Group acts as agent, recognising the associated revenue at the amount of consideration paid to it by the suppliers with which it has arrangements of this kind, which is usually settled monthly.

- **Revenue in the Travel Group segment**: Revenue in this segment derives from intermediation in the sale of travel tickets and car rental services to business and leisure travellers, the sale of accommodation, the sale of holiday packages designed by the Group and intermediation in the sale of packages designed by other operators.

  The revenue from the sale of proprietary holiday packages and the sale of accommodation is recognised at the gross amount (i.e., at the amount of consideration paid by the customer net of any taxes and discounts). Revenue of this nature is recognised when customers are provided with their travel documentation, which is when payment for the booking becomes due.

  In the sale of travel tickets, cruise trips and other third-party vacation packages, the Group simply acts as intermediary, i.e., it only acts as agent, so that the related revenue is presented at its net amount, i.e., at the amount of the sales commission. Revenue of this nature is recognised when the customers are provided with their travel documentation.

- **Revenue in the Surface Commercialization segment**: Revenue in this segment comprises the revenue generated from the property leases in which the Group acts as lessor and that generated by other business relationships in which third parties make use of Group properties or infrastructure.

The revenue generated in the Surface Commercialization segment is recognised on a straight-line basis over the terms of the related contracts.

In the case of revenue generated by services provided by external operators in the Group's department stores, the Group acts as agent.

- **Revenue in the Other Business Lines segment**: Revenue in this segment mainly includes revenue from the provision of security services, home refurbishment services and the sale of energy. This revenue stream is recognised as the performance obligations associated with each type of service are satisfied, on an accrual basis, on the basis, as appropriate, of the passage of time or progress towards completion of the service. All this income is likewise included within "Revenue".

Revenue from the provision of security services is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Specifically, revenue from the provision of recurring surveillance and monitoring services is recognised at monthly intervals, whereas revenue from the installation of security systems is recognised at the level of progress towards completion of the installation, which is determined as a function of the costs incurred.

Revenue from the sale of energy is recognised as a function of the energy effectively supplied or the energy management services provided during the period.

4.2.12 Employee benefit obligations

a) Termination benefits and other employee benefits payable

Under current labour law, the Group is obliged to pay severance to employees terminated under certain conditions.

The Parent's directors estimate that the provisions recognised at 28 February 2026 to cover these obligations are sufficient (note 16.1).

b) Other long-term employee benefits

The Group recognises in "Other benefits" the cash-settled long-term incentive plan ("LTIP") allocated to certain employees depending on the level of achievement of certain targets in El Corte Inglés Group's 2025-2029 Strategic Plan.

4.2.13 Government grants

Government grants are recognised as income when the attached conditions are complied with over the periods the related costs are expensed and are deducted from the related cost item.

Government grants related to property, plant and equipment and intangible assets are accounted for as deferred income and recognised in profit or loss over the expected useful life of the related asset.

4.2.14 Discontinued operations and non-current assets held for sale

The Group classifies property, plant and equipment, intangible assets, other non-current assets and assets included in "Investments accounted for using the equity method" and disposal groups (i.e. a group of assets to be disposed of together with liabilities directly associated with those assets) that are being actively marketed at the end of the reporting period at a price that is reasonable and for which a sale is expected to take place within 12 months after that date as non-current assets held for sale.

The Group considers discontinued operations to be lines of business that have been sold or will be sold and meet the criteria for classification as held for sale.

These assets are measured at the lower of their carrying amount or fair value less costs to sell. Depreciation on these assets ceases when they are classified as held for sale.

The post-tax profit or loss of discontinued operations is presented in a single line item in the consolidated statement of profit or loss called "Profit after tax from discontinued operations".

4.2.15 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on a current/non-current classification. Current assets and liabilities are those the Group expects to sell, consume, settle or realise in the normal operating cycle, or are expected to be realised within 12 months after the reporting period. All other assets and liabilities are classified as non-current.

Assets and liabilities are not offset unless required or permitted by a standard or an interpretation.

4.2.16 Consolidated statement of cash flows

The following terms, with the meanings specified, are used in the consolidated statement of cash flows, which was prepared using the indirect method:

- Cash flows: inflows and outflows of cash and cash equivalents, the latter understood as short-term, highly liquid investments which are subject to an insignificant risk of changes in value.

- Operating activities: the principal revenue-producing activities of the entity and other activities that are not investing or financing activities.

- Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

- Financing activities: activities that result in changes in the size and composition of the contributed equity and borrowings of the entity that are not operating activities.

4.2.17 Provisions and contingencies

Group policy is to recognise provisions for the estimated amounts required to settle liabilities arising from ongoing litigation, indemnities or other obligations, and from guarantees and warranties where it is probable that the Group will have to make payment, provided the amount can be estimated reliably.

The amount of provisions is based on the best information available about the underlying circumstances and events and is remeasured at the end of each reporting period and reversed, in part or in full, when the underlying obligations cease to exist or diminish.

Contingent liabilities are not recognised in the consolidated financial statements, except those recognised in a business combination, but are disclosed in the financial statement notes in accordance with IAS 37.

4.2.18 Environmental assets and liabilities

Environmental assets are those used on a lasting basis in the Group's operations whose main purpose is to minimise environmental damage and to protect and restore the environment, including the reduction or elimination of pollution in the future.

The Group's business, by its very nature, does not have a material impact on the environment. However, disclosures of environmental assets and expenses are provided in note 24.

Carbon footprint

Climate change action is a strategic priority at El Corte Inglés Group and an essential component of its 2025-2030 Sustainability and CSR Master Plan and its Net Zero Transition Plan, under which it has committed to gradually transitioning to climate neutrality by 2050.

The Group carries out its activities under the guiding principle of minimising the impact its operations have on the environment. It is driving the reduction of its carbon footprint through continuous process improvement, the introduction of more efficient solutions and the use of more environmentally-friendly technologies and energy sources. These initiatives help reduce the Group's greenhouse gas (GHG) emissions and adapt it for climate change, framed by based environmental practices and in line with regulatory demands.

The Group's strategy for reducing its carbon footprint is articulated around the following lines of initiative:

- Identification, analysis and assessment of the risks and opportunities associated with climate change, integrating them into the Group's management processes.
- Management and control of the GHG emissions derived from its activities.
- Efficiency improvements across retail establishments, logistics platforms and operating processes.
- Increased use of renewable sources of energy in the Group's energy mix.
- Implementation of technological improvements and optimisation of transportation and logistics with a view to reducing these activities' environmental impact.
- Programmes for involving our suppliers in a joint effort to reduce emissions.

These measures are unlocking significant progress on reducing emissions, most notably through energy efficiency initiatives, a growing share of renewable energy and improved operations management. Note that nearly 100% of the electricity consumed by the Group in Spain in 2025 boasted guarantees of origin certifying zero emissions, evidencing its commitment to a more sustainable energy model.

In parallel, through its Telecor subsidiary, El Corte Inglés Group shored up its energy procurement policy in 2022 by arranging two long-term renewable energy offtake agreements (power purchase agreements or PPAs). The energy associated with those agreements comes from photovoltaic power facilities with combined installed capacity of close to 330 MW, capable of generating more than 650 GWh of renewable energy a year, so making a sizeable contribution to decarbonising the Group's electricity consumption.

5. PROPERTY, PLANT AND EQUIPMENT

The reconciliation of the various components of property, plant and equipment at the beginning and end of 2025 and 2024 is provided below:

2025

Item	Opening balance	Additions/ (charges)	Derecognitions/ (reversals)	Transfers/ Other	Closing balance
Cost					
Land, buildings and other structures	8,892,358	11,025	(4,687)	(45,239)	8,853,457
Machinery, plant and tools	6,276,822	51,373	(2,122,951)	148,484	4,353,728
Furniture and fixtures	2,021,478	6,381	(734,626)	18,587	1,311,820
Computer equipment	462,815	26,379	(12,697)	62	476,559
Vehicles	6,236	114	(1,512)	31	4,869
PP&E under construction	279,606	255,443	-	(169,869)	365,180
Total cost	**17,939,315**	**350,715**	**(2,876,473)**	**(47,944)**	**15,365,613**
Depreciation					
Buildings and other structures	(1,266,298)	(40,183)	453	1,474	(1,304,554)
Machinery, plant and tools	(5,086,200)	(159,377)	2,078,879	(1,026)	(3,167,724)
Furniture and fixtures	(1,676,006)	(51,086)	720,848	(39)	(1,006,283)
Computer equipment	(383,442)	(22,861)	7,938	(66)	(398,431)
Vehicles	(4,761)	(187)	1,177	(30)	(3,801)
Total depreciation	**(8,416,707)**	**(273,694)**	**2,809,295**	**313**	**(5,880,793)**
Impairment					
Land, buildings and other structures	(912,770)	(103,678)	161,149	15,983	(839,316)
Machinery, plant and tools	(209,601)	(18,752)	32,508	186	(195,659)
Furniture and fixtures	(23,418)	(4,277)	6,446	50	(21,199)
Computer equipment	(574)	(74)	139	1	(508)
Vehicles	30	-	8	-	38
Total impairment	**(1,146,333)**	**(126,781)**	**200,250**	**16,220**	**(1,056,644)**
Carrying amount	**8,376,276**	**(49,760)**	**133,072**	**(31,412)**	**8,428,176**

In € 000

2024

Item	Opening balance	Changes in scope	Additions/ (charges)	Derecognitions/ (reversals)	Transfers/ Other	Closing balance
Cost						
Land, buildings and other structures	9,014,424	6,639	9,026	(3,409)	(134,322)	8,892,358
Machinery, plant and tools	6,150,220	3,370	44,304	(78,665)	157,593	6,276,822
Furniture and fixtures	2,009,034	452	4,828	(19,501)	26,665	2,021,478
Computer equipment	409,200	19,825	46,534	(11,333)	(1,411)	462,815
Vehicles	6,661	-	48	(492)	19	6,236
PP&E under construction	341,649	15,166	205,370	-	(282,579)	279,606
Total cost	**17,931,188**	**45,451**	**310,112**	**(113,400)**	**(234,036)**	**17,939,315**
Depreciation						
Buildings and other structures	(1,240,856)	(2,475)	(41,027)	928	17,132	(1,266,298)
Machinery, plant and tools	(5,064,540)	(1,473)	(159,085)	85,697	53,201	(5,086,200)
Furniture and fixtures	(1,651,133)	(403)	(55,940)	19,320	12,150	(1,676,006)
Computer equipment	(355,678)	(16,680)	(18,703)	6,863	756	(383,442)
Vehicles	(5,016)	-	(233)	455	33	(4,761)
Total depreciation	**(8,317,223)**	**(21,031)**	**(274,988)**	**113,263**	**83,272**	**(8,416,707)**
Impairment						
Land, buildings and other structures	(1,063,732)	-	(83,306)	145,147	89,121	(912,770)
Machinery, plant and tools	(212,691)	-	(15,280)	(8,788)	27,158	(209,601)
Furniture and fixtures	(24,096)	-	(3,794)	948	3,524	(23,418)
Computer equipment	(1,102)	-	(16)	239	305	(574)
Vehicles	(13)	-	-	43	-	30
Total impairment	**(1,301,634)**	**-**	**(102,396)**	**137,589**	**120,108**	**(1,146,333)**
Carrying amount	**8,312,331**	**24,420**	**(67,272)**	**137,452**	**(30,655)**	**8,376,276**

In € 000

The main movements under property, plant and equipment in 2025 and 2024:

- Additions to property, plant and equipment in 2025 and 2024 related mainly to costs to upgrade and enlarge several department stores and to retrofit and transform several stores of different sizes. Those efforts were concentrated at the Sagasta and Vigo department stores and also included completion of the works at the Plaza Cataluña, Vitoria and Callao establishments. In addition, the Group is investing strategically in its logistics infrastructure in order to boost supply chain efficiency.

- Disposals in 2025 related mainly to the derecognition of fully depreciated items and the sale of certain assets. Given the high volume of assets and increasing investments in existing stores in recent years, the Group carries out inventories of the fittings and furnishings in its establishments, derecognising any assets no longer fit for purpose or not identified in the course of that process.

- The transfers recognised in 2025 related to certain real estate assets with a carrying amount of €31.41 million that were moved to "Investment properties", having met the classification and measurement rules outlined in note 4.2.4 above (2024: €30.40 million).

  The breakdown of the carrying amounts of the Group's land and buildings at year-end 2025 and 2024 is shown below:

Item	2025	2024
Land	4,380,147	4,336,375
Buildings and other structures	2,329,440	2,376,915
Total	**6,709,587**	**6,713,290**

In € 000

In 2025, the Group capitalised expenses recognised in "Finance costs" within "Property, plant and equipment - Buildings" in an amount of €1.63 million in the consolidated statement of profit or loss (2024: €1.90 million).

The Group had the following items of property, plant and equipment located outside of Spain at year-end 2025 and 2024:

Item	2025		2024	
	Cost	Depreciation and impairment	Cost	Depreciation and impairment
Land, buildings and other structures	267,415	(58,809)	267,877	(56,273)
Machinery and plant	242,911	(192,293)	239,783	(185,810)
Other PP&E under construction	104,930	(92,062)	114,780	(100,419)
Total	**615,256**	**(343,164)**	**622,440**	**(342,502)**

In € 000

Assets built on land obtained under a concession arrangement are as follows:

Item	2025	2024
Buildings and other structures	164,212	164,250
Machinery and plant	139,342	182,072
Other assets	55,698	62,517
Accumulated depreciation	(191,455)	(229,624)
Accumulated impairment	(61,933)	(62,309)
Total	**105,864**	**116,906**

In € 000

At year-end 2025, the Group had firm investment commitments totalling €146.46 million.

Group policy is to take out third-party insurance policies covering the value of its property, plant and equipment. In the case of real estate assets, that coverage relates to the assets' construction value. The Parent's directors consider that the coverage provided by these policies was adequate in 2025 and 2024.

6. INVESTMENT PROPERTIES

El Corte Inglés Group's investment properties consist mainly of properties leased out for rent and other projects. The reconciliation of the carrying amount of this statement of financial position sheet heading at the beginning and end of 2025 and 2024 is as follows:

2025

Item	Balance at 1 March 2025	Additions/ (charges)	Disposals	Transfers/Other	Balance at 28 February 2026
Land, buildings and other structures	1,271,739	494	-	46,760	1,318,993
Total cost	**1,271,739**	**494**	**-**	**46,760**	**1,318,993**
Accumulated depreciation	(109,639)	(4,284)	-	(1,453)	(115,376)
Impairment	(623,901)	(6,738)	6,048	(13,895)	(638,486)
Carrying amount	**538,199**	**(10,528)**	**6,048**	**31,412**	**565,131**

In € 000

2024

Item	Balance at 1 March 2024	Additions/ (charges)	Disposals	Transfers/Other	Balance at 28 February 2025
Land, buildings and other structures	1,122,421	28,637	-	120,681	1,271,739
Total cost	**1,122,421**	**28,637**	**-**	**120,681**	**1,271,739**
Accumulated depreciation	(95,230)	(5,264)	-	(9,145)	(109,639)
Impairment	(520,401)	(22,473)	111	(81,138)	(623,901)
Carrying amount	**506,790**	**900**	**111**	**30,398**	**538,199**

In € 000

The breakdown of investment properties by use:

Item	2025	2024
Offices	219,262	220,033
Premises	121,641	120,303
Land	181,184	154,663
Other	43,044	43,199
Total	**565,131**	**538,199**

In € 000

Group policy is to take out third-party insurance policies covering the construction value of its investment properties. The Parent's directors consider that the coverage provided by these policies was adequate in 2025 and 2024.

7. GOODWILL

The breakdown of goodwill at year-end 2025 and 2024:

Item	2025	2024
Logitravel goodwill	163,816	163,816
KUMO Networks goodwill (note 2.8.9)	23,321	23,321
Sanchez Romero goodwill	10,339	10,339
Beyond	18,697	18,697
Total	**216,173**	**216,173**

In € 000

None of the impairment tests conducted at 28 February 2026 indicated the need to recognise any impairment losses. Given the headroom identified, it was not considered necessary to carry out any sensitivity analysis around the results of the impairment tests.

8. OTHER INTANGIBLE ASSETS

The reconciliation of “Other intangible assets” at the beginning and end of 2025 and 2024:

2025

Item	Opening balance	Additions/ (charges)	Derecognitions/ (reversals)	Transfers	Closing balance
Cost					
Key money	11,192	42	(42)	-	11,192
Software	1,776,557	219,814	(71,198)	-	1,925,173
Concessions	143,013	-	-	-	143,013
Industrial property	135,115	-	(2)	-	135,113
Other assets	77,110	6,275	-	-	83,385
Total cost	**2,142,988**	**226,131**	**(71,242)**	**-**	**2,297,877**
Amortisation					
Key money	(9,176)	(450)	-	437	(9,189)
Software	(1,228,900)	(126,754)	63,083	3	(1,292,568)
Concessions	(53,082)	(2,007)	-	-	(55,089)
Industrial property	(23,295)	(5,619)	2	-	(28,912)
Other assets	(18,277)	(8,833)	-	(440)	(27,550)
Total amortisation	**(1,332,730)**	**(143,663)**	**63,085**	**-**	**(1,413,308)**
Impairment					
Key money	(1,920)	-	-	-	(1,920)
Software	(14,733)	(4,923)	-	-	(19,656)
Concessions	(9,976)	(7,960)	-	-	(17,936)
Industrial property	(36,055)	(325)	-	-	(36,380)
Total impairment	**(62,683)**	**(13,208)**	**-**	**-**	**(75,891)**
Carrying amount	**747,575**	**69,260**	**(8,157)**	**-**	**808,678**

In € 000

2024

Item	Opening balance	Changes in scope (note 2.8.9)	Additions/ (charges)	Derecognitions/ (reversals)	Transfers	Closing balance
Cost						
Key money	16,066	-	62	(34)	(4,902)	11,192
Software	1,617,516	3,326	184,158	(26,266)	(2,177)	1,776,557
Concessions	143,193	-	14	(194)	-	143,013
Industrial property	134,342	600	-	1	172	135,115
Other assets	60,515	10,600	4,867	-	1,128	77,110
Total cost	**1,971,632**	**14,526**	**189,102**	**(26,493)**	**(5,779)**	**2,142,988**
Amortisation						
Key money	(14,037)	-	(766)	34	5,593	(9,176)
Software	(1,127,946)	(2,772)	(114,184)	15,834	168	(1,228,900)
Concessions	(51,406)	-	(1,870)	(374)	568	(53,082)
Industrial property	(17,633)	(100)	(5,613)	(1)	52	(23,295)
Other assets	(11,859)	(353)	(5,668)	3	(400)	(18,277)
Total amortisation	**(1,222,881)**	**(3,226)**	**(128,101)**	**15,496**	**5,982**	**(1,332,730)**
Impairment						
Key money	(1,919)	-	-	-	(1)	(1,920)
Software	(14,733)	-	-	1	(1)	(14,733)
Concessions	(16,145)	-	-	6,113	56	(9,976)
Industrial property	(27,207)	-	(8,848)	-	-	(36,055)
Total impairment	**(60,004)**	**-**	**(8,848)**	**6,114**	**55**	**(62,683)**
Carrying amount	**688,747**	**11,300**	**52,154**	**(4,883)**	**257**	**747,575**

In € 000

a) Software

The main movements in 2025 and 2024:

- The new assets related mainly to the development of software and technological infrastructure designed to render the Group's operations more efficient and reinforce the omnichannel strategy with end customers.

- The assets derecognised in 2025 were mainly items of software whose features have been replaced as part of the ongoing technological upgrade process. In 2024, they mainly related primarily to fully depreciated items and the sale of certain assets for €10.28 million, generating a gain of €0.59 million, which was recognised in the consolidated statement of profit or loss under "Other gains/(losses)".

b) Concessions

Certain business establishments of different sizes are operated under concessions.

c) Industrial property

The Group recognises the acquisition cost of its various trademarks and other forms of industrial property used in its business activities under “Industrial property”.

- **Trademarks with indefinite useful lives**: as at 28 February 2026, the Group’s indefinite-lived intangible assets comprised the trademark acquired from Sanchez Romero, whose carrying amount stood at €4.14 million at both reporting dates.

  This heading also includes several other trademarks acquired by El Corte Inglés, S.A. in prior years with an aggregate carrying amount at year-end of €13.26 million.

- **Trademarks with a finite useful life**: as at 28 February 2026, the Group had several trademarks, acquired in previous years, carried at €52.42 million, including the Logitravel trademark, which is carried at €52.80 million. These intangible assets are being amortised on a systematic basis over their useful lives.

9. LEASES

9.1 Group as lessee

The Group has lease contracts, mainly over retail premises, travel agencies, computer equipment and other assets (e.g., offices, car parks and vehicles). The criterion used to depreciate those right-of-use assets is outlined in note 4.2.6.

The table below reconciles the opening and closing balances of right-of-use assets:

2025

Item	Retail premises	Travel agencies	Other (e.g. offices, car parks, vehicles)	Total
Opening balance	**254,481**	**17,976**	**69,943**	**342,400**
Additions and derecognitions	80,390	7,023	48,033	135,446
Depreciation and amortisation	(81,337)	(5,551)	(23,508)	(110,396)
Reversals and impairment	(10)	-	-	(10)
Translation differences	732	-	(204)	528
Closing balance	**254,256**	**19,448**	**94,264**	**367,968**

In € 000

2024

Item	Retail premises	Travel agencies	Other (e.g. offices, car parks, vehicles)	Total
Opening balance	**283,582**	**16,190**	**65,431**	**365,203**
Additions and derecognitions	56,890	6,979	21,884	85,753
Depreciation and amortisation	(84,058)	(5,193)	(17,436)	(106,687)
Reversals and impairment	4,555	-	-	4,555
Translation differences	(6,488)	-	64	(6,424)
Closing balance	**254,481**	**17,976**	**69,943**	**342,400**

In € 000

The reconciliation of the related lease liabilities:

Item	2025	2024
Total finance lease liabilities	**374,205**	**389,968**
Additions	133,275	88,725
Finance costs	15,486	16,518
Lease payments	(116,924)	(113,693)
Translation differences	693	(7,313)
Total finance lease liabilities	**406,735**	**374,205**

In € 000

Maturity analysis of lease liabilities:

Year	2025	2024
2025	-	95,628
2026	115,091	81,366
2027	90,623	44,993
2028	51,504	34,527
2029	41,019	32,242
2030	31,416	16,394
Beyond	77,082	69,054
Total	**406,735**	**374,204**

In € 000

"Operating expenses" in the consolidated statement of profit or loss in 2025 includes expenses of €21.28 million and €23.58 million for leases to which the recognition exemptions of IFRS 16 (short-term leases and low-value leases, respectively) were applied.

Given the complexity in determining the interest rate implicit in each lease agreement, the Group used its incremental borrowing rate ("IBR"), which depends on certain factors such as asset location, lease start date and duration and the type of assets leased (premises, logistics assets and others), among others. The discount rates used in 2025 and 2024 ranged between 1.5% and 4.8%.

9.2 Group as lessor

The main leases in which El Corte Inglés Group is lessor are operating leases, mainly rentals of properties, stores and premises. Those leases are usually revised annually or whenever stipulated in the lease agreements in order to align them with market conditions.

Future minimum rentals receivable under the Group's current leases year-end 2025 and 2024, without factoring in costs to be reimbursed by the lessor, inflation-related adjustments or contractually-agreed rent increases:

Item	2025	2024
Collected during the year	37,905	38,133
Within one year	39,955	37,296
Receivable between one and five years	87,609	102,448
Receivable in more than five years	62,798	67,548
Total	**228,267**	**245,425**

In € 000

10. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Group's most significant investments in associates as at 28 February 2026 and 28 February 2025:

2025

Item	Balance at 1 March 2025	Share of profit/(loss)	Dividends	Other changes	Balance at 28 February 2026
Financiera El Corte Inglés E.F.C., S.A.	153,437	27,210	(46,647)	-	134,000
Seguros ECI Vida, Pensiones y Reaseguros, S.A.	322,218	27,916	(34,726)	-	315,408
Centro de Seguros y Servicios ECI, Agencia de Seguros Vinculada, S.A.	267,882	8,221	(10,520)	(3)	265,580
Sephora Cosméticos España, S.L.	17,748	15,668	(12,766)	-	20,650
Other	8,722	611	(774)	-	8,559
Total	**770,007**	**79,626**	**(105,433)**	**(3)**	**744,197**

In € 000

2024

Item	Balance at 1 March 2024	Share of profit/(loss)	Dividends	Additions	Disposals	Other changes	Balance at 28 February 2025
Financiera El Corte Inglés E.F.C., S.A.	153,546	24,587	(24,696)	-	-	-	153,437
Seguros ECI Vida, Pensiones y Reaseguros, S.A.	303,623	20,272	(1,750)	-	-	73	322,218
Centro de Seguros y Servicios ECI, Agencia de Seguros Vinculada, S.A.	265,926	9,565	(9,810)	-	-	2,201	267,882
Sephora Cosméticos España, S.L.	5,261	12,487	-	-	-	-	17,748
KIO Networks España, S.A.	11,688	16,120	-	-	(27,808)	-	-
Other	5,369	868	(742)	4,999	(1,557)	(215)	8,722
Total	**745,413**	**83,899**	**(36,998)**	**4,999**	**(29,365)**	**2,059**	**770,007**

In € 000

There were no significant movements under these investments in 2025.

The main changes in 2024 were as follows:

- As disclosed in note 2.8.9, on 1 October 2024, the Parent acquired the remaining 50% of KUMO Networks, S.A.U. As prescribed in IFRS 3, this transaction qualified as a business combination achieved in stages, whose main impacts are itemised below:
  - Remeasurement of the equity-accounted investment, increasing it by €15.17 million, with that gain recognised under "Share of profit of companies accounted for using the equity method" in the consolidated statement of profit or loss.
  - Having analysed the net assets acquired, as itemised in note 2.8.9, in keeping with applicable accounting standards, the Group carried out the valuation work needed to allocate the purchase price (PPA). The PPA gave rise to the recognition of €23.32 million of goodwill (note 7) and of other intangible assets in the amount of €11.2 million.
  - Lastly, in 2024, the Group contributed €4.99 million of capital to Sociedad de Ahorro e Inversión ECI Agencia de Valores S.A., a transaction that did not change the Parent's equity interest in that investee.

The key metrics for the Group's joint ventures and associates:

2025

Item	Own. int. (%)	Type	Assets	Liabilities	Equity	Operating profit	Profit/(loss) for the year
Financiera El Corte Inglés E.F.C., S.A.	49.00	Associate	2,193,668	1,889,546	304,122	-	55,531
Seguros ECI Vida, Pensiones y Reaseguros, S.A.	49.99	Associate	830,176	648,944	181,232	73,331	54,890
Centro de Seguros, S.A.	49.99	Associate	145,726	91,105	54,621	21,540	18,343
Sephora Cosméticos España, S.L.	50.00	Joint venture	111,810	68,125	43,685	42,959	32,885
Beyond			23,046	5,864	17,182	2,226	1,221
Total			**3,304,426**	**2,703,584**	**600,842**	**140,056**	**162,870**

In € 000

2024

Item	Own. int. (%)	Type	Assets	Liabilities	Equity	Operating profit	Profit/(loss) for the year
Financiera El Corte Inglés E.F.C., S.A.	49.00	Associate	2,096,474	1,797,386	299,089	-	50,178
Seguros ECI Vida, Pensiones y Reaseguros, S.A.	49.99	Associate	821,019	624,063	196,957	62,768	47,622
Centro de Seguros, S.A.	49.99	Associate	149,986	92,663	57,324	23,736	21,045
Sephora Cosméticos España, S.L.	50.00	Joint venture	112,291	75,958	36,333	33,286	23,917
Beyond			24,121	6,613	17,508	2,172	1,734
Total			**3,203,891**	**2,596,683**	**607,211**	**121,962**	**144,496**

In € 000

11. NON-CURRENT AND CURRENT FINANCIAL ASSETS

The breakdown of this consolidated statement of financial statement heading:

Item	2025		2024	
	Current	Non-current	Current	Non-current
Financial assets at amortised cost (note 11.1)	30,850	74,601	49,766	58,493
Financial assets at fair value through equity, deposits and other (note 11.2)	21,664	37,790	22,645	19,816
Derivatives (note 19)	484	10,135	17,525	15,649
Total	**52,999**	**122,527**	**89,937**	**93,959**

In € 000

11.1 Financial assets at amortised cost

The breakdown of this consolidated statement of financial statement heading:

Item	2025		2024	
	Current	Non-current	Current	Non-current
Loans, derivatives and other:				
Loans	23,614	42,491	47,368	28,033
Security deposits and other	7,236	32,110	2,398	30,460
Total	**30,850**	**74,601**	**49,766**	**58,493**

In € 000

Loans

In 2022, The Group extended Tool Factory, S.L. (a non-controlling shareholder in VECI Travel Group, S.L.) a loan in the amount of €24 million, repayable in 2029.

Given that the above loan is expected to be repaid within 10 days of acquisition of Tool Factory S.L.'s interest (note 20.1), it has been reclassified to current liabilities.

As a general rule, loans and receivables are classified in accordance with their maturity, presenting assets due within 12 months from the end of the reporting period within current assets.

Breakdown of maturities of "Loans and receivables – Loans":

2025

Item	2027	2028	2029	2030	Total
Loans	40,107	989	769	626	**42,491**

In € 000

2024

Item	2026	2027	2028	2029	2030	Total
Loans	1,168	1,107	24,989	769	-	28,033

In € 000

11.2 Financial assets at fair value through OCI, deposits and other assets

The breakdown of this consolidated statement of financial statement heading:

Item	2025		2024	
	Current	Non-current	Current	Non-current
Equity instruments	-	74,844	-	38,895
Deposits and other	21,664	-	22,646	-
Total	**21,664**	**74,844**	**22,646**	**38,895**

In € 000

"Equity instruments" under non-current assets includes primarily El Corte Inglés Group's 11.22% investment in Grupo Real Turismo, S.A.B de Capital Variable, a Mexican hospitality company, which is carried at €30.57 million.

Since this investment is classified as a financial asset at fair value through other comprehensive income in the Group's consolidated financial statements, the changes in its fair value are recognised directly in equity, as prescribed in IFRS 9 - *Financial instruments*.

In 2025, the Group sold a financial assets at fair value through other comprehensive income.

"Deposits and other" under current assets primarily includes an escrow account at a financial institution with a balance of €13.66 million (2024: €13.91 million) in guarantee of certain contractual obligations with certain members of the Board of Directors.

11.3 Derivatives

The breakdown of this consolidated statement of financial statement heading:

Item	2025		2024	
	Current	Non-current	Current	Non-current
Loans, derivatives and other (note 19)	484	10,135	17,525	15,649
Total	**484**	**10,135**	**17,525**	**15,649**

In € 000

11.4 Fair value hierarchy

The Group classifies its financial instruments into the three levels stipulated in IFRS 7, as disclosed in note 4.2.8. Classification of financial assets among the three levels:

Fair value measurements	Level 1	Level 2	Level 3	Total
At 28 February 2026				
Equity instruments (note 11.2)	728	-	37,062	37,790
Derivatives (note 11.3)	-	10,619	-	10,619
Total financial assets	**728**	**10,619**	**37,062**	**48,409**

In € 000

Fair value measurements	Level 1	Level 2	Level 3	Total
At 28 February 2025				
Equity instruments (note 11.2)	760	7,353	11,703	19,816
Derivatives (note 11.3)	-	33,173	-	33,173
Total financial assets	**760**	**40,526**	**11,703**	**52,989**

In € 000

12. INVENTORIES

The breakdown of this consolidated statement of financial position heading:

Item	2025	2024
Goods held for resale	1,835,203	1,805,176
Consumables	61,599	58,253
Total	**1,896,802**	**1,863,429**

In € 000

In line with widespread practice in the retail sector, El Corte Inglés Group places purchase orders with certain suppliers months before the merchandise is due to be delivered. The amount of purchases committed to as at 28 February 2026 was €865.09 million (28 February 2025: €823.40 million).

The Group was also contractually commitment to customer sales in the amount of €151.84 million at 28 February 2026 (28 February 2025: €143.77 million).

It is Group policy to take out the insurance policies necessary to cover the potential risks to which its inventories are exposed. The Parent's directors believe that the coverage provided by those inventory insurance policies was adequate at both reporting dates.

13. TRADE AND OTHER RECEIVABLES

The breakdown at 28 February 2026 and 28 February 2025:

Item	2025	2024
Trade receivables	160,777	162,046
Unbilled trade receivables	9,655	7,404
Allowance for impairment of trade receivables	(32,448)	(33,423)
Other receivables	252,628	235,816
Other taxes receivable (note 21.2)	43,525	54,069
Total	**434,137**	**425,911**

In € 000

There were no material amounts of "Trade and other receivables" in default or for which the Group had not recognised a loss allowance for expected credit losses at either reporting date.

In 2025, the Group recognised a net reversal of impairment losses on trade and other receivables in the amount of €0.01 million (2024: €2.28 million).

"Other taxes receivable" mainly include balances related to VAT and other taxes and levies generated by the Group companies.

14. CASH AND CASH EQUIVALENTS

The breakdown of this consolidated statement of financial position heading at year-end:

Item	2025	2024
Cash in hand	49,565	41,519
Cash at banks	605,198	475,137
Total	**654,763**	**516,655**

In € 000

15. EQUITY

15.1 Capital

El Corte Inglés, S.A.'s share capital was represented by 75,766,824 shares with a unit par value of €6 at 28 February 2026 (28 February 2025: 75,766,824), all fully paid. The Parent's shares are not listed.

The legal persons with ownership interests of over 10% in the Company are Fundación Ramón Areces (40.04%) and Cartera de Valores IASA, S.L (18.40%).

15.2 Legal reserve

The Spanish Corporate Enterprises Act stipulates that 10% of profit for each year be transferred to the legal reserve until it represents at least 20% of share capital.

The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase.

Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

The Group's Parent had fully endowed its legal reserve, in the amount of €90.92 million at 28 February 2026 and 2025.

15.3 Other reserves

This heading includes restricted reserves of the Parent in the amount of €314.56 million at both reporting dates, mainly revaluation reserves and reserves for cancelled capital.

15.4 Own shares

At year-end, the Group held the following own shares:

Item	No. of shares	Par value (€)
Own Class A shares at 28 February 2026	5,224,076	6
Own Class A shares at 28 February 2025	5,224,076	6

In € 000

The Group did not buy or sell any own shares in 2025. In 2024, it spent €6.30 million on the acquisition of own shares (713,994 shares). It did not sell any own shares that year.

The Parent has an agreement with Primefin, S.A. (a non-controlling shareholder) giving the latter the option to sell it all of its shares in El Corte Inglés, S.A. Under the terms of that put option, as it was not exercised in the first exercise window (July 2025), there are three remaining windows with the same terms and conditions for exercise by Primefin, in July 2028, 2031 and 2034. Since this agreement does not imply an unconditional cash delivery by El Corte Inglés Group, no financial liability has been recognised.

15.5 Valuation adjustments

Financial assets at fair value through other comprehensive income

This consolidated statement of financial position heading includes the after-tax impact of changes in the fair value of financial assets classified as available-for-sale. Those fair value gains or losses are reclassified to profit or loss when the underlying assets are sold or become impaired.

Cash-flow hedges

This consolidated statement of financial position heading includes the after-tax impact of changes in the fair value of the derivatives designated as cash-flow hedges (note 19).

15.6 Non-controlling interests

This consolidated statement of financial position heading presents the interests at year-end of the non-controlling shareholders in certain Group subsidiaries. The reconciliation of those non-controlling interests at the beginning and end of 2025 and 2024:

2025

Company	Ownership interest, %	Interest in: Balance at 1 March 2025	Interest in: Valuation and other adjustments	Interest in: Profit/(loss) for the year	Balance at 28 February 2026
Moda Sfera Joven México, S.A. de C.V.	49.00	32,570	453	5,498	38,521
VECI Travel Group	25.00	69,809	(5,338)	12,653	77,124
Total		**102,379**	**(4,885)**	**18,151**	**115,645**

In € 000

2024

Company	Ownership interest, %	Interest in: Balance at 1 March 2024	Interest in: Valuation and other adjustments	Interest in: Profit/(loss) for the year	Balance at 28 February 2025
Moda Sfera Joven México, S.A. de C.V.	49.00	32,789	(10,121)	9,902	32,570
VECI Travel Group	25.00	73,444	(14,460)	10,825	69,809
Total		**106,233**	**(24,581)**	**20,726**	**102,379**

In € 000

Financial information of subsidiaries that have material non-controlling interests is provided below:

	2025		2024	
Item	Moda Sfera Joven Mexico, S.A. de C.V.	Veci Travel Group	Moda Sfera Joven Mexico, S.A. de C.V.	Veci Travel Group
Ownership interest (%)	**49.00**	**25.00**	**49.00**	**25.00**
Assets	99,864	814,129	85,665	816,157
Liabilities	15,430	602,872	15,049	633,172
Equity	84,434	211,257	70,616	182,985
Operating profit	15,259	62,201	27,199	49,265
Profit/(loss) for the year	12,031	50,608	21,217	43,299

In € 000

16. PROVISIONS AND CONTINGENT LIABILITIES

16.1 Current and non-current provisions

The reconciliation of the opening and closing balances of provisions:

2025

Item	Opening balance	Additions	Amounts used	Unused amounts reversed	Transfers and other	Closing balance
Non-current:						
Provisions for long-term incentives	-	16,278	-	-	-	**16,278**
Provisions for employee benefits	31,074	-	-	-	(15,024)	**16,050**
Provisions for dismantling	18,026	-	-	(3,989)	-	**14,037**
Other provisions	10,872	2,208	(2,361)	(1,152)	-	**9,567**
Total non-current	**59,972**	**18,486**	**(2,361)**	**(5,141)**	**(15,024)**	**55,932**
Current:						
Provisions for long-term incentives	104,207	2,980	(106,566)	(621)	-	**-**
Provisions for employee benefits	21,403	3,101	(18,965)	-	15,024	**20,563**
Provisions for dismantling	1,622	-	(679)	-	-	**943**
Provisions for litigation and claims	26,955	159	-	-	-	**27,114**
Other provisions	6,407	1,580	(4,516)	(369)	-	**3,102**
Total current	**160,594**	**7,820**	**(130,726)**	**(990)**	**15,024**	**51,722**

In € 000

2024

Item	Opening balance	Additions	Amounts used	Unused amounts reversed	Transfers and other	Closing balance
Non-current:						
Provisions for long-term incentives	86,022	18,185	-	-	(104,207)	-
Provisions for employee benefits	17,145	8,180	-	-	5,749	31,074
Provisions for dismantling	25,737	-	(6,392)	(1,200)	(119)	18,026
Other provisions	12,292	1,519	(1,596)	(1,462)	119	10,872
Total non-current	**141,196**	**27,884**	**(7,988)**	**(2,662)**	**(98,458)**	**59,972**
Current:						
Provisions for long-term incentives	-	-	-	-	104,207	104,207
Provisions for employee benefits	37,973	11,568	(22,389)	-	(5,749)	21,403
Provisions for dismantling	2,125	-	(503)	-	-	1,622
Provisions for litigation and claims	24,023	2,932	-	-	-	26,955
Other provisions	5,000	3,068	(1,661)	-	-	6,407
Total current	**69,121**	**17,568**	**(24,553)**	**-**	**98,458**	**160,594**

In € 000

Provision for multi-year incentives

On 24 July 2025, the Parent's shareholders ratified, in general meeting, a cash-settled long-term incentive plan ("LTIP") for certain members of its management team linked to the delivery of certain targets set down in the strategic plan presented and approved by the Board of Directors and shareholders in general meeting for 2025-2029.

A provision of €16.2 million was recognised in this respect in 2025. Considering that 2025 is the first year in which the long-term incentive plan accrued and that the plan runs until 2029, the entire provision has been classified within non-current liabilities.

Elsewhere, in 2025, following delivery of the related targets, the outgoing long-term incentive plan associated with the 2021-2024 strategic plan was settled.

Provisions for employee benefits

- **Early retirement plan**: As at 28 February 2026, the Parent had provided for the impact of redundancies under the early-retirement plan notified to employees aged between 61 and 62 in 2023. The total amount of the provision for early retirements at 28 February 2026 was €11.94 million (28 February 2025: €15.62 million), of which €7.24 million (28 February 2025: €6.93 million) was classified within current provisions.

- **Voluntary redundancy**: On 27 February 2023, the Parent introduced a voluntary redundancy scheme for employees over the age of 59. The main terms of that plan were as follows:

  – The term of the plan was until 31 December 2023, which meant that the employment contracts of the employees accepting the redundancy offer had to be terminated no later than 31 December 2023.

  – The period for volunteering for the scheme ended on 22 May 2023.

  – The coverage period runs from the date of termination until the age of 64 at the latest.

  – During that coverage period, the Parent, at the employee's choice, will pay either all of the corresponding benefit as an upfront lump sum or a pre-tax monthly amount equivalent to one-twelfth of their pre-tax annual salary multiplied by a market percentage depending on their age.

  On 28 February 2023, the Parent recognised an initial provision to €30 million to cover that voluntary retirement scheme. The amount pending payment stood at €9.41 million at 28 February 2026 (€14.85 million at 28 February 2025), of which €3.98 million (€5.10 million at 28 February 2025) was recognised within current provisions.

- **Travel Group restructuring plan**: On 30 January 2025, Viajes El Corte Inglés, S.A., a Group company, launched a workforce reorganisation plan for its central services staff in order to boost the sales network and reinforce customer service. That initiative, underpinned by the Group's commitment to maintaining employment, is accompanied by a specific programme targeted at employees over the age of 59, along with an agreement for the 'substantial modification' of employment terms and conditions, including geographic mobility.

  The key aspects of the substantial modification agreement:

  – The transfer of staff from central roles to the leisure travel sales network, operations or the Canary Islands destination management unit, realigning wages and other terms of employment with those of their new positions.

  – As an alternative to those transfers, affected employees can opt for redundancy with a termination benefit equivalent to 25 days of pay for every year worked with a ceiling of 15 months' pay.

  – Execution of these measures are due to finalise by 31 July 2026.

The main terms of that redundancy scheme are as follows:

- The term of the plan is from 30 January 2025 to 31 December 2025, which means that the employment contracts of the employees accepting the redundancy offer have to be terminated by 31 December 2025.

- The voluntary registration period ended on 14 March 2025. The coverage period runs from the date of termination until the age of 64.

In addition, on 27 February 2025, Tourmundial Operadores, S.A., a Group company, embarked on a workforce restructuring plan similar to that outlined above.

As at 28 February 2026, the total related provision amounted to €10.80 million, of which €7.90 million has been recognised within current provisions.

Provisions for dismantling

In "Provisions for dismantling", the Group recognises provisions for the estimated costs it is obliged to incur in order to dismount certain department stores and other retail establishments from which it has ceased to operate or expects to do so, and for certain compensation payments for external operators as a result thereof. This provision stood at €14.98 million at 28 February 2026, of which €0.94 million was recognised within current provisions (28 February 2025: €19.65 million, of which €1.62 million within current provisions).

16.2 Sureties and guarantees extended to third parties and other contingent liabilities

Sureties and guarantees

The sureties extended by the Group amounted to €181.64 million as at 28 February 2026 (€165.83 million at 28 February 2025). Of the year-end total, €0.90 million was related with legal and tax matters (28 February 2025: €0.89 million). The rest, deposited at a range of financial institutions, are bonds securing business transactions.

Spanish National Markets and Competition Commission (CNMC)

On 28 November 2023, the CNMC's anti-trust department notified the Company's investee, Viajes El Corte Inglés, S.A., of the start of proceedings (File No. S/0001/23 Travel Agency Services) investigating possible "anti-competitive practices prohibited in articles 1 of Spain's Anti-Trust Act and 101 of the Treaty on the Functioning of the European Union (TFUE), specifically concerted agreements and/or practices around the allocation of customers and/or adjudication of tenders for the provision of travel agency service agreements, and the exchange of commercially sensitive information for the provision of such services". Following the conclusion of the related investigations on 10 December 2025, CNMC's Board settled the case, with no significant impact for the Group.

Other contingent liabilities

El Corte Inglés Group, despite upholding the highest standards in respect of its commitment to employees and customer service, is subject to lawsuits and claims related to employee-related and civil matters in the ordinary course of its business. It considers that any present or future liabilities arising from these lawsuits or claims, individually (because the amounts are insignificant) or in the aggregate, will not have a material adverse effect on its business, operating performance or financial reporting.

El Corte Inglés Group operates in a tightly regulated business environment. It is constantly subject to administrative inspections and controls to verify compliance with the regulations governing its activity. Based on available information, any obligations arising from these administrative dealings are not expected to have a material impact on the Group's business, earnings, financial position or operations, individually or in the aggregate.

17. NON-CURRENT AND CURRENT BANK BORROWINGS, NOTES AND OTHER MARKETABLE SECURITIES

The breakdown of these consolidated statement of financial statement headings:

Item	Non-current		Current	
	2025	2024	2025	2024
Syndicated loan	983,131	1,394,629	-	29,989
EIB loan	136,429	174,429	38,000	38,000
ICO loan	142,857	157,143	14,286	14,286
Other financial liabilities	-	-	3,476	6,414
Bank borrowings	**1,262,417**	**1,726,201**	**55,762**	**88,689**
Lease liabilities (note 9.1)	291,644	278,577	115,091	95,628
Lease liabilities	**291,644**	**278,577**	**115,091**	**95,628**
Notes	995,723	503,811	17,930	11,080
Notes and other marketable securities	**995,723**	**503,811**	**17,930**	**11,080**
Derivatives (note 19)	509	-	11,831	522
Other financial liabilities	3,610	3,349	195	25,247
Other financial liabilities	**4,119**	**3,349**	**12,026**	**25,769**
Total	**2,553,903**	**2,511,938**	**200,809**	**221,166**

In € 000

The fair value of the debt at 28 February 2026 stood at €2.79 billion.

17.1 Bank borrowings

Syndicated loan

The breakdown of the syndicated loan:

Item	Face value	2025		2024	
		Current	Non-current	Current	Non-current
Tranche A	918,879	-	918,879	-	918,879
Tranche B	1,081,121	-	65,520	-	57,124
Tranche C	450,000	-	-	29,989	420,011
Transaction cost	-	-	(1,268)	-	(1,385)
Total	**2,450,000**	**-**	**983,131**	**29,989**	**1,394,629**

In € 000

The details of the different tranches:

- Tranche A: €918.88 million, of which €67.5 million falls due on 28 March 2027 and €851.38 million matures on 28 March 2029.

- Tranche B: €1.08 billion, of which €82.5 million falls due on 28 March 2027 and €998.62 million matures on 28 March 2029. That tranche was drawn down by €65.52 million at 28 February 2026 (€57.13 million at 28 February 2025).

- In 2025, Tranche C was drawn down early in full, for €450.00 million.

The current refinancing also includes sustainability commitments in line with the Group's corporate social responsibility strategies.

As at 28 February 2025, the Parent had entered into interest rate hedges on the syndicated loan for a total notional amount of €1,000.00 million, comprising two hedging derivatives of €500 million each, one expiring in 2027 and one in 2029 (note 19) (28 February 2025: €1,450.00 million).

In 2025, the rating agencies S&P Global Ratings and Fitch Ratings affirmed their corporate BBB- rating, revising the outlook from stable to positive.

At year-end 2025, as stipulated in the syndicated financing agreement, the Group is not obliged to comply with any financial ratios or provide any other kind of financial certification calculated on the basis of its consolidated financial statements due to the fact that it holds an investment-grade credit rating.

European Investment Bank (EIB)

The details of the financing extended by the European Investment Bank:

Grant date	Face value	2025		2024	
		Current	Non-current	Current	Non-current
December 2016	116,000	16,571	-	16,571	16,571
March 2020	150,000	21,429	91,429	21,429	112,858
January 2023	45,000	-	45,000	-	45,000
Total	**311,000**	**38,000**	**136,429**	**38,000**	**174,429**

In € 000

- In December 2016, the European Investment Bank extended the Group a loan in the amount of €116 million, with the last instalment due in February 2027. The balance outstanding at 28 February 2026 was €16.57 million (€33.14 million at 28 February 2025).
- On 30 March 2020, the Group arranged a new loan with the European Investment Bank in the amount of €150 million (having increased it by €40 million in March 2021). The balance outstanding at 28 February 2026 was €112.86 million (€134.29 million at 28 February 2025), of which €21.43 million was classified within current liabilities.
- On 18 January 2023, the Group arranged two new 10-year loans in a total amount of €45 million to finance digitalisation and energy efficiency projects.

Spain's Official Credit Institute (ICO)

The ICO has extended the Group the following financing:

Grant date	Face value	2025		2024	
		Current	Non-current	Current	Non-current
March 2020	100,000	14,286	42,857	14,286	57,143
March 2023	100,000	-	100,000	-	100,000
Total	**200,000**	**14,286**	**142,857**	**14,286**	**157,143**

In € 000

- On 30 March 2020, the Group arranged a 10-year loan with the ICO in the amount of €100 million. At 28 February 2026, the balance outstanding was €57.14 million, with €14.29 million classified as current.
- On 30 March 2023, the Group was extended another €100 million, 10-year loan by the ICO. That loan was fully drawn down at 28 February 2026.

The maturity profile of the liabilities comprising "Bank borrowings" and "Notes and other marketable securities" at their contractual amount is as follows:

2025

Item	2027	2028	2029	2030	Beyond	Total	Total (amortised cost)
Bank borrowings	147,835	78,610	979,108	45,068	71,012	1,321,632	1,262,417
Lease liabilities (note 9.1)	97,219	56,271	45,103	30,658	97,267	326,518	291,644
Notes and other marketable securities	36,434	36,639	36,501	36,501	1,064,507	1,210,582	995,723
Total	**281,488**	**171,520**	**1,060,712**	**112,227**	**1,232,786**	**2,858,732**	**2,549,784**

In € 000

2024

Item	2027	2028	2029	2030	Beyond	Total	Total (amortised cost)
Bank borrowings	509,124	156,388	86,906	957,977	116,581	1,826,976	1,726,201
Lease liabilities (note 9.1)	88,874	42,383	29,363	24,689	92,743	278,051	278,577
Notes and other marketable securities	20,361	20,324	20,471	20,378	537,746	619,281	503,811
Total	**618,359**	**219,095**	**136,740**	**1,003,044**	**747,070**	**2,724,308**	**2,508,589**

In € 000

The interest rates on bank borrowings are benchmarked to Euribor plus a market spread adjusted for El Corte Inglés Group's risk.

The Group has receivables discounting and credit facilities, which accrue interest at market rates, with the following limits:

Item	2025		2024	
	Limit	Undrawn	Limit	Undrawn
Receivables discounting facilities	3,000	3,000	3,000	3,000
Credit facilities (a)	1,235,621	1,169,407	1,135,621	1,076,473
Total	**1,238,621**	**1,172,407**	**1,138,621**	**1,079,473**

In € 000
(a) Includes Tranche B of the syndicated financing.

At 28 February 2026, the credit facility was drawn down by €66.21 million (28 February 2025: €59.15 million). There were also credit facilities in US dollars with a limit of $1.5 million at both reporting dates.

17.2 Notes and other marketable securities

Notes

On 29 May 2024, the Parent's directors approved a Euro Medium Term Note (EMTN) Programme with an aggregate limit of €2 billion. The programme's base prospectus was approved by the Central Bank of Ireland on 14 June 2024.

In 2025, under the scope of that programme, the Parent held a new notes issue, with a total face notional amount of up to €500 million. Those notes, issued with a unit notional value of €100 thousand, mature in eight years and accrue an annual coupon of 3.50%.

In 2024, the Parent held its first issuance of notes under that programme, with a total notional value of €500 million. Those notes, issued with a unit notional value of €100 thousand, mature in seven years and accrue an annual coupon of 4.25%.

For both the notes issued in 2025 and 2024, the Group arranged an interest rate swap over a notional amount of €250 million each, under which the Parent receives a fixed rate of interest and pays a floating rate. This derivative was designed as an accounting hedge, with both the changes in the fair value of the hedged item and the hedging instrument recognised in profit or loss.

18. RISK MANAGEMENT POLICIES

The Group's business activities expose it to various types of financial risk: market risk (including foreign exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. Risk management at the Group is overseen by the Parent's management team, which puts the necessary mechanisms in place. Management focuses on uncertainty in the financial markets and seeks to minimise the potential adverse effects on the Group's profitability, using financial instruments (note 19).

This note provides details about the Group's exposure to each of the above-mentioned risks, the risk management targets, policies and processes for each, the methods used to measure them and the year-on-year changes in the various exposures.

In general, the Group holds its cash and cash equivalents at financial entities with high credit ratings.

Credit risk

The Group's credit risk vis-a-vis third parties is not significantly concentrated: the vast majority of its revenue stems from retail sales which are settled, fundamentally, in cash or by card.

The Group recognises a provision for expected credit losses on other business transactions (mainly corporate retail transactions and the Travel Group's services to companies) using a provision matrix based on historical credit loss experience and prevailing macroeconomic conditions.

The amount of the provision is the difference between the carrying amount of the assets and the present value of forecast future cash flows. That provision is recognised in the consolidated statement of profit or loss (note 13). The Group recognised a provision for expected credit losses of €32.45 million at year-end 2025 (2024: €33.42 million) on receivables of €434.14 million (2024: €425.91 million).

There were no significant balances at 28 February 2026 or 28 February 2025 that had not been adjusted for expected credit losses based on the analysis conducted by the Group and its policies for determining those haircuts. The fair value of the Group's receivables is not materially different from their carrying amount.

Liquidity risk

Prudent management of liquidity risk entails maintaining adequate cash and marketable securities and ensuring available funding in the form of sufficient committed credit facilities (note 17).

Ultimate responsibility for liquidity risk management lies with the Parent's management, which is tasked with drawing up an adequate framework for controlling the Group's liquidity needs in the short, medium and long term. The Group manages liquidity by maintaining adequate funds, using appropriate bank services, keeping undrawn credit and loan facilities and continuously monitoring prevailing and forecast cash flows, matching them with the maturity profiles of its financial assets and liabilities. The Group had ample liquidity at 28 February 2026 (note 17). In addition, it has access to the capital markets, a commercial paper programme listed on MARF and undrawn credit facilities (note 17).

Interest rate risk

The future cash flows of assets and liabilities benchmarked against floating rates of interest fluctuate because of changes in interest rates. The Group's financial instruments that expose it to interest rate risk are essentially its floating-rate loans and its derivative instruments.

The Group enters into derivatives to mitigate that exposure based on its outlook for interest rates and its long-term capital structure targets (note 19).

The Parent's management performs a sensitivity analysis, especially in respect of interest rate risk, to ensure that any changes in interest rate do not have a material impact. With respect to its interest rate derivatives, an increase or decrease in interest rates of 0.1pp would result in an increase of €1.6 million and a decrease of €1.6 million, respectively, in the MTM as at 28 February 2026.

Price risk

Despite the risks derived from the current global economic and geopolitical uncertainty, which could exert inflationary pressure on certain services, inflation has been easing gradually over the past year, so that the Group has not been affected significantly by this risk.

Foreign exchange risk

The Group operates in international markets and is, therefore, exposed to foreign exchange risk, primarily on account of transactions arranged in US dollars.

Foreign exchange risk is managed in accordance with Group management guidelines which essentially contemplate natural hedging strategies and constant monitoring of exchange rates, among other mitigating measures. It is Group policy to arrange financial instruments (currency forwards) to reduce its exposure to exchange differences on foreign-currency transactions (note 19).

The breakdown of the most significant transactions denominated in foreign currencies, mainly the US dollar, performed by the Spanish Group companies, and the resulting year-end balances, measured at the average and closing exchange rates, respectively:

Item	2025	2024
Payables	18,237	47,375
Purchases	644,726	675,137

In € 000

The most significant transactions and resulting year-end balances of the Group companies that operate in currencies other than the euro (mainly the subsidiaries located in Latin America), measured at the average and closing exchange rates, respectively:

Item	Mexican pesos		Other currencies		Total	
	2025	2024	2025	2024	2025	2024
Payables	39,717	43,245	33,838	36,119	73,555	79,364
Other liabilities	-	7	399	467	399	473
Sales	106,748	116,306	(41)	3	106,707	116,309
Services rendered	155,752	151,582	301,447	313,172	457,199	464,754
Purchases	162,099	160,340	313,750	355,449	475,849	515,789
Services received	26,509	25,189	4,981	5,470	31,490	30,659

In € 000

Capital management policy

The Group's capital management objectives are to safeguard its ability to continue as a going concern in order to generate further returns for its shareholders and benefits for all its stakeholders and to maintain an optimum financial structure to reduce the cost of capital.

The Parent's directors use the leverage ratio agreed with its syndicated loan financiers to monitor compliance with the Group's capital and financial management objectives. Leverage is defined as the ratio of reported net financial debt to adjusted EBITDA. Reported net financial debt and adjusted EBITDA are defined in the APMs explained in Appendix IIII of the consolidated financial statements, together with the related reconciliations.

The resulting leverage ratios at year-end:

Item	2025	2024
Reported net financial debt:		
Non-current notes and other marketable securities	996	504
Non-current borrowings	1,263	1,726
Current borrowings	53	89
Cash and cash equivalents	(664)	(524)
Total reported net financial debt	**1,648**	**1,796**
Total adjusted EBITDA	**1,251**	**1,200**
Leverage ratio	**1.3**	**1.5**

In € m

19. DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to hedge the risks to which its activities, operations and future cash flows are exposed.

The methods used by the Group to calculate the fair value of its derivatives, including the associated credit risk adjustments (IFRS 13) and the corresponding input levels for fair value hierarchy purposes (IFRS 7), are disclosed in note 4.2.8. The derivative financial instruments held by the Group at 28 February 2026 and 28 February 2025:

2025

Item	Classification	Type	Notional amount	Maturity	Fair value (a) Assets	Fair value (a) Liabilities
Interest-rate swaps	Interest-rate hedge (Tranche A)	Floating-to-fixed	500,000 (a)	2027	2,331	-
Interest-rate swaps	Interest-rate hedge (Tranche A) (*)	Floating-to-fixed	500,000 (a)	2029	3,354	-
Fair value hedges	Interest-rate hedges (2024 note)	Fixed-to-floating	250,000 (a)	2031	4,450	-
Fair value hedges	Interest-rate hedges (2025 note)	Fixed-to-floating	250,000 (a)	2033	-	505
Currency forwards	Foreign exchange hedges	Purchase of currency	468,485 (b)	2026	484	6,257
Cash flow hedges	Trading derivatives: swaps related with energy purchases	Floating-to-fixed			-	3,818

(a) In € 000.
(b) Notional amount in $ 000.
(*) Effective start date: 28 March 2027.

2024

Item	Classification	Type	Notional amount	Maturity	Fair value (a) Assets	Fair value (a) Liabilities
Interest-rate swaps	Interest-rate hedge (Tranche A)	Floating-to-fixed	500,000 (a)	2027	4,999	-
Interest-rate swaps	Interest-rate hedge (Tranche A) (*)	Floating-to-fixed	500,000 (a)	2029	3,654	-
Fair value hedges	Interest-rate hedges (notes)	Fixed-to-floating	250,000 (a)	2031	6,996	-
Currency forwards	Foreign exchange hedges	Purchase of currency	362,938 (b)	2025	14,333	-
Interest-rate swaps	Interest-rate hedge (Tranche C)	Floating-to-fixed	450,000 (a)	2025	986	-
Cash flow hedges	Trading derivatives: swaps related with energy purchases	Floating-to-fixed		2026	-	522

(a) In € 000.
(b) Notional amount in $ 000.
(*) Effective start date: 28 March 2027.

The Group recognises gains or losses derived from movements in the fair value of its cash flow hedges (interest rate, currency and energy swaps) in equity under "Valuation adjustments - Hedging transactions". Those movements implied a loss of €20.44 million in 2025, net of the tax effect (2024: €15.05 million).

At both reporting dates, the Group had arranged a number of derivative financial instruments that did not qualify for hedge accounting, with the following characteristics:

Item	Currency forwards 2025	Currency forwards 2024
Notional amount	51,807 (b)	52,775 (b)
Fair value (a)		
Assets	-	2,206
Liabilities	1,760	-

(a) In € 000.
(b) In $ 000.

There was no impact on profit or loss from derivatives that did not qualify for hedge accounting in either 2025 or 2024.

20. TRADE PAYABLES

"Trade and other payables" mainly includes the amounts outstanding on the purchase of goods for resale and related expenses. The Group's management believes that the carrying amounts of the Group's trade payables approximate their fair value.

20.1. Trade and other payables

The breakdown of this heading at year-end:

Item	2025	2024
Trade payables	2,962,377	2,717,323
Other taxes receivable (note 21.2)	235,304	236,978
Payable to employees	485,575	496,306
Accrued remuneration and other employee benefits payable	183,494	185,704
Current account balances	302,081	310,602
Total	**3,683,256**	**3,450,606**

In € 000

"Trade payables" includes an amount of €220 million related to the Group's obligation to acquire the non-controlling interest of VECI Travel Group, S.L. ("VTG") following formal notification in November 2025 to Tool Factory, S.L. that it was exercising the call option included in the shareholders' agreement entered into on 28 February 2022.

In accordance with International Financial Reporting Standards, exercise of the purchase option was assessed as a contractual obligation to acquire non-controlling interests in accordance with IAS 32, giving rise to recognition of a liability measured initially at fair value and subsequently in accordance with IFRS 9.

Since El Corte Inglés, S.A. has control over VTG, the transaction was treated as a transaction with non-controlling interests in accordance with IFRS 10, with the initial effect recognised directly in equity (reserves) and no impact on profit or loss.

"Current account balances" in the table above relate to the net balance between El Corte Inglés, S.A., on the one hand, and Group company employees and the Parent's directors, on the other (note 23.2).

20.2 Supplier payment term disclosures

Additional Provision Three of Law 15/2010 (5 July 2010)

Below are the disclosures required under Additional Provision Three - "Disclosure requirements" - of Spanish Law 15/2010 (5 July 2010):

Item	2025	2024
Average supplier payment term	39 days	39 days
Paid transactions ratio	40 days	40 days
Outstanding transactions ratio	20 days	20 days
	Amount	
Total payments made	**12,456,331**	**11,480,231**
Total payments outstanding	**696,480**	**750,702**
Invoices paid within the legally stipulated deadline	11,689,438	10,510,423
Percentage of total payments	93.8%	91.6%
Number of invoices paid within the legally stipulated deadline	7,572,840	6,439,921
Percentage of total invoices	93.5%	91.7%

In € 000

The data provided in the table above regarding supplier payments refer to suppliers qualifying as trade creditors in respect of amounts due in exchange for goods and services supplied, to which end it includes the amounts presented under "Trade and other payables" within current liabilities on the accompanying consolidated statement of financial position.

"Average supplier payment term" is the period elapsing between delivery of the goods or provision of the services by the supplier and payment for the transaction.

That term is calculated by dividing the sum of the paid transactions ratio times total payments made plus the outstanding transactions ratio times total payments outstanding by the sum of total payments made and total payments outstanding.

The paid transactions ratio is calculated as the ratio between the numerator formed by the sum of the products of the payments made and the days of payment (the number of calendar days elapsing between delivery of the goods or provision of the services by the supplier until effective payment for the transactions) and the denominator formed by the total amount of payments made.

Lastly, the outstanding transactions ratio is calculated by dividing the sum of the payments outstanding times the days payable outstanding (the number of calendar days elapsing between delivery of the goods or provision of the services by the supplier and the reporting date) by the total amount of payments outstanding.

The Parent is bound by Spain's Retail Trade Act. The maximum payment term applicable to the Company under that legislation is 60 days, as virtually all of the goods it purchases for resale are food items and consumer goods, unless a longer term of payment is expressly negotiated with the supplier and the supplier is offered financial compensation for such deferral; at any rate, that term cannot exceed 90 days.

21. TAXES PAYABLE | RECEIVABLE AND TAX MATTERS

21.1 Consolidated Tax Group

El Corte Inglés files its income tax return under the consolidated tax regime together with the Spanish subsidiaries in which it holds at least 75% of their capital and the majority of their voting rights since the start of the tax period, as provided in prevailing legislation. Companies included in the Tax Group:

TAX CONSOLIDATION GROUP	
Parent:	
EL CORTE INGLÉS, S.A.	
APERTURE TRAVEL, S.L.	RECEPTIVO VECISA, S.L.
ASON, INMOBILIARIA DE ARRIENDOS, S.L.	RUBIÑOS 1860, S.A.
CDEV SENIOR, S.L.	SICOR ALARMAS EL CORTE INGLÉS, S.L.
CINAMAR, S.A.	SICOR INTEGRA EL CORTE INGLÉS, S.L.
CONFECCIONES TERUEL, S.A.U.	SICOR INTERSERVICIOS ETT, S.L.
CONSTRUCCIONES INMOBILIARIAS ALCORAL, S.A.	SICOR LIMPIEZA INTEGRAL, S.L.
ECI PUERTA DEL SOL 1, S.L.	SICOR SEGURIDAD EL CORTE INGLÉS, S.A.
ECI PUERTA DEL SOL 2, S.L.	SICOR SERVICIOS INTEGRALES, S.L.
EDITORIAL CENTRO DE ESTUDIOS RAMÓN ARECES, S.A.	SUPERCOR, S.A.
EL CORTE INGLES CADENA DE SUMINISTRO, S.L.	TELECOR, S.A.
ENTRADAS EL CORTE INGLES, S.L.	TOURMUNDIAL OPERADORES, S.A.
ESGUEVA S.A.	TRAVEL AGENCIES MANAGEMENT, S.L.
GARANAIR S.L.	TRAVELCONCEPT, S.L.
INDUSTRIAS DEL VESTIDO, S.A.U.	TRAVELTINO 2009, S.L.U.
INICIATIVAS INMOBILIARIAS VALDERAS, S.A.	TU EXPERTO EN VIAJES 2020 S.L.U.
IZARO FILMS, S.A.	URIA VEINTE, S.A.
PARINVER SERVICIOS, S.L.	VECI GROUP TECH, S.L
PARINVER, S.A.	VECI TRAVEL GROUP, S.L.
PROMOCIONES INMOBILIARIAS GALLEGAS, S.A.	VIAJES EL CORTE INGLÉS, S.A.
KUMO NETWORKS, S.A	

Group companies that are non-residents in Spain file individual tax returns in their related jurisdictions.

Accounting disclosures related to corporate restructuring operations that qualify for the tax neutrality regime contemplated under article 86 of the Spanish Corporate Income Tax Act (Law 27/2014, of 27 November 2014) are presented in the separate financial statements of the companies included in consolidation.

21.2 Tax receivable from | payable to the authorities

The breakdown of tax receivable from and payable to the tax authorities at year-end 2025 and 2024 is as follows:

Receivable

Item	2025	2024
Non-current assets:		
Deferred tax assets	557,911	589,669
Total non-current assets	**557,911**	**589,669**
Current assets:		
Current tax assets	50,723	42,865
Other taxes payable (note 13)	43,525	54,069
Social Security	10,373	9,304
Value added tax	30,591	40,545
Withholdings	830	1,982
Other	1,731	2,239
Total current assets	**94,248**	**96,934**

In € 000

Payable

Item	2025	2024
Non-current liabilities		
Deferred tax liabilities	848,041	854,998
Total non-current liabilities	**848,041**	**854,998**
Current liabilities		
Current tax liabilities	18,877	3,743
Other taxes payable (note 20.1)	235,304	236,978
Social Security	61,685	60,789
Value added tax	121,239	122,625
Withholdings	20,855	25,491
Other	31,526	28,073
Total current liabilities	**254,181**	**240,721**

In € 000

21.3 Reconciliation of accounting profit/(loss) and taxable income/(tax loss)

Corporate income tax is calculated on the basis of separate accounting profit, obtained by applying generally accepted accounting principles that do not necessarily coincide with taxable profit/(tax loss), understood as the tax base.

The reconciliation of the Group's aggregate accounting profit/(loss) and taxable income/(tax loss) is as follows:

2025

Item	Increase	Decrease	Amount
Accounting profit (before tax)			**720,059**
Consolidation adjustments	236,504	(36,369)	**200,135**
Permanent differences	20,009	(218,004)	**(197,995)**
Temporary differences:			
Current fiscal year	201,139	(4,800)	**196,339**
Previous fiscal years	2,439	(359,819)	**(357,380)**
Adjustments made to determine Tax Group taxable income (50% cap on unused losses)	-	(10,539)	**(10,539)**
Capitalisation reserve	-	(41,332)	**(41,332)**
Equalisation reserve	182	-	**182**
Utilisation of prior-year tax losses			**(85,978)**
Aggregate taxable profit/(tax loss)			**423,491**

In € 000

2024

Item	Increase	Decrease	Amount
Accounting profit (before tax)			**682,312**
Consolidation adjustments	182,037	(99,271)	**82,766**
Permanent differences	23,940	(138,252)	**(114,312)**
Temporary differences:			
Current fiscal year	213,897	(4,932)	**208,965**
Previous fiscal years	2,456	(447,185)	**(444,729)**
Adjustments made to determine Tax Group taxable income (50% cap on unused losses)	3,572	(16,897)	**(13,325)**
Utilisation of prior-year tax losses			**(51,405)**
Aggregate taxable profit/(tax loss)			**350,273**

In € 000

Permanent differences

Positive permanent differences include €11.52 million in relation to the recognition of impairment losses on equity investments in Group companies that were considered non-deductible according to tax laws.

The negative permanent differences arising in 2025 included €61.67 million (2024: €2.91 million) from the reversal of the impairment losses recognised on equity investments as the expense was considered non-deductible in the year it was recognised.

Also included were €141.79 million (2024: €129.92 million) for the exemption for dividends received from companies that are eligible for application of article 21 of the Corporate Income Tax Act and €1.90 million from the application of the exemption on the gain obtained from the sale of shareholdings also provided for in that article.

As provided for in article 22 of the Corporate Income Tax Act, a negative permanent difference of €2.29 million (2024: €1.93 million) was recognised in respect of the exemption of profits earned through permanent establishes abroad and a negative permanent difference of €9.49 million for the recognition of losses generated by a permanent establishment abroad that ceased operations in 2025, net of the amount of previous tax-exempt income.

Temporary differences

The amount of positive temporary differences recognised in 2025 related primarily to accounting provisions of €90.34 million (2024: €107.05 million) deemed non-deductible in accordance with article 14 of the Corporate Income Tax Act, and the recognition of impairment losses on property, plant and equipment for €108.70 million (2024: €104.30 million) deemed non-deductible in accordance with article 13.2 of the Corporate Income Tax Act.

A positive temporary difference in an amount of €9.41 million (2024: €3.57 million) was also recognised due to the 50% cap on the inclusion of separate tax losses in the consolidated group’s taxable income in 2025, under additional provision 19 of the Corporate Income Tax Act.

The main negative temporary differences recognised in the year included the reversal of the adjustment made in prior years for provisions deemed non-deductible in the amount of €206.23 million (2024: €151.64 million).

In addition, negative temporary differences were included in taxable income in relation to asset impairment charges of prior years that were considered non-deductible (i) of €99.04 million (2024: €65.49 million) for the reversal of certain impairment losses, (ii) of €40.56 million (2024: €41.22 million) for the difference between accounting and tax depreciation of impaired assets and (iii) of €2.59 million (2024: €9.43 million) for the derecognition of impaired assets.

Also under additional provision 19 of the Corporate Income Tax Act, a negative temporary difference was recognised for the recovery, in tenths, of the 50% cap on the separate tax losses included in the tax group's consolidated taxable income for 2023 and 2024, in the amounts of €16.90 million and €0.36 million, respectively.

Elsewhere, El Corte Inglés, S.A. and Hipercor, S.A.U. (transferor) utilised the tax credits contemplated in Royal Decree-Law 3/1993 (26 February 1993) in relation to the depreciation of new fixed assets.

In 2001, El Corte Inglés, S.A. and Hipercor, S.A.U. opted, in respect of the gains obtained on the transfer of assets, as provided for under Transitional Provision 3 of Law 24/2001, to avail of the regime contemplated in article 21 of the Corporate Income Tax Act, such that it did not include the sum of €34.6 million in taxable income that year, with both companies reinvesting the full amount obtained on the disposal giving rise to the gain in the shopping centre in Cadiz that same year. The method being used to include the deferred gain in taxable income is that stipulated in article 21.3 of the Corporate Income Tax Act and article 34.1.b) of the implementing regulation at the time.

Item	2025	2024
Income deferred in 2001	34,643	34,643
Income included in taxable income between 2002 and 2024	(9,373)	(8,956)
Income included in taxable income in 2025	(397)	(417)
Deferred income pending inclusion	**24,873**	**25,270**

In € 000

The deferred income pending inclusion in taxable income will be included in the tax periods in which the shopping centre building in Cadiz is depreciated in proportion to the amount of the depreciation charges relative to the building's cost.

21.4 Taxes recognised in equity

In addition to the tax expense recognised in its consolidated statement of profit or loss, the Group also recognised tax income of €6.89 million directly in equity in 2025 (2024: €4.84 million). The taxes recognised directly in equity correspond primarily to the tax effects of the valuation changes in available-for-sale financial assets and hedging derivatives.

21.5 Reconciliation of accounting profit/(loss) and tax income/(expense)

The reconciliation of accounting profit/(loss) and tax income/(expense) is as follows:

Item	2025	2024
Accounting profit/(loss) before tax	**720,059**	**682,313**
Permanent differences and consolidation adjustments	3,149	4,197
Capitalisation reserve	(25,367)	-
Tax base for the purpose of determining tax expense	697,841	686,510
Tax payable/(receivable) before deductions	**158,817**	**146,829**
Tax credits	(3,451)	(5,523)
Adjustment for the capitalisation/derecognition of tax assets for the year	-	7,248
Assessment of the recoverability of unused tax credits	(58,352)	422
Other	(23,362)	852
Total tax expense/(income) recognised in the statement of profit or loss	**73,652**	**149,828**

In € 000

In 2025, the Group generated €3.45 million of tax credits that have been recognised as deferred tax assets as their future recovery is considered probable. The Group additionally recognised unused tax credits and tax losses of €0.48 million and €42.68 million, respectively, as a result of the assessment of recoverability.

Elsewhere, the Group utilised €21.49 million of tax assets for the carry forward of tax losses and credits amounting to €38.66 million, of which €27.10 million related to double taxation treaties and €11.56 million to relief for investments in the Canary Islands.

21.6 Breakdown of tax expense

Tax expense/(income) breaks down as follows:

Item	2025	2024
Current tax	15,395	27,882
Deferred tax	48,586	105,689
Other	9,671	16,257
Total tax expense/(income)	**73,652**	**149,828**

In € 000

21.7 Deferred tax

The recoverability of the deferred tax assets of the Tax Group in Spain was assessed as at 28 February 2026 on the basis of the estimated future taxable earnings, as per the strategic plan, of the companies comprising the Tax Group.

The breakdown of deferred tax assets and liabilities at year-end:

Deferred tax assets	2025	2024
Temporary differences	160,145	184,066
Unused tax losses	210,679	188,956
Unused tax credits and other	187,087	216,647
Total	**557,911**	**589,669**

In € 000

Deferred tax liabilities	2025	2024
Differences arising from the revaluation of assets following first-time application of IFRS 1	623,619	611,546
Differences arising from gains and other	136,957	151,767
Temporary differences (deferred taxes)	87,465	91,685
Total	**848,041**	**854,998**

In € 000

The temporary differences arising in 2025 mainly originated from the recognition and reversal for accounting purposes of provisions that are or were (in the case of recognition) considered non-deductible.

The above-listed deferred tax assets, recognised in the accompanying consolidated statement of financial position, reflect the Parent's directors' belief, underpinned by its best estimate of the Group's earnings, that it is probable that future taxable profit will be available against which the assets can be utilised.

The reconciliation of deferred taxes at the beginning and end of 2024 and 2025:

2025

Item	Deferred tax assets	Deferred tax liabilities
Balance at 28 February 2025	**184,066**	**854,998**
Temporary differences:		
Current fiscal year	81,809	2,456
Previous fiscal years	(105,730)	(9,414)
Total	**160,145**	**848,040**

In € 000

2024

Item	Deferred tax assets	Deferred tax liabilities
Balance at 29 February 2024	**242,110**	**838,101**
Temporary differences:		
Current fiscal year	61,376	25,143
Previous fiscal years	(119,420)	(8,246)
Total	**184,066**	**854,998**

In € 000

The balance of deferred tax assets arising from temporary differences in each company are provided in Appendix II.

The unused tax credits capitalised and the corresponding expiration dates:

Type of credit	2025	Year of expiry	2024	Year of expiry
Intra-group double taxation credit	91,536	Unlimited	111,214	Unlimited
International double taxation credit	808	Unlimited	1,070	Unlimited
Investment tax credit	61,940	2028-2043	72,289	2027-2042
Donations to NGOs	4,184	2028-2035	3,478	2028-2034
Re-investment tax credit	14,667	2028-2029	23,709	2027-2029
Reversal of temporary measures	13,952	Unlimited	4,887	Unlimited
Balance at year-end	**187,087**		**216,647**	

In € 000

The unused tax credits generated during the year that have not been capitalised:

Type of credit	2025	Year of expiry	2024	Year of expiry
Investment tax credit	-	-	-	2039
Donations to NGOs	-	-	-	2034
Reversal of temporary measures	-	-	1,485	Unlimited
Balance at year-end	**-**		**1,485**	

In € 000

Deferred tax assets for the carry forward of unused tax credits at year-end 2025 in each company by type of asset are presented in Appendix II.

The Group has €619.98 million of tax credits in respect of unused tax losses generated by the consolidated Tax Group, of which €210.68 million have been capitalised.

Under Law 27/2014, there is no time limit for the offset of unused tax losses.

The breakdown of deferred tax assets arising from the carry forward of unused tax losses is provided in Appendix II.

21.8 Years open to inspection and tax inspections

In 2020, the Spanish tax authorities (AEAT) initiated general verification proceedings encompassing 2015 to 2017 in respect of corporate income tax, the settlement periods between June 2016 and February 2018 in relation to value-added tax and the Company's various withholding obligations, with the exception of withholdings in relation to non-resident personal income, for which the inspection covered the period between January 2016 and December 2018.

Between March and April 2022 a number of assessments were signed in respect of the various taxes and tax periods verified, some uncontested and others contested. The settlement agreements related with the assessments that have been contested, which relate mainly to corporate income tax and retentions in respect of non-resident personal income, were received in May and July 2022.

The Company lodged an appeal against the contested assessments before the National Economic-Administrative Court. All of which notwithstanding the fact that the original liability lies with the non-resident income tax-payers as the beneficiaries of the income subject to withholding.

On 3 December 2024, the Company received a sentence from the National Economic-Administrative Court dismissing its claims around the VAT settlements. As a result, the Company has filed a higher appeal before the National Appellate Court's Chamber for Contentious Administrative Proceedings.

On 2 March 2025, the Company received a sentence from the National Economic-Administrative Court dismissing its claims around the personal income tax settlements. As a result, the Company has filed a higher appeal before the National Appellate Court's Chamber for Contentious Administrative Proceedings.

On 28 April 2025, the Company received a sentence from the National Economic-Administrative Court partially upholding its claims around the corporate income tax settlements. As a result, the Company plans to file a higher appeal before the National Appellate Court's Chamber for Contentious Administrative Proceedings.

In addition, in December 2022, the AEAT initiated a partial verification and inspection limited to the verification of certain matters related with the Group's transfer pricing in the area of corporate income tax, this time encompassing 2018 to 2020.

In May 2023, the Company signed the assessment handed down in relation to that matter, which does not have a significant impact on the Company's financial statements, uncontested.

Elsewhere, the Company asked the competent Spanish and Portuguese authorities to initiate a friendly procedure in order to eliminate the double taxation generated as a result of transfer price adjustments made by the Spanish government.

On 10 November and 12 November 2024, , ECI and ECIGA each received notifications from the Spanish national office of international taxation and the Portuguese tax and customs authority's international relations services department, notifying them that the Spanish and Portuguese authorities had reached an agreement. Having verified that the agreement effectively eliminates the double taxation that triggered its original request, ECI ratified the agreement. The agreement was executed on 3 December 2025.

On 12 January 2026, the AEAT initiated general verification proceedings encompassing 2021 to 2024 in respect of corporate income tax and the settlement periods between January 2022 and December 2024 in relation to value-added tax and the Company's various withholding obligations.

21.9 Other disclosures: Pillar Two

In December 2022, the Council of the European Union approved Directive (EC) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union. This Directive implements the Pillar Two rules of the OECD's Inclusive Framework against base erosion and profit shifting and applies to multinational enterprise groups and large-scale domestic groups with annual revenue of over €750 million and requires a minimum level of taxation of 15% in each jurisdiction in which the Group operates.

In Spain, on 20 December 2024, Spanish Law 7/2024 of 20 December 2024 was enacted establishing the top-up tax to guarantee a global minimum level of taxation for MNE groups and large-scale domestic groups, implying the transposition into Spanish law of Directive 2022/2523 and application of these new rules with effect from 2024.

El Corte Inglés Group has assessed the possible impact of Pillar Two on the basis of the recently enacted Spanish legislation, as well as the EU Directive and the implementation guidelines published by the OECD. Based on an analysis of the Group's and Group companies' financial information, it has concluded that this new standard will not have a significant impact on its financial statements, due to the existence of one or more of the following circumstances in almost all of the jurisdictions where the Group operates: an effective tax rate of over 15%; a substance-based income carve-out based on assets and payroll expenses in each jurisdiction; or scantly relevant amounts of income and profits.

The tax rate in the Uruguay jurisdiction is below the required 15% under the standard. However, the impact on the financial statements of the top-up tax is not significant.

Lastly, the Group has applied the exception contemplated in the amendments made to IAS 12 in May 2023 allowing it not to recognise or disclose its deferred tax assets and liabilities derived from application of the Pillar Two rules.

22. REVENUE AND EXPENSES

22.1 Revenue

The breakdown of consolidated revenue by geographic market:

Market	2025	2024
Spain	13,695,810	13,512,179
European Union	706,234	671,667
Rest of the world	585,739	602,211
Total	**14,987,783**	**14,786,057**

In € 000

The breakdown of Group revenue by segment is disclosed in note 25.

22.2 Cost of sales

The breakdown of “Cost of sales” in 2025 and 2024:

Item	2025	2024
Consumption of goods for resale	9,797,102	9,717,709
Consumption of raw materials and other consumables	81,643	85,550
Subcontracted work	17,408	17,279
Total	**9,896,153**	**9,820,538**

In € 000

22.3 Employee benefits expense

The breakdown of “Employee benefits expense” in 2025 and 2024:

Item	2025	2024
Wages and salaries	1,864,949	1,843,605
Termination benefits	38,284	74,924
Employee benefits:	681,905	662,881
Social Security	638,374	624,167
Other benefits	43,531	38,714
Total	**2,585,138**	**2,581,410**

In € 000

The Group’s average headcount broken down by employee category in 2025 and 2024:

Categories	Average headcount	
	2025	2024
Managers	6,751	6,857
Coordinators	2,861	2,611
Skilled professionals	6,283	6,269
Professionals	43,978	44,341
Staff	13,017	12,586
Total	**72,890**	**72,664**

The breakdown of the year-end headcount by employee category and gender is as follows:

Categories	2025		2024	
	Women	Men	Women	Men
Managers	2,485	4,508	2,445	4,662
Coordinators	1,495	1,694	1,265	1,459
Skilled professionals	4,413	2,111	4,377	2,284
Professionals	32,769	16,155	33,023	16,459
Staff	9,913	6,287	9,090	5,727
Total	**51,075**	**30,755**	**50,200**	**30,591**

The number of Group employees that had a disability of a severity of 33% or higher at year-end 2025 and 2024, by job category:

Categories	2025	2024
Managers	76	71
Coordinators	41	33
Skilled professionals	151	66
Professionals	1,086	1,006
Staff	379	468
Total	**1,733**	**1,644**

22.4 Other operating income and expense

“Other operating income” breaks down as follows:

Item	2025	2024
Commissions and fees	15,211	15,637
Income from other services	88,187	95,098
Grants related to income	4,803	6,499
Other operating Income	53,119	55,349
Self-constructed assets	70,456	55,167
Total	**231,776**	**227,750**

In € 000

"Other operating expenses" break down as follows:

Item	2025	2024
Leases	44,400	44,731
Repairs and upkeep	69,184	65,920
Outsourced services (logistics, IT, security and other)	498,982	470,634
Transportation	106,206	105,699
Insurance premiums	21,816	21,402
Banking services	72,183	69,820
Advertising	227,366	215,149
Utilities	159,191	161,475
Taxes other than income tax	117,483	114,023
Other operating expenses	154,991	133,581
Total	**1,471,802**	**1,402,434**

In € 000

22.5 Other gains/(losses)

Breakdown of "Other gains/(losses)":

Item	2025	2024
Asset impairment losses and reversals (notes 5 and 8)	34,055	31,965
Gains/(losses) from transactions involving fixed assets (notes 5 and 8)	(29,546)	32,851
Other gains/(losses)	9,042	(17,927)
Total	**13,551**	**46,889**

In € 000

El Corte Inglés Group recognises under this heading primarily impairment losses and reversals of impairments, as well as gains or losses on transactions involving fixed assets and utilisation of provisions. Also included is an impact of €19.46 million in respect of the recovery of certain assets that previously belonged to the Group.

22.6 Finance income and costs

The breakdown of the Group's finance income and costs is as follows:

Item	2025	2024
Finance income:		
Income from equity investments	1,157	2,249
Income from other securities	28,832	15,138
Total finance income	**29,989**	**17,387**
Finance costs:		
Borrowings from related parties and associates	1,809	3,939
Interest expense on leases (Note 9.1)	15,486	16,518
Third-party borrowings	101,201	105,444
Total finance costs	**118,496**	**125,901**
Change in fair value of financial instruments	**(3,481)**	**1,653**

In € 000

23. RELATED PARTY TRANSACTIONS AND BALANCES

In accordance with IAS 24, as adopted in Commission Regulation (EU) 1126/2008 of 3 November 2008, the Parent's related parties are:

- **Subsidiaries**: entities over which the Parent exercises control in accordance with IFRS 10 (see Appendix I to these consolidated financial statements for a list of subsidiaries). Transactions between the Parent and its subsidiaries form part of the ordinary course of business in scope and terms and were eliminated as part of the consolidation process. Therefore, they are not disclosed in this note.

- **Associates**: entities over which the Parent has significance influence (see Appendix I to these consolidated financial statements for a list of associates). The main transactions with associates arise from managing a significant portion of sales eligible for financing (ECI Finance), as well as remuneration for use of the Group's distribution channels for the intermediation and sale of financial products from the insurance and reinsurance business.

- **Significant shareholders**: entities with significant influence over the Parent in accordance with IFRS 10 (see note 15.1). No significant business transactions were carried out with significant shareholders in 2025 and 2024.

- **Key management personnel**: those persons considered as senior management, as well as members of the Board of Directors. The main transactions with key management personnel entail remuneration for performance of their duties (see note 24.2).

- **Other related parties**: the rest of the entities not included in the preceding sections that meet the definition of related party in IAS 24.

Transactions between the Group and the related parties described above were carried out at market value and at arm's length.

23.1 Related party transactions, balances and other transactions

a) Related party transactions.

Transactions with related parties, except directors and senior managers (note 23.2), in 2025 and 2024:

2025

Item	Significant shareholders	Associates	Other related parties	Total
Sales and rendering of services	2,246	38,404	93	40,743
Purchases and receipt of services	-	(76,431)	(2,570)	(79,001)
Finance costs	(1,754)	(16,981)	(23)	(18,758)
Total revenue and expenses	**492**	**(55,008)**	**(2,500)**	**(57,016)**

In € 000

2024

Item	Significant shareholders	Associates	Other related parties	Total
Sales and rendering of services	1,571	37,035	85	38,691
Purchases and receipt of services	-	(71,040)	(2,738)	(73,778)
Finance costs	(2,878)	(20,409)	(36)	(23,323)
Total revenue and expenses	**(1,307)**	**(54,414)**	**(2,689)**	**(58,410)**

In € 000

b) Related party balances.

Balances with related parties, except directors and senior managers (note 23.2), are as follows:

2025

Item	Significant shareholders	Associates	Other related parties	Total
Trade receivables	78	2,045	983	3,106
Trade payables	-	(10,547)	(8,146)	(18,693)
Total trade balances	**78**	**(8,502)**	**(7,163)**	**(15,587)**
Current financial investments	139	13,076	(350)	12,865
Non-current borrowings	(47,780)	(492)	(824)	(49,096)
Current borrowings	(24,354)	4	(7,905)	(32,255)
Total financial balances	**(71,995)**	**12,588**	**(9,079)**	**(68,486)**

In € 000

2024

Item	Significant shareholders	Associates	Other related parties	Total
Trade receivables	498	2,181	640	3,319
Trade payables	-	(8,828)	(9,223)	(18,051)
Total trade balances	**498**	**(6,647)**	**(8,583)**	**(14,732)**
Current financial investments	-	11,239	-	11,239
Non-current borrowings	(47,780)	(469)	(638)	(48,887)
Current borrowings	(25,572)	(9)	(6,635)	(32,216)
Total financial balances	**(73,352)**	**10,761**	**(7,273)**	**(69,864)**

In € 000

c) Other related party transactions

Lastly, the breakdown of other related party transactions:

2025

Item	Associates	Other related parties	Total
Purchase of fixed assets	19,612	1,291	20,903
Dividends received	105,433	-	105,433

In € 000

2024

Item	Associates	Other related parties	Total
Purchase of fixed assets	34,600	2,812	37,412
Dividends received	36,998	-	36,998

In € 000

23.2 Director and senior management remuneration

The remuneration received by the members of the Company's Board of Directors, classified by item, in 2025 and 2024:

Item	2025	2024
Board of Directors:		
Salaries	3,809	9,404
Other items(1)	10,015	9,238
Total	**13,824**	**18,642**

In € 000
(1) Other items: Other remuneration associated with the performance of director duties.

In 2025 to the remuneration shown above, directors also received €3.39 million of termination benefits. In 2024, termination benefits amounted to €14.40 million as a result of the loss of executive duties of certain directors.

At year-end 2025 and 2024, the Company recognised payables to members of its Board of Directors in the amount of €82.58 million (29 February 2024: €83.68 million) related with remuneration associated with their work as directors and as executives, as well as dividends in some instances. These balances are classified in "Trade and other payables".

The Company arranges its director and officer liability insurance under several policies written with different entities; those policies cover all group companies. It paid €0.35 million in premiums for that coverage in 2025 (2024: €0.34 million).

Senior Management

The remuneration accrued by senior management in 2025 amounted to €11.23 million (2024: €7.03 million), including remuneration accrued to those who left El Corte Inglés during those years.

Meanwhile, €1.80 million of termination benefits were accrued (2024: €3.57 million).

At 28 February 2026, senior management was made up of 16 members, 12 men and four women (28 February 2025: eight members, seven men and one woman).

Long-Term Incentive Plan

On 24 July 2025, El Corte Inglés' shareholders ratified, in general meeting, a cash-settled long-term incentive plan ("LTIP") for certain members of its management team linked to the delivery of certain targets of the strategic plan presented and approved by the Board of Directors for 2025-2029. The expense recognised in this respect in 2025 corresponding to senior management amounted to €6.28 million. The total provision in this connection was recognised in "Non-current provisions" in the consolidated statement of financial position (note 16.1).

On 23 July 2021, El Corte Inglés' shareholders ratified, in general meeting, a cash-settled long-term incentive plan ("LTIP") for its executive directors and certain members of its management team linked to the delivery of certain targets of the strategic plan presented and approved by the Board of Directors for 2021-2024. The expense recognised for the last year of the strategic plan in this connection amounted to €17.98 million (2024: €16.71 million and €1.27 in 2025), of which €12.49 million corresponded to the Company's directors and €5.49 million to its senior management personnel. In 2025, on delivery of the targets, the LTIP linked to the 2021-2024 strategic plan was settled.

Changes in the composition of the Board of Directors

At 28 February 2026, the Board of Directors was made up of nine directors, four women and five men (28 February 2025: 10 directors, four women and six men).

The following changes to the Board of Directors took place in 2025: on 28 October 2025, Gastón Bottazzini, voluntarily tendered his resignation as director and CEO of the Company. Subsequently, on 26 November 2025, the Board of Directors, on the proposal of by Marta Álvarez Guil, approved the appointment of Cristina Álvarez Guil as new chair of the Board, with effect from 15 January 2026.

Mr. Manuel Pizarro Moreno will, on August 31, 2026, complete the twelve-year period of continuous service in office referred to in letter (i) of section 4 of Article 529 duodecies of the revised text of the Spanish Companies Act, while he continues to fully meet the remaining substantive requirements of independence set out in said article.

24. ENVIRONMENTAL DISCLOSURES

The Group has an environmental management policy in compliance with prevailing legislative environmental protection requirements in Spain.

The main lines of initiative pursued in 2025:

24.1 Environmental assets

The Group constantly fine-tunes the systems currently in place to reduce the environmental impact of its facilities by continuing to work to reduce emissions, enhance wastewater treatment and reuse and reduce noise and vibrations. That cost is capitalised within the corresponding facilities in which the systems are located. The cost of the identified environmental assets, broken down by their management function, and the corresponding accumulated depreciation and impairment charges, at year-end 2025 and 2024:

2025

Item	Cost	Accumulated depreciation	Impairment recognised in the year	Carrying amount
Water protection	2,339	(1,616)	(372)	351
Air protection	46,001	(39,506)	(2,250)	4,245
Noise protection	1,013	(553)	(123)	337
Other	388	(146)	(71)	171
Total	**49,741**	**(41,821)**	**(2,816)**	**5,104**

In € 000

2024

Item	Cost	Accumulated depreciation	Impairment recognised in the year	Carrying amount
Water protection	2,349	(1,578)	(374)	397
Air protection	59,665	(51,853)	(2,197)	5,615
Noise protection	1,684	(1,189)	(92)	403
Other	1,028	(141)	(49)	837
Total	**64,726**	**(54,761)**	**(2,712)**	**7,252**

In € 000

24.2 Environmental expenses

The Group recognised €20.57 million of environmental protection expenses in 2025 (2024: €17.75 million) under the following headings of the consolidated statement of profit or loss:

Item	2025	2024
Cost of sales	588	172
External services	16,634	14,457
Taxes other than income tax	3,350	3,117
Total	**20,572**	**17,746**

In € 000

The amounts recognised under cost of sales relate to the *ad-hoc* purchase of consumables not included in the external service purchases whose purpose is related with environmental performance, such as: air pollution filters, water treatment products and boiler and treatment facility maintenance products.

External services encompass all services, whether regular maintenance or other general services, purchased with a view to enhancing the Company's environmental performance. Specific actions include the cleaning of air conditioning ducts, onsite water treatment (cleaning, disinfection, etc.), packaging and packaging-waste management, waste transport and handling (fluorescent bulbs, machinery oil, paper waste, vegetable oils, organic waste, sanitary product waste, etc.) and civil liability insurance cover.

Lastly, the taxes other than income tax include environmental levies, mainly derived from the use of landfills.

25. SEGMENT REPORTING

The Group prepares its financial reporting based on its operating segments in accordance with IFRS 8 *Operating Segments*. The operating segments defined and the type of revenue included from each are as follows:

a) Retail: this segment encompasses El Corte Inglés Group's core business. It generates revenue by the retail sales of consumer goods through the distribution channels integrated in its omnichannel strategy. In addition to the various e-commerce platforms, the Group operates a network of department stores and smaller establishments (e.g., hypermarkets, supermarkets, convenience stores and Sfera stores).

Several business models coexist in the Retail segment, e.g., firm purchases, concessions (direct operations) and store brands. Together, they enhance the offering and also help diversify and balance business risks, e.g., inventories, logistics and personnel.

b) Travel Group: this segment generates revenue from the provision of services derived from the sale of tickets for corporate and leisure travellers and intermediation in the management of the sale of holiday packages designed and formulated by other tour operators, as well as from the sale of packages created on its own behalf.

El Corte Inglés Group operates in this segment primarily through agencies in Spain and in other geographical areas where it provides services (primarily Portugal and Latin America). Meanwhile, the integration of the Logitravel subgroup strengthened the Group's digital presence in this business, adding access to its customers under the omnichannel strategy.

c) Surface Commercialization: this segment encompasses the real estate leases in which the Group acts as lessor and all of the business arrangements whereby third parties carry out their activities as principal in Group establishments, thereby complementing the products and services it offers its customers, reinforcing store traffic and optimising use of its real estate assets. Services offered by external firms under these business arrangements include optician, car wash and workshop, hairdresser, dental clinics, etc.

d) Other business lines: El Corte Inglés Group also has operations in other sectors, e.g., corporate security services, household services for end customers and the sale of energy. This segment includes the revenue generated by these economic activities.

Segment reporting based on the above reportable operating segments is presented in a segment statement of profit or loss and a segment statement of financial position. This information—prepared using the same accounting policies as those described in note 4—is set out below in € million for better presentation.

25.1 Segment statement of profit or loss

The following tables set out the Group's financial reporting for each operating segment:

2025

Item	Retail	Travel Group	Surface Commercialization	Other Business Lines	Consolidation adjustments	Total
Total transaction value	13,216	3,489	388	265	(111)	**17,247**
Revenue	12,633	2,117	95	250	(107)	**14,988**
Cost of sales	(8,143)	(1,654)	(2)	(100)	3	**(9,896)**
Gross profit	**4,490**	**463**	**93**	**150**	**(104)**	**5,092**
Other operating income and expense	(3,529)	(356)	(35)	(128)	222	**(3,826)**
EBITDA	**961**	**107**	**58**	**22**	**118**	**1,266**
POST-IFRS EBITDA	**1,070**	**115**	**58**	**23**	**-**	**1,266**
Depreciation and amortisation	(364)	(40)	(10)	(15)	(103)	**(532)**
Other gains/(losses)	6	(7)	-	(3)	(1)	**(5)**
Operating profit	**603**	**60**	**48**	**4**	**14**	**729**
Net finance cost	**(78)**	**3**	**-**	**2**	**(16)**	**(89)**
Share of profit of companies accounted for using the equity method	-	-	-	-	80	80
Profit before tax	**525**	**63**	**48**	**6**	**78**	**720**
Income tax	(50)	(13)	(12)	1	-	(74)
Non-controlling interests	(5)	(13)	-	-	-	(18)
Profit for the year	**470**	**37**	**36**	**7**	**78**	**628**

In € m

2024

Item	Retail	Travel Group	Surface Commercialization	Other Business Lines	Consolidation adjustments	Total
Total transaction value	13,057	3,449	381	274	(108)	**17,053**
Revenue	12,495	2,054	83	257	(103)	**14,786**
Cost of sales	(8,120)	(1,603)	(1)	(105)	9	**(9,820)**
Gross profit	**4,375**	**451**	**82**	**152**	**(94)**	**4,966**
Other operating income and expense	(3,454)	(350)	(30)	(134)	211	**(3,757)**
EBITDA	**921**	**101**	**52**	**18**	**117**	**1,209**
POST-IFRS EBITDA	**1,029**	**109**	**52**	**19**	**-**	**1,209**
Depreciation and amortisation	(360)	(37)	(9)	(10)	(99)	**(515)**
Other gains/(losses)	43	(16)	-	(16)	3	**14**
Operating profit	**604**	**48**	**43**	**(8)**	**21**	**708**
Net finance cost	**(96)**	**(1)**	**-**	**4**	**(16)**	**(109)**
Share of profit of companies accounted for using the equity method	-	-	-	-	84	84
Profit before tax	**508**	**47**	**43**	**(4)**	**89**	**683**
Income tax	(131)	(3)	(11)	(2)	(3)	(150)
Non-controlling interests	(10)	(11)	-	-	-	(21)
Profit for the year	**367**	**33**	**32**	**(6)**	**86**	**512**

In € m

“Total transaction value” is the total amount invoiced to customers through the various distribution channels El Corte Inglés Group operates. It includes total transaction value revenue from Retail of certain activities in which the Group acts as agent. For the Travel Group, it includes total transaction value from the sale of transportation products, third-party travel packages, cruises and certain other products.

The consolidation adjustments that affect net profit or loss relate mainly to the contribution to profit or loss from associates (€79.63 million in 2025 and €83.90 million in 2024) (note 10).

The breakdown of consolidated revenue by segment and division:

Business	2025	2024
Retail	**12,633**	**12,495**
Fashion and beauty	5,882	5,703
Food and hospitality	3,064	3,020
Home furnishings and electronics	2,776	2,767
Other [1]	911	1,006
Travel Group	**2,117**	**2,054**
Business travel	497	489
Leisure travel	1,620	1,565
Surface Commercialization	**95**	**83**
Other Business Lines	**250**	**257**
Consolidation Adjustments	**(107)**	**(103)**
Total revenue	**14,988**	**14,786**

In € m
[1] "Other income" includes revenue earned by non-comparable stores.

25.2 Segment statement of financial position

Breakdown of the main assets and liabilities in the consolidated statement of financial position by segment:

2025

Item	Retail	Travel Group	Surface Commercialization	Other Business Lines	Consolidation adjustments	Total
Non-current assets	9,854	435	686	170	674	**11,819**
Current assets	2,944	361	87	218	(432)	**3,178**
Total assets	**12,798**	**796**	**773**	**388**	**242**	**14,997**
Equity	5,762	208	615	306	491	**7,382**
Non-current liabilities	3,456	66	23	13	(37)	**3,521**
Current liabilities	3,580	522	135	69	(212)	**4,094**
Total liabilities	**12,798**	**796**	**773**	**388**	**242**	**14,997**

In € m

2024

Item	Retail	Travel Group	Surface Commercialization	Other Business	Consolidation adjustments	Total
Non-current assets	9,749	435	676	134	687	11,681
Current assets	2,807	371	53	200	(425)	3,006
Total assets	12,556	806	729	334	262	14,687
Equity	5,413	180	588	251	737	7,169
Non-current liabilities	3,418	80	23	15	(44)	3,492
Current liabilities	3,725	546	118	68	(431)	4,026
Total liabilities	**12,556**	**806**	**729**	**334**	**262**	**14,687**

In € m

“Non-current assets” of the “Surface Commercialization” segment includes only non-owner occupied property.

The breakdown of investments in non-current assets of each segment:

2025

Item	Retail	Travel Group	Surface Commercialization	Other Business Lines	Total
Property, plant and Investment properties	313	9	20	9	351
Other intangible assets	185	32	-	9	226
Total	**498**	**41**	**20**	**18**	**577**

In € m

2024

Item	Retail	Travel Group	Surface Commercialization	Other Business Lines	Total
Property, plant and	286	8	8	8	310
Investment properties	-	-	27	1	29
Other intangible assets	161	21	-	7	189
Total	**447**	**29**	**36**	**16**	**528**

In € m

26. OTHER DISCLOSURES

26.1 Disclosures regarding director conflicts of interest

At year-end 2025, neither the members of the Parent's Board of Directors or any of their related parties (as defined in the consolidated text of Spain's Corporate Enterprises Act) had informed the other members of the Board of Directors of any potential direct or indirect conflicts with respect to the interests of the Group companies.

26.2 Audit fees

The fees paid for financial statement audit and other services to the auditor of the consolidated annual financial statements, Ernst & Young, S.L., and entities related to the latter by means of control, joint ownership or joint management, in 2025 and 2024:

Item	2025	2024
Financial statement audit services	2,266	2,103
Other assurance services	805	856
Total audit services	**3,071**	**2,959**
Other services	134	183
Total other services	**134**	**183**
Total	**3,205**	**3,142**

In € 000

Other firms also audited financial statements in 2025, charging fees amounting to €69.44 thousand (2024: €70.64 thousand).

26.3 Events after the reporting period

No significant event occurred after the end of the reporting period that should be considered for a correct interpretation and understanding of these consolidated financial statements.

26.4 Additional Note for English Translation

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (Note 2.1). Consequently, certain accounting practices applied by the Company may not conform with generally accepted principles in other countries. Translation of these consolidated annual accounts are originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails."

APPENDIX I: EL CORTE INGLÉS GROUP COMPANIES

Company		Business	Location	Auditor	Ownership interest (*) Direct	Indirect
Parent:						
El Corte Inglés, S.A.	(a)	Department stores	Madrid	EY	-	-
Group companies:						
Editorial Centro de Estudios Ramón Areces, S.A.U.	(a)	Publishing	Madrid	EY	100.00	-
El Corte Inglés Cadena de Suministros S.L.U.	(a)	Logistics	Madrid	EY	100.00	-
E.C.I. Hong – Kong Limited	(b)	Purchasing centre	China	Baker Tilly China	100.00	-
E.C.I. Shanghai Limited	(b)	Purchasing centre	China	Baker Tilly China	100.00	-
Supercor, S.A.U.	(a)	Supermarkets	Madrid	EY	100.00	-
El Corte Inglés-Grandes Armazéns, S.A.	(a)	Department stores	Portugal	EY	100.00	-
KUMO Networks, S.A.U.	(a)	Sale of computer products and services	Murcia	EY	100.00	-
Uría Veinte, S.A.U.	(a)	Property leasing	Madrid	-	99.05	0.95
Confecciones Teruel, S.A.U.	(a)	Clothing manufacturing	Madrid	EY	100.00	-
Industrias del Vestido, S.A.U.	(a)	Clothing manufacturing	Madrid	EY	100.00	-
Telecor, S.A.U.	(a)	Sale of telecommunications products and services	Madrid	EY	100.00	-
Garanair, S.L.U.	(b)	Holding company of shares in IB OPCO Holding	Madrid	EY	100.00	-
Moda Joven Sfera México, S.A. DE C.V.	(b)	Sale of clothing and accessories	Mexico City	PWC	51.00	-
ECI Puerta del Sol 1, S.L.	(a)	Purchase and sale of real estate	Madrid		100.00	-
ECI Puerta del Sol 2, S.L.	(a)	Purchase and sale of real estate	Madrid		100.00	-
Parinver subgroup-						
Parinver, S.A.U.	(a)	Holding company	Madrid	-	100.00	-
Sicor Seguridad El Corte Inglés, S.A.U.	(a)	Surveillance and protection services	Madrid	EY	-	100.00
Sicor Servicios Integrales, S.L.U.	(a)	Business services and supplies	Madrid	EY	-	100.00
Sicor Integra El Corte Inglés, S.L.U.	(a)	Corporate support services	Madrid	-	-	100.00
Sicor Interservicios ETT, S.L.U.	(a)	Temporary employment agency	Madrid	EY	-	100.00
Sicor Limpieza Integral, S.L.U.	(a)	Other industrial and office cleaning activities	Madrid	-	-	100.00
Sicor Alarmas El Corte Inglés, S.L.U.	(a)	Private security activities	Madrid	EY	-	100.00
Parinver Servicios, S.L.U.	(a)	Portfolio of service provision companies	Madrid	-	-	100.00
Viajes El Corte Inglés subgroup-						
VECI Travel Group, S.L.	(a)	Travel services group	Madrid	EY	75.00	-
Viajes El Corte Inglés, S.A.U.	(a)	Travel services group	Madrid	EY	-	75.00
CDEV Senior, S.L.U.	(a)	Travel services group	Madrid	EY	-	75.00
Viajes El Corte Inglés, Inc. New York	(a)	Travel services group	US	-	-	75.00
Viajes El Corte Inglés, S.A. de C.V. Mexico	(b)	Travel services group	Mexico City	EY	-	74.88
Viajes El Corte Inglés Argentina, S.A.	(b)	Travel services group	Argentina	-	-	75.00
Viajes El Corte Inglés Perú, S.A.C.	(b)	Travel services group	Peru	-	-	75.00
Asesores de Viaje, S.A.	(b)	Travel services group	Chile	EY	-	75.00
Viajes El Corte Inglés Colombia, S.A.S.	(b)	Travel services group	Colombia		-	75.00

Company		Business	Location	Auditor	Percentage ownership interest	
					Direct	Indirect
Viajes El Corte Inglés R. Dominicana, S.R.L.	(b)	Travel services group	Dominican Republic	-	-	75.00
Tourmundial Uruguay, S.A.	(b)	Travel services group	Uruguay	-	-	75.00
Viajes El Corte Inglés Panamá, S.A.	(b)	Travel services group	Panama	-	-	75.00
Viajes El Corte Inglés Ecuador, S.A.	(b)	Travel services group	Ecuador	-	-	75.00
Operadora de Turismo, S.A. (TM)	(b)	Travel services group	Chile	-	-	75.00
Promotora Viajes El Corte Inglés México, S.A, de C.V.	(b)	Travel services group	Mexico City	-	-	75.00
Promociones Conosur, S.A.	(b)	Travel services group	Argentina	-	-	75.00
Promotora Viajes El Corte Inglés Colombia S.A.S	(b)	Travel services group	Colombia	-	-	75.00
Viajes ProWorld S.A. de CV	(b)	Travel services group	Mexico City	-	-	75.00
Tourmundial Operadores, S.A.	(a)	Travel services group	Madrid	EY	-	75.00
Aperture Travel, S.L.	(a)	Travel services group	Palma de Mallorca		-	75.00
Travelsteps, S.A.R.L.	(a)	Travel services group	France		-	75.00
Travelconcept S.L.	(a)	Travel services group	Palma de Mallorca	EY	-	75.00
Traveltino 2009, S.L.U.	(a)	Travel services group	Santa Cruz de Tenerife	EY	-	75.00
VECI Tech Group Tech, S.L.	(a)	Travel services group	Palma de Mallorca	EY	-	75.00
Entradas El Corte Inglés, S.L.	(a)	Travel services group	Palma de Mallorca		-	75.00
Tu experto en viajes 2020, S.L.	(a)	Travel services group	Palma de Mallorca	EY	-	75.00
Travelfactory Portugal Unipessoal Ltd.	(a)	Travel services group	Portugal		-	75.00
Travelfactory SRL	(a)	Travel services group	Italy	EY	-	75.00
Logitravel Limited	(a)	Travel services group	UK		-	75.00
Magic Rooms Acommodation Limited	(a)	Travel services group	UK		-	75.00
Logitravel GmbH	(a)	Travel services group	Germany		-	75.00
Travelconcept Viagens e turismo LTDA	(a)	Travel services group	Brazil		-	75.00
Traveltino S.A.	(a)	Travel services group	Uruguay		-	75.00
Travelnet DMCC	(a)	Travel services group	United Arab Emirates		-	75.00
Travel Agencies Management Services, S.L.	(a)	Travel services group	Palma de Mallorca	-	-	75.00
Global Portal Bookings, S.L.	(b)	Travel services group	Palma de Mallorca		-	38.25
Receptivo VECISA, S.L.	(a)	Travel services group	Santa Cruz de Tenerife		-	75.00
Asón Inmobiliaria de Arriendos subgroup-						
Asón Inmobiliaria de Arriendos, S.L.U.	(a)	Property leasing	Madrid	A.B. Auditors	100.00	-
Esgueva, S.A.U.	(a)	Property leasing and organisation of events	Madrid	-	-	100.00
Ízaro Films, S.A.U.	(a)	Audiovisual activities	Madrid	EY	-	100.00
Iniciativas Inmobiliarias Valderas, S.A.U.	(a)	Property leasing	Madrid	-	-	100.00
ECI Boavista	(b)	Property leasing	Portugal	EY	-	100.00
Construcc Inmobiliarias Alcoral, S.A.U.	(a)	Property leasing	Madrid	-	-	100.00
Promociones Inmobiliarias Gallegas, S.A.U.	(a)	Property leasing	Madrid	-	-	100.00
ECI Cascais, S.A.	(b)	Property leasing	Portugal	EY	-	100.00

Company		Business	Location	Auditor	Percentage ownership interest	
					Direct	Indirect
Associates:						
Centro de Seguros y Servicios ECI, Agencia de Seguros Vinculada, S.A.	(b)	Insurance brokerage	Madrid	PwC	49.99	-
Seguros El Corte Inglés, Vida, Pensiones y Reaseguros, S.A.	(b)		Madrid	PwC	49.99	-
Correduría de Seguros Corporativos El Corte Inglés, S.A.	(b)	Insurance brokerage	Madrid	PwC	-	49.99
Ahorro & Inversión ECI, Agencia de Valores, S.A.	(b)	Investment services	Madrid	PwC	49.99	-
Sephora Cosméticos España, S.L.	(b)		Madrid	PwC	50.00	-
Citorel, S.L.	(a)	Sale of jewellery and watches	Madrid	PwC	50.00	-
Financiera El Corte Inglés E.F.C., S.A.	(b)	Corporate Finance	Madrid	PwC	49.00	-
Financiera El Corte Inglés PT S.F.C., S.A.	(b)	Corporate Finance	Madrid	PwC	-	49.00

(a) Year ended 28 February 2026.

(b) Year ended 31 December 2025.

(*) The companies in the above table in which the Parent holds a percentage interest greater than 50% of the shares or ownership interests with voting rights (either directly or indirectly) are fully consolidated (note 2.8.1.). The rest of the companies are accounted for using the equity method as described in that note.

Appendix II: Other tax disclosures

Deferred tax assets arising from temporary differences recognised at the end of 2025 for each company:

Temporary differences - Tax consolidation group	Total
Recognised	**99,289**
Amortisation of intangible assets and goodwill (article 12.2 of the Spanish Corporate Income Tax Act – LIS) and depreciation and amortisation under Transitional Provision	**105**
El Corte Inglés, S.A.	104
Supercor, S.A.	1
Other non-tax-deductible provisions (article 14 of the LIS) not affected by article 11.12 of the LIS	**25,988**
El Corte Inglés, S.A.	20,250
Viajes El Corte Inglés, S.A.	3,702
Supercor, S.A.	993
Tourmundial Operadores, S.A.	279
Veci Group Tech, S.L.	255
Travelconcept, S.L.	161
Aperture Travel, S.L.	75
Sicor Seguridad El Corte Inglés, S.A.	75
Tu Experto En Viajes 2020, S.L.	56
Traveltino 2009, S.L.	53
Kumo Networks, S.L	40
CDEV Senior, S.L.	28
Entradas El Corte Inglés, S.L.	8
Receptivo Vecisa, S.L.	8
Travel Agencies Management, S.L.	2
Sicor Alarmas, S.L.	3
Impairment losses under (article 13.2(a) and Transitional Provision 15 of the LIS	**249**
Sicor Alarmas, S.L.	109
Traveltino 2009, S.L.	91
Travelconcept, S.L.	41
Telecor, S.A.	8
Impairment losses on PP&E, investment property and intangible assets, excluding goodwill (art. 13.2 a) and transitional provision 15 of the LIS)	**41,767**
El Corte Inglés, S.A.	34,880
Supercor, S.A.	3,972
Veci Group Tech, S.L.	2,915
Other temporary differences in the recognition of revenue and expenses (art. 11 of the LIS)	**1,210**
El Corte Inglés, S.A.	1,210
Difference between depreciation and amortisation for accounting and tax purposes (art. 12.1 of the LIS)	**382**
El Corte Inglés, S.A.	382

Temporary differences - Tax consolidation group	Total
Negative income (art. 11.9 and 11.10 of the LIS)	**7**
Viajes El Corte Inglés, S.A.	7
Adjustments made to determine Tax Group taxable income (50% cap on unused losses)	**27,292**
El Corte Inglés, S.A.	25,010
Cinamar, S.A	403
Entradas El Corte Inglés, S.L.	361
Sicor Alarmas, S.L.	324
Veci Travel Group, S.L.	317
Telecor, S.A.	297
Aperture Travel, S.L.	221
Editorial Centro de Estudios Ramón Areces, S.L.	115
Receptivo Vecisa, S.L.	48
Confecciones Teruel, S.A.	35
Parinver Servicios, S.L.	33
Construcciones Inmobiliarias Alcoral, S.A	29
ECI Puerta del Sol 1, S.L.	29
Sicor Limpieza Integral, S.L.	29
Industrias del Vestido, S.A.	17
Veci Group Tech, S.L.	10
ECI Puerta del Sol 2, S.L.	6
Garanair, S.L.	5
Rubiños 1860, S.A.	2
Esgueva, S.A.	1
Valuation changes recognised in equity	**2,289**
El Corte Inglés, S.A.	1,976
Telecor, S.A.	313

In € 000

Temporary differences - Rest of the Group	Total
Recognised	**47,269**
Moda Joven Sfera México, S.A. de C.V	15,668
Financiera El Corte Inglés E.F.C., S.A.	9,172
Seguros El Corte Inglés, Vida, Pensiones y Reaseguros, S.A.	7,003
Viajes El Corte Inglés, S.A. de C.V. (Mexico)	6,107
Sephora Cosméticos España, S.L.	3,313
El Corte Inglés-Grandes Armazéns, S.A.	2,997
Centro de Seguros y Servicios, Correduría de Seguros, S.A.	1,771
Asesora de Viajes, S.A. (Chile)	562
Viajes Proworld S.A. (Mexico)	474
Citorel, S.L.	128
Ahorro & Inversión ECI, Agencia de Valores, S.A	52
Operadora de Turismo, S.A. (Chile)	19
Correduría de Seguros Corporativos ECI, S.A.	3

In € 000

Unrecognised deferred tax assets arising from temporary differences at the end of 2025 for each company:

Temporary differences - Tax consolidation group	Total
Unrecognised	**729,319**
Amortisation of intangible assets and goodwill (art. 12.2 of the LIS) and depreciation and amortisation in transitional provision 13.1 of the LIS	**5,532**
El Corte Inglés, S.A.	4,981
Entradas El Corte Inglés, S.L.	404
El Corte Inglés Cadena de Suministro, S.L	70
Izaro Films, S.A.	33
Sicor Alarmas, S.L.	22
Sicor Seguridad El Corte Inglés, S.A.	18
Viajes El Corte Inglés, S.A.	4
Other non-tax-deductible provisions (article 14 of the LIS) not affected by article 11.12 of the LIS	**18,781**
El Corte Inglés, S.A.	17,578
Viajes El Corte Inglés, S.A.	770
Izaro Films, S.A.	165
Supercor, S.A.	109
Kumo Networks, S.L.	52
Tourmundial Operadores, S.A.	38
Aperture Travel, S.L.	32
Editorial Centro de Estudios Ramón Areces, S.A.	21
Veci Group Tech, S.L.	15
Tu Experto En Viajes 2020, S.L.	1
Impairment losses under article 13.1 of the LIS not affected by art. 11.12 or transitional provision 33ª.1 of the LIS	**625**
El Corte Inglés, S.A.	625
Impairment losses on PP&E, investment property and intangible assets, excluding goodwill (art. 13.2 a) and transitional provision 15 of the LIS)	**336,454**
El Corte Inglés, S.A.	290,059
Supercor, S.A.	36,724
Iniciativas Inmobiliarias Valderas, S.A.	8,086
Viajes El Corte Inglés, S.A.	1,382
Construcciones Inmobiliarias Alcoral, S.A.	142
Confecciones Teruel, S.A.	53
Esgueva, S.A.	7
Industrias del Vestido, S.A.	1
Other temporary differences in the recognition of revenue and expenses (art. 11 of the LIS)	**281**
Aperture Travel, S.L.	164
Viajes El Corte Inglés, S.A.	117
Negative income (art. 11.9 and 11.10 of the LIS)	**139**
Viajes El Corte Inglés, S.A.	139
Adjustments made to determine Tax Group taxable income (50% cap on unused losses)	**9,698**
El Corte Inglés, S.A.	8,337

Temporary differences - Tax consolidation group	Total
Cinamar, S.A.	269
Entradas El Corte Inglés, S.L.	241
Sicor Alarmas, S.L.	214
Veci Travel Group, S.L.	183
Telecor, S.A.	180
Aperture Travel, S.L.	74
Editorial Centro de Estudios Ramón Areces, S.A.	62
Receptivo Vecisa, S.L.	31
Confecciones Teruel, S.A.	20
Sicor Limpieza Integral, S.L.	17
ECI Puerta del Sol 1, S.L.	17
Parinver Servicios, S.L.	16
Construcciones Inmobiliarias Alcoral, S.A.	15
Industrias del Vestido, S.A.	8
Veci Group Tech, S.L.	7
ECI Puerta del Sol 2, S.L.	4
Garanair, S.L.	2
Rubiños 1860, S.A.	1
Esgueva, S.A.	-
Other adjustments to profit or loss	**38**
Veci Group Tech, S.L.	14
Aperture Travel, S.L.	10
Traveltino 2009, S.L.	8
Travelconcept, S.L.	4
Tu Experto En Viajes 2020, S.L.	1
Travel Agencies Management, S.L.	1
Impairment losses on equity instruments or investments	**341,251**
El Corte Inglés, S.A.	330,064
Viajes El Corte Inglés, S.A.	4,046
Iniciativas Inmobiliarias Valderas, S.A.	3,671
Parinver, S.A.	3,099
Ason Inmobiliaria de Arriendos, S.L.	308
Aperture Travel, S.L.	63
Valuation changes recognised in equity	**16,521**
El Corte Inglés, S.A.	15,214
Telecor, S.A.	223
Parinver, S.A.	820
Supercor, S.A.	264

In € 000

Recognised deferred tax assets arising from unused tax credits at year-end 2025 in each company by type:

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Recognised	187,738		
Intra-group double taxation credit	**91,535**		
El Corte Inglés, S.A.	25,604	2013	Unlimited
Parinver, S.A.	0.3	2013	Unlimited
Viajes El Corte Inglés, S.A.	0.002	2013	Unlimited
El Corte Inglés, S.A.	9,228	2014	Unlimited
Parinver, S.A.	155	2014	Unlimited
El Corte Inglés, S.A.	54,994	2015	Unlimited
El Corte Inglés, S.A.	1,554	2022	Unlimited
International double taxation credit	**807**		
El Corte Inglés, S.A.	22	2013	Unlimited
Viajes El Corte Inglés, S.A.	1	2013	Unlimited
El Corte Inglés, S.A.	71	2014	Unlimited
Viajes El Corte Inglés, S.A.	1	2014	Unlimited
El Corte Inglés, S.A.	105	2015	Unlimited
Viajes El Corte Inglés, S.A.	1	2015	Unlimited
El Corte Inglés, S.A.	24	2020	Unlimited
El Corte Inglés, S.A.	164	2021	Unlimited
El Corte Inglés, S.A.	174	2022	Unlimited
El Corte Inglés, S.A.	244	2023	Unlimited
Tourmundial Operadores, S.A.	0.4	2023	Unlimited
Investment tax credit - R&D	**53,918**		
El Corte Inglés, S.A.	946	2010	2028
Cinamar, S.A.	277	2010	2028
Viajes El Corte Inglés, S.A.	137	2010	2028
El Corte Inglés, S.A.	1,778	2011	2029
Viajes El Corte Inglés, S.A.	714	2011	2029
Telecor, S.A.	653	2011	2029
Cinamar, S.A.	279	2011	2029
El Corte Inglés, S.A.	3,562	2012	2030
Viajes El Corte Inglés, S.A.	805	2012	2030
Cinamar, S.A.	214	2012	2030
El Corte Inglés, S.A.	4,694	2013	2031
Viajes El Corte Inglés, S.A.	461	2013	2031
Telecor, S.A.	181	2013	2031
El Corte Inglés, S.A.	5,891	2014	2032
Viajes El Corte Inglés, S.A.	543	2014	2032
Telecor, S.A.	185	2014	2032
El Corte Inglés, S.A.	3,782	2015	2033
Telecor, S.A.	195	2015	2033
Viajes El Corte Inglés, S.A.	13	2015	2033
El Corte Inglés, S.A.	3,533	2016	2034

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Telecor, S.A.	207	2016	2034
Veci Group Tech, S.L.	172	2016	2034
Viajes El Corte Inglés, S.A.	55	2016	2034
El Corte Inglés, S.A.	3,683	2017	2035
Viajes El Corte Inglés, S.A.	66	2017	2035
El Corte Inglés, S.A.	2,119	2018	2036
Veci Group Tech, S.L.	232	2018	2036
Traveltino 2009, S.L.	160	2018	2036
Aperture Travel, S.L.	29	2018	2036
El Corte Inglés, S.A.	4,497	2019	2037
Veci Group Tech, S.L.	817	2019	2037
Traveltino 2009, S.L.	113	2019	2037
Aperture Travel, S.L.	97	2019	2037
El Corte Inglés, S.A.	4,822	2020	2038
Veci Group Tech, S.L.	434	2020	2038
Aperture Travel, S.L.	38	2020	2038
Traveltino 2009, S.L.	38	2020	2038
El Corte Inglés, S.A.	4,870	2021	2039
Veci Group Tech, S.L.	577	2021	2039
Aperture Travel, S.L.	4	2021	2039
El Corte Inglés, S.A.	1,045	2024	2042
El Corte Inglés, S.A.	1,000	2025	2043
Investment tax credit - Job creation	**3,353**		
Supercor, S.A.	1	2013	2028
Supercor, S.A.	1	2014	2029
El Corte Inglés, S.A.	98	2016	2031
Supercor, S.A.	6	2016	2031
El Corte Inglés, S.A.	26	2017	2032
Supercor, S.A.	13	2017	2032
El Corte Inglés, S.A.	447	2018	2033
Supercor, S.A.	41	2018	2033
El Corte Inglés, S.A.	252	2019	2034
Supercor, S.A.	164	2019	2034
El Corte Inglés, S.A.	244	2020	2035
Supercor, S.A.	41	2020	2035
El Corte Inglés, S.A.	89	2021	2036
Supercor, S.A.	9	2021	2036
El Corte Inglés, S.A.	1,342	2022	2037
El Corte Inglés Cadena de Suministros, S.L.	141	2022	2037
Sicor Seguridad El Corte Inglés, S.A.	89	2022	2037
Supercor, S.A.	38	2022	2037
Sicor Servicios Integrales, S.L.	1	2022	2037
El Corte Inglés, S.A.	41	2023	2038
Supercor, S.A.	24	2023	2038

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Viajes El Corte Inglés, S.A.	14	2023	2038
Sicor Seguridad El Corte Inglés, S.A.	7	2023	2038
Sicor Integra El Corte Inglés, S.L.	2	2023	2038
Sicor Integra El Corte Inglés, S.L.	21	2024	2039
El Corte Inglés, S.A.	19	2024	2039
Traveltino 2009, S.L.	6	2024	2039
Travelconcept, S.L.	5	2024	2039
Viajes El Corte Inglés, S.A.	0.1	2024	2039
El Corte Inglés Cadena de Suministros, S.L.	105	2025	2040
El Corte Inglés, S.A.	28	2025	2040
Sicor Alarmas El Corte Inglés, S.L.	25	2025	2040
Sicor Integra El Corte Inglés, S.L.	13	2025	2040
Investment tax credit - Book publishing	**0.5**		
Editorial Centro de Estudios Ramón Areces, S.A.	0.5	2013	2028
Investment tax credit - Events	**4,635**		
El Corte Inglés, S.A.	452	2013	2028
El Corte Inglés, S.A.	360	2013	2028
El Corte Inglés, S.A.	638	2014	2029
El Corte Inglés, S.A.	2,554	2015	2030
El Corte Inglés, S.A.	1	2016	2031
El Corte Inglés, S.A.	630	2017	2032
Donations to NGOs	**4,864**		
El Corte Inglés, S.A.	683	2018	2028
Viajes El Corte Inglés, S.A.	4	2018	2028
El Corte Inglés, S.A.	571	2019	2029
Viajes El Corte Inglés, S.A.	3	2019	2029
El Corte Inglés, S.A.	357	2020	2030
Aperture Travel, S.L.	1	2020	2030
Veci Group Tech, S.L.	0	2020	2030
El Corte Inglés, S.A.	607	2021	2031
Aperture Travel, S.L.	1	2021	2031
El Corte Inglés, S.A.	508	2022	2032
Viajes El Corte Inglés, S.A.	1	2022	2032
Supercor, S.A.	0	2022	2032
El Corte Inglés, S.A.	511	2023	2033
Viajes El Corte Inglés, S.A.	3	2023	2033
Supercor, S.A.	1	2023	2033
Aperture Travel, S.L.	1	2023	2033
Travelconcept, S.L.	1	2023	2033
El Corte Inglés, S.A.	474	2024	2034
Viajes El Corte Inglés, S.A.	3	2024	2034

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Travelconcept, S.L.	1	2024	2034
Supercor, S.A.	1	2024	2034
El Corte Inglés, S.A.	445	2025	2035
Supercor, S.A.	3	2025	2035
Entradas El Corte Inglés, S.L.	1	2025	2035
Viajes El Corte Inglés, S.A.	0	2025	2035
El Corte Inglés, S.A.	683	2018	2028
Re-investment tax credit	**14,667**		
El Corte Inglés, S.A.	6,777	2013	2028
Supercor, S.A.	0.4	2013	2028
Industrias del Vestido, S.A.	0	2013	2028
El Corte Inglés, S.A.	7,887	2014	2029
Industrias del Vestido, S.A.	2	2014	2029
Confecciones Teruel, S.A.	0.4	2014	2029
Reversal of temporary measures	**13,957**		
El Corte Inglés, S.A.	546	2015	Unlimited
Supercor, S.A.	23	2015	Unlimited
Viajes El Corte Inglés, S.A.	13	2015	Unlimited
Telecor, S.A.	3	2015	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	3	2015	Unlimited
Parinver, S.A.	0.2	2015	Unlimited
Industrias del Vestido, S.A.	0.2	2015	Unlimited
Confecciones Teruel, S.A.	0.1	2015	Unlimited
Izaro Films, S.A.	0.04	2015	Unlimited
Uria Veinte, S.A.	0.03	2015	Unlimited
Esgueva, S.A.	0.03	2015	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.01	2015	Unlimited
Rubiños 1860, S.A.	0.0001	2015	Unlimited
El Corte Inglés, S.A.	1,365	2016	Unlimited
Supercor, S.A.	58	2016	Unlimited
Viajes El Corte Inglés, S.A.	34	2016	Unlimited
Telecor, S.A.	8	2016	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2016	Unlimited
Parinver, S.A.	1	2016	Unlimited
Industrias del Vestido, S.A.	0.4	2016	Unlimited
Confecciones Teruel, S.A.	0.3	2016	Unlimited
Izaro Films, S.A.	0.1	2016	Unlimited
Uria Veinte, S.A.	0.1	2016	Unlimited
Esgueva, S.A.	0.1	2016	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2016	Unlimited
Rubiños 1860, S.A.	0.0003	2016	Unlimited
El Corte Inglés, S.A.	1,365	2017	Unlimited

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Supercor, S.A.	58	2017	Unlimited
Viajes El Corte Inglés, S.A.	34	2017	Unlimited
Telecor, S.A.	8	2017	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2017	Unlimited
Parinver, S.A.	1	2017	Unlimited
Industrias del Vestido, S.A.	0.4	2017	Unlimited
Confecciones Teruel, S.A.	0.3	2017	Unlimited
Izaro Films, S.A.	0.1	2017	Unlimited
Uria Veinte, S.A.	0.1	2017	Unlimited
Esgueva, S.A.	0.1	2017	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2017	Unlimited
Rubiños 1860, S.A.	0.0003	2017	Unlimited
El Corte Inglés, S.A.	1,365	2018	Unlimited
Supercor, S.A.	58	2018	Unlimited
Viajes El Corte Inglés, S.A.	34	2018	Unlimited
Telecor, S.A.	8	2018	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2018	Unlimited
Parinver, S.A.	1	2018	Unlimited
Industrias del Vestido, S.A.	0.4	2018	Unlimited
Confecciones Teruel, S.A.	0.3	2018	Unlimited
Izaro Films, S.A.	0.1	2018	Unlimited
Uria Veinte, S.A.	0.1	2018	Unlimited
Esgueva, S.A.	0.1	2018	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2018	Unlimited
Rubiños 1860, S.A.	0.0003	2018	Unlimited
El Corte Inglés, S.A.	1,365	2019	Unlimited
Supercor, S.A.	109	2019	Unlimited
Viajes El Corte Inglés, S.A.	34	2019	Unlimited
Telecor, S.A.	8	2019	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2019	Unlimited
Parinver, S.A.	1	2019	Unlimited
Industrias del Vestido, S.A.	0.4	2019	Unlimited
Confecciones Teruel, S.A.	0.3	2019	Unlimited
Izaro Films, S.A.	0.1	2019	Unlimited
Uria Veinte, S.A.	0.1	2019	Unlimited
Esgueva, S.A.	0.08	2019	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2019	Unlimited
Promociones Inmobiliarias Gallegas, S.A.	0.01	2019	Unlimited
Rubiños 1860, S.A.	0.0003	2019	Unlimited
El Corte Inglés, S.A.	1,365	2020	Unlimited
Supercor, S.A.	68	2020	Unlimited
Viajes El Corte Inglés, S.A.	34	2020	Unlimited
Telecor, S.A.	8	2020	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2020	Unlimited
Parinver, S.A.	1	2020	Unlimited

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Industrias del Vestido, S.A.	0.4	2020	Unlimited
Confecciones Teruel, S.A.	0.3	2020	Unlimited
Izaro Films, S.A.	0.1	2020	Unlimited
Uria Veinte, S.A.	0.1	2020	Unlimited
Esgueva, S.A.	0.08	2020	Unlimited
Travelconcept, S.L.	0.04	2020	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2020	Unlimited
Traveltino 2009, S.L.	0.01	2020	Unlimited
Promociones Inmobiliarias Gallegas, S.A.	0.01	2020	Unlimited
Rubiños 1860, S.A.	0.0003	2020	Unlimited
El Corte Inglés, S.A.	1,365	2021	Unlimited
Supercor, S.A.	68	2021	Unlimited
Viajes El Corte Inglés, S.A.	34	2021	Unlimited
Telecor, S.A.	8	2021	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2021	Unlimited
Sicor Seguridad El Corte Inglés, S.A.	1	2021	Unlimited
Parinver, S.A.	1	2021	Unlimited
Industrias del Vestido, S.A.	0.4	2021	Unlimited
Confecciones Teruel, S.A.	0.3	2021	Unlimited
Izaro Films, S.A.	0.1	2021	Unlimited
Uria Veinte, S.A.	0.1	2021	Unlimited
Esgueva, S.A.	0.08	2021	Unlimited
Sicor Servicios Integrales, S.L.	0.1	2021	Unlimited
Travelconcept, S.L.	0.05	2021	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2021	Unlimited
Traveltino 2009, S.L.	0.02	2021	Unlimited
Promociones Inmobiliarias Gallegas, S.A.	0.01	2021	Unlimited
Rubiños 1860, S.A.	0.0003	2021	Unlimited
El Corte Inglés, S.A.	1,365	2022	Unlimited
Supercor, S.A.	70	2022	Unlimited
Viajes El Corte Inglés, S.A.	34	2022	Unlimited
Telecor, S.A.	8	2022	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2022	Unlimited
Sicor Seguridad El Corte Inglés, S.A.	1	2022	Unlimited
Parinver, S.A.	1	2022	Unlimited
Industrias del Vestido, S.A.	0.4	2022	Unlimited
Confecciones Teruel, S.A.	0.3	2022	Unlimited
Izaro Films, S.A.	0.1	2022	Unlimited
Uria Veinte, S.A.	0.1	2022	Unlimited
Esgueva, S.A.	0.08	2022	Unlimited
Sicor Servicios Integrales, S.L.	0.1	2022	Unlimited
Travelconcept, S.L.	0.04	2022	Unlimited
Veci Group Tech, S.L.	0.03	2022	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2022	Unlimited
Traveltino 2009, S.L.	0.01	2022	Unlimited

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Promociones Inmobiliarias Gallegas, S.A.	0.01	2022	Unlimited
Tu Experto En Viajes 2020, S.L.	0.006	2022	Unlimited
Rubiños 1860, S.A.	0.0003	2022	Unlimited
El Corte Inglés, S.A.	1,365	2023	Unlimited
Supercor, S.A.	70	2023	Unlimited
Viajes El Corte Inglés, S.A.	34	2023	Unlimited
Telecor, S.A.	8	2023	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2023	Unlimited
Sicor Seguridad El Corte Inglés, S.A.	1	2023	Unlimited
Parinver, S.A.	1	2023	Unlimited
Industrias del Vestido, S.A.	0.4	2023	Unlimited
Confecciones Teruel, S.A.	0.3	2023	Unlimited
Izaro Films, S.A.	0.1	2023	Unlimited
Uria Veinte, S.A.	0.1	2023	Unlimited
Esgueva, S.A.	0.08	2023	Unlimited
Sicor Servicios Integrales, S.L.	0.1	2023	Unlimited
Travelconcept, S.L.	0.04	2023	Unlimited
Veci Group Tech, S.L.	0.03	2023	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2023	Unlimited
Traveltino 2009, S.L.	0.01	2023	Unlimited
Promociones Inmobiliarias Gallegas, S.A.	0.01	2023	Unlimited
Tu Experto En Viajes 2020, S.L.	0.006	2023	Unlimited
Rubiños 1860, S.A.	0.0003	2023	Unlimited
El Corte Inglés, S.A.	1,365	2024	Unlimited
Supercor, S.A.	70	2024	Unlimited
Viajes El Corte Inglés, S.A.	34	2024	Unlimited
Telecor, S.A.	8	2024	Unlimited
Ason Inmobiliaria de Arriendos, S.L.	6	2024	Unlimited
Sicor Seguridad El Corte Inglés, S.A.	1	2024	Unlimited
Parinver, S.A.	1	2024	Unlimited
Industrias del Vestido, S.A.	0.4	2024	Unlimited
Confecciones Teruel, S.A.	0.3	2024	Unlimited
Izaro Films, S.A.	0.1	2024	Unlimited
Uria Veinte, S.A.	0.1	2024	Unlimited
Esgueva, S.A.	0.08	2024	Unlimited
Sicor Servicios Integrales, S.L.	0.1	2024	Unlimited
Travelconcept, S.L.	0.03	2024	Unlimited
Veci Group Tech, S.L.	0.02	2024	Unlimited
Editorial Centro de Estudios Ramón Areces, S.A.	0.02	2024	Unlimited
Promociones Inmobiliarias Gallegas, S.A.	0.01	2024	Unlimited
Traveltino 2009, S.L.	0.01	2024	Unlimited
Tu Experto En Viajes 2020, S.L.	0.005	2024	Unlimited
Rubiños 1860, S.A.	0.0003	2024	Unlimited

In € 000

Deductions - Rest of the Group	Total	Year arising	Year of expiry
Recognised	529		
Investment tax credit	**529**		
Centro de Seguros y Servicios, Correduría de Seguros,	496	-	-
Global Portal Bookings, S.L.	33	-	-

In € 000

Unrecognised deferred tax assets arising from unused tax credits at year-end 2025 in each company by type:

Deductions - Tax consolidation group	Total	Year arising	Year of expiry
Unrecognised	26,482		
Investment tax credit - Events	**13,743**		
El Corte Inglés, S.A.	10,670	2011	2026
Viajes El Corte Inglés, S.A.	1,912	2011	2026
Viajes El Corte Inglés, S.A.	1,058	2011	2026
El Corte Inglés, S.A.	103	2012	2027
Investment tax credit - R&D	**3,461**		
El Corte Inglés, S.A.	3,461	2009	2027
Re-investment tax credit	**9,048**		
El Corte Inglés, S.A.	6	2011	2026
Viajes El Corte Inglés, S.A.	0	2011	2026
Supercor, S.A.	0	2011	2026
El Corte Inglés, S.A.	9,042	2012	2027
Viajes El Corte Inglés, S.A.	0	2012	2027
Donations to NGOs	**224**		
El Corte Inglés, S.A.	223	2017	2027
Viajes El Corte Inglés, S.A.	1	2017	2027
Investment tax credit - Book publishing	**1**		
Editorial Centro de Estudios Ramón Areces, S.A.	1	2012	2027
Investment tax credit - Job creation	**5**		
Supercor, S.A.	5	2012	2027

In € 000

Deferred tax assets arising from the carry forward of unused tax losses at year-end 2025 in each company:

Unused tax losses - Tax consolidation group	Total	Year arising
Recognised	**210,194**	
El Corte Inglés, S.A.	11,644	2011
Supercor, S.A.	4,637	2011
Parinver, S.A.	3,391	2011
Cinamar, S.A.	112	2011
Esgueva, S.A.	79	2011
Industrias del Vestido, S.A.	18	2011
Ason Inmobiliaria de Arriendos, S.L.	6	2011
Confecciones Teruel, S.A.	4	2011
Rubiños 1860, S.A.	2	2011
El Corte Inglés, S.A.	80,661	2012
Supercor, S.A.	8,079	2012
Industrias del Vestido, S.A.	1,436	2012
Telecor, S.A.	645	2012
Confecciones Teruel, S.A.	608	2012
Cinamar, S.A.	272	2012
Ason Inmobiliaria de Arriendos, S.L.	163	2012
El Corte Inglés, S.A.	58,689	2013
Supercor, S.A.	32,647	2013
Industrias del Vestido, S.A.	776	2013
Confecciones Teruel, S.A.	527	2013
Ason Inmobiliaria de Arriendos, S.L.	126.3	2013
Cinamar, S.A.	0.1	2013
Entradas El Corte Inglés, S.L.	11	2018
Travelconcept, S.L.	1122	2020
Veci Group Tech, S.L.	1004	2020
Traveltino 2009, S.L.	456	2020
Aperture Travel, S.L.	355	2020
Tu Experto En Viajes 2020, S.L.	82	2020
Traveltino 2009, S.L.	330	2021
Veci Group Tech, S.L.	318	2021
Travelconcept, S.L.	108	2021
Viajes El Corte Inglés, S.A.	1503	2022
Traveltino 2009, S.L.	190	2022
Veci Travel Group, S.L.	19	2022
Entradas El Corte Inglés, S.L.	4	2022
Aperture Travel, S.L.	148	2023
Veci Travel Group, S.L.	21	2023
Entradas El Corte Inglés, S.L.	1	2023

In € 000

Tax losses – Rest of the Group	Total	Year arising
Recognised	**3,036**	
Sephora Cosméticos España, S.L.	2,776	-
Global Portal Booking, S.L.	260	-

Unrecognised deferred tax assets arising from the carry forward of unused tax losses at year-end 2025 in each company:

Unused tax losses - Tax consolidation group	Total	Year arising
Unrecognised	**409,311**	
El Corte Inglés, S.A.	58,537	2013
Supercor, S.A.	32,562	2013
Industrias del Vestido, S.A.	774	2013
Confecciones Teruel, S.A.	526	2013
Ason Inmobiliaria de Arriendos, S.L.	126	2013
Cinamar, S.A.	0.1	2013
El Corte Inglés, S.A.	40,898	2016
Supercor, S.A.	6,205	2016
Confecciones Teruel, S.A.	1,152	2016
Ason Inmobiliaria de Arriendos, S.L.	1,110	2016
Telecor, S.A.	955	2016
CDEV Senior, S.L.	93	2016
Rubiños 1860, S.A.	49	2016
Izaro Films, S.A.	29	2016
Esgueva, S.A.	13	2016
Iniciativas Inmobiliarias Valderas, S.A.	242	2018
El Corte Inglés, S.A.	133,663	2020
Viajes El Corte Inglés, S.A.	29,721	2020
Tourmundial Operadores, S.A.	1,716	2020
Industrias del Vestido, S.A.	987	2020
CDEV Senior, S.L.	284	2020
Construcciones Inmobiliarias Alcoral, S.A.	17	2020
Entradas El Corte Inglés, S.L.	14	2020
Confecciones Teruel, S.A.	10	2020
Esgueva, S.A.	9	2020
Parinver Servicios, S.L.	1	2020
Rubiños 1860, S.A.	1	2020
Sicor Limpieza Integral, S.L.	0.1	2020
Sicor Integra El Corte Inglés, S.L.	0.1	2020
Sicor Interservicios ETT, S.L.	0.1	2020
El Corte Inglés, S.A.	55,915	2021
Viajes El Corte Inglés, S.A.	13,571	2021
Supercor, S.A.	1,293	2021
Tourmundial Operadores, S.A.	966	2021

Unused tax losses - Tax consolidation group	Total	Year arising
Travelconcept, S.L.	752	2021
Traveltino 2009, S.L.	419	2021
CDEV Senior, S.L.	127	2021
Industrias del Vestido, S.A.	41	2021
Esgueva, S.A.	38	2021
Editorial Centro de Estudios Ramón Areces, S.L.	15	2021
El Corte Inglés Cadena de Suministros, S.L.	15	2021
Sicor Interservicios ETT, S.L.	10	2021
Sicor Integra El Corte Inglés, S.L.	4	2021
Confecciones Teruel, S.A.	4	2021
Entradas El Corte Inglés, S.L.	2	2021
Parinver Servicios, S.L.	2	2021
Sicor Limpieza Integral, S.L.	0.2	2021
Veci Travel Group, S.L.	0.1	2021
El Corte Inglés, S.A.	5,333	2022
Supercor, S.A.	1,668	2022
Izaro Films, S.A.	342	2022
Telecor, S.A.	240	2022
Viajes El Corte Inglés, S.A.	218	2022
Iniciativas Inmobiliarias Valderas, S.A.	75	2022
Industrias del Vestido, S.A.	39	2022
Editorial Centro de Estudios Ramón Areces, S.L.	36	2022
Traveltino 2009, S.L.	27	2022
Sicor Seguridad El Corte Inglés, S.L.	16	2022
Construcciones Inmobiliarias Alcoral, S.A.	14	2022
Confecciones Teruel, S.A.	11	2022
Parinver Servicios, S.L.	5	2022
Esgueva, S.A.	4	2022
Veci Travel Group, S.L.	3	2022
Entradas El Corte Inglés, S.L.	1	2022
Cinamar, S.A.	0.2	2022
Sicor Limpieza Integral, S.L.	0.2	2022
Parinver, S.A.	0.1	2022
El Corte Inglés, S.A.	18,333	2023
Editorial Centro de Estudios Ramón Areces, S.L.	21	2023
Telecor, S.A.	14	2023
Aperture Travel, S.L.	13	2023
Parinver Servicios, S.L.	9	2023
Industrias del Vestido, S.A.	7	2023
Garanair, S.L.	4	2023
Construcciones Inmobiliarias Alcoral, S.A.	3	2023
Sicor Limpieza Integral, S.L.	2	2023
Veci Travel Group, S.L.	2	2023
Confecciones Teruel, S.A.	1	2023

Unused tax losses - Tax consolidation group	Total	Year arising
Rubiños 1860, S.A.	0.2	2023
Esgueva, S.A.	0.2	2023
Entradas El Corte Inglés, S.L.	0.1	2023

In € 000

Tax losses – Rest of the Group	Total	Year arising
Unrecognised	**3,870**	
Magic Rooms Acommodation Ltd.	630	-
Viajes El Corte Inglés Ecuador, S.A.	588	-
Viajes El Corte Inglés Perú, S.A.	544	-
Operadora de Turismo, S.A.	377	-
Viajes El Corte Inglés Colombia, S.A.	303	-
Travelfactory S.R.L.	265	-
Logitravel Ltd.	264	-
Viajes El Corte Inglés Argentina, S.A.	258	-
Viajes El Corte Inglés, INC.	195	-
Viajes El Corte Inglés Panamá, S.A.	183	-
Viajes Proworld S.A. (Mexico)	182	-
Travelfactory Portugal Lda	79	-
Travelsteps S.A.R.L.	2	-

In € 000

APPENDIX III: ALTERNATIVE PERFORMANCE MEASURES

At the end of each month, El Corte Inglés Group prepares certain information by business segment and for analytical purposes in keeping with the International Financial Reporting Standards (IFRS). In addition, the Group uses certain alternative measures to assess its business and financial performance. Below is a description of the various performance measures used in the consolidated management report and notes to the consolidated financial statements which, in Group management's opinion, qualify as alternative performance measures—APMs—under the guidelines issued by the ESMA:

Total transaction value

- Definition: Total transaction value is the indicator used by El Corte Inglés Group to measure its entire activity and is defined as the total amount invoiced to customers through the various distribution channels it operates.
- Rationale for usage: this APM is used to measure the Group's total third-party transaction volume considering gross operating income in transactions in which the Group acts as principal and as agent (note 4.2.11).
- Comparability: included in total transaction value from last year is revenue obtained by external firms classified in the Surface Commercialization segment.
- Reconciliation: the reconciliation is provided below:

Item	Source	2025	2024
(=) Revenue	P&L	14,988	14,786
(+) "Net" amount invoiced (note 4.2.11)		2,259	2,267
(=) Total transaction value	APM	17,247	17,053

In € m

EBITDA

- **Definition**: EBITDA is defined as operating profit before depreciation and amortisation charges, the expenses and income recognised within "Other gains/losses" and the expenses recognised under "Employee benefit obligations".

  Note that the Group recognises asset impairment losses, the gains and losses arising from transactions involving fixed assets and non-current assets held for sale and non-recurring gains and losses under "Other gains/losses".

- **Rationale for usage**: EBITDA is an earnings indicator widely used in the financial markets as it provides a proxy for operating cash generation and facilitates comparisons across different businesses in the same or different sectors.
- **Comparability**: the criteria used to define EBITDA have not changed from last year.
- **Reconciliation**: The reconciliation between EBITDA and the amounts presented in the statement of profit or loss is shown below:

Item	Source	2025	2024
(=) Operating profit	P&L	729	708
(+) Depreciation and amortisation	P&L	532	514
(+) Other gains/(losses)	P&L	(14)	(47)
(+) Employee benefit obligations	P&L	19	34
(=) EBITDA	**APM**	**1,266**	**1,209**

In € m

Adjusted EBITDA

- **Definition**: Adjusted EBITDA is defined as EBITDA, as defined above, less lease payments under IFRS 16, plus dividends received from associates plus extraordinary charges.
- **Rationale for usage**: adjusted EBITDA is used to calculate the Group's debt ratio for the purposes of its syndicated loan agreement.
- **Comparability**: the criteria used to define Adjusted EBITDA have not changed from last year.
- **Reconciliation**: the reconciliation between EBITDA and the amounts presented in the statement of profit or loss is shown below:

Item	Source	2025	2024
(=) EBITDA	APM	1,266	1,209
(-) IFRS 16 lease payments	P&L	(117)	(114)
(+) Dividends from associates reported	P&L	72	39
(+) Extraordinary charges	P&L	30	65
(=) Adjusted EBITDA	**APM**	**1,251**	**1,200**

In € m

EBITDA margin

- **Definition**: the ratio between EBITDA and revenue.

- **Rationale for usage**: The EBITDA margin is used to track the business's performance for analytical purposes.
- **Comparability**: the criteria used to define the EBITDA margin have not changed from last year.
- **Reconciliation**: the reconciliation between EBITDA margin and the percentage presented in the statement of profit or loss is shown below:

Item	Source	2025	2024
(=) EBITDA	APM	1,266	1,209
(=) Revenue	P&L	14,988	14,786
(=) EBITDA margin (%)	**APM**	**8.4**	**8.2**

In € m

Reported gross financial debt

- **Definition**: the Group uses reported gross financial debt as defined in its syndicated loan agreement. As per that agreement, it includes the following headings:
  - Bank borrowings, excluding interest accrued and unpaid.
  - Notes and other marketable securities, including the commercial paper listed on Spain's alternative fixed-income market (MARF), excluding interest accrued and unpaid.
  - The capitalised amount of finance leases other than those falling under the scope of IFRS 16.
- **Rationale for usage**: reported gross financial debt is used to gauge the Group's gross borrowings and calculate its reported net financial debt.
- **Comparability**: the criteria used in its definition have not changed from last year.
- **Reconciliation**: the reconciliation is provided below:

Item	Source	2025	2024
(+) Current and non-current bank borrowings	Fin.	1,318	1,815
(+) Non-current and current notes and other marketable securities	Fin.	1,014	515
(+) Leases (excluding leases under IFRS 16) and other borrowings		1	6
(-) Interest accrued and unpaid on bank borrowings		(3)	(5)
(-) Interest accrued and unpaid on notes and other marketable securities		(18)	(11)
(=) Reported gross financial debt	**APM**	**2,312**	**2,320**

In € m

Cash and cash equivalents

- **Definition**: the Group uses this APM to identify highly liquid financial assets and to calculate its reported net financial debt. It includes the following headings:
    - the total amount recognised under "Cash and cash equivalents" in the statement of financial position.
    - the amount of highly liquid deposits included under "Current financial assets".
- **Rationale for usage**: this measure is used to gauge the Group's liquidity and solvency position.
- **Comparability**: the criteria used in its definition have not changed from last year.
- **Reconciliation**: the reconciliation between this APM and the related headings of the statement of financial position is provided below:

Item	Source	2025	2024
(-) Current financial assets	Fin. pos.	53	90
(-) Cash and cash equivalents	Fin. pos.	655	517
(+) Adjustments for derivatives, security deposits		(44)	(84)
(=) Cash and cash equivalents	**APM**	**664**	**523**

In € m

Reported net financial debt

- **Definition**: the Group uses reported net financial debt (or ND) as defined in its syndicated loan agreement. As per that agreement, ND includes the APMs defined above:
    - + Reported gross financial debt.
    - - Cash and cash equivalents.
- **Rationale for usage**: ND is used to gauge the Group's net borrowings and its solvency position.
- **Comparability**: the criteria used in its definition have not changed from last year.
- **Reconciliation**: the reconciliation between reported ND and the related headings of the statement of financial position is provided below:

Item	Source	2025	2024
Reported gross financial debt	APM	2,312	2,320
Cash and cash equivalents	**APM**	**(664)**	**(523)**
(=) Reported net financial debt	**APM**	**1,648**	**1,797**

In € m

Working capital

- **Definition**: working capital is defined as the amount of inventories, receivables and other current assets less payables and other current liabilities that originate in the ordinary course of business operations.
- **Rationale for usage**: working capital is used to measure the Group's liquidity requirement and its impact on the generation of cash flows from operating activities.
- **Comparability**: the criteria used to define working capital have not changed from last year.
- **Reconciliation**: the reconciliation between working capital and the corresponding headings of the statement of financial position is provided below:

Item	Source	2025	2024
(+) Inventories	**Fin.**	1,897	1,863
(+) Trade and other receivables	**Fin.**	561	525
(-) Trade and other payables	**Fin.**	(3,729)	(3,496)
(+/-) Other assets and liabilities		225	(30)
(=) Working capital	**APM**	**(1,046)**	**(1,138)**

In € m

Notes:

- The amount of inventories is that corresponding to the assets described in note 12.
- "Trade and other receivables" includes "Trade receivables" (note 13), "Receivables from associates and related parties" (note 24.1), "Current tax assets" and "Other current assets".
- "Trade and other payables" includes "Payables to fixed-asset suppliers" within current liabilities on the accompanying statement of financial position, "Trade and other payables" (note 21), "Trade payables, associates and related parties" (note 24.1), "Current tax liabilities", and "Accruals" within current liabilities.

- "Other assets and liabilities" relate to receivables and payables that are included within current assets and current liabilities on the accompanying consolidated statement of financial position, respectively, and that are not included in working capital as they did not arise in the ordinary course of business operations.

Loan-to-value (LTV) ratio

- **Definition**: the ratio between reported net financial debt and the fair value of the Group's properties.
- **Rationale for usage**: it is used to measure the debt incurred to finance assets relative to their market value.
- **Comparability**: the criteria used to define the LTV ratio have not changed from last year.
- **Reconciliation**: the reconciliation between the LTV ratio and the corresponding headings of the statement of financial position is provided below:

Item	Source	2025	2024
(=) Net financial debt	APM	1,648	1,797
(=) Value of the Group's properties	Note 4.2.5.2	15,666	15,716
(=) Loan-to-value (LTV) ratio	**APM**	**10.5%**	**11.4%**

In € m

EL CORTE INGLÉS CONSOLIDATED GROUP

GROUP MANAGEMENT REPORT FOR THE YEAR ENDED 28 February 2026

1. GROUP SITUATION

El Corte Inglés Group is one of the world's largest retail groups, covering several areas and engaging in a range of activities, e.g., travel services, surface commercialization, insurance, financial services, security systems. It constitutes a diversified and synergistic ecosystem. Our business model is predicated on bringing together the interests of customers, suppliers and shareholders around an established brand that generates trust in the wider society.

The Retail business line features a mix of discretionary categories (e.g., fashion, beauty and home furnishing) combined with other more resilient categories (e.g. food and electronics). Its business is articulated around its omnichannel strategy and unique network of bricks-and-mortar stores in prime locations, not to mention sound digital platforms and access to customer data.

Information on “Group situation” is provided in El Corte Inglés Group’s Non-Financial Statement. As required in applicable legislation, the Parent’s directors have opted to draw up a separate non-financial statement for the purpose of compliance with the provisions of Royal Decree-Law 11/2018 (of 28 December 2018), which amends the Code of Commerce, the consolidated text of the Corporate Enterprises Act enacted by means of Royal Legislative-Decree 1/2010 (2 July 2010) and Spain’s Audit Act (Law 22/2015 of 20 July 2015) with respect to non-financial and diversity reporting.

1.1 Organisational structure

The classification of El Corte Inglés Group’s revenue and definition of its operating segments, along with key financial metrics of each, are provided in note 4.2.11 to the consolidated financial statements. The organisational structure in place for each is as follows:

- **Retail**: this segment encompasses the Group’s core business. It generates revenue by the retail sales of consumer goods through the distribution channels integrated in its omnichannel strategy. The Group operates a network of department stores and establishments of varying sizes (e.g. hypermarkets, supermarkets, outlets, Sfera and other brand stores and other retail outlets), in addition to the e-commerce platform. In particular:

  – Department stores: selling a wide variety of products and services, including leisure and culture services, furniture, fashion, beauty, accessories, food, toys, jewellery and electronics. At 28 February 2026, the Group had 70 department stores in Spain and two in Portugal.

  – Hypermarkets: selling a wide variety and range of value-for-money Spanish, international, regional and local food products and personal care, textile and home products. At 28 February 2026, the Group was operating 34 hypermarkets.

  – Supermarkets: 58 in Spain and two in Portugal.

  – Supercor convenience stores: a neighbourhood convenience supermarket chain where customers can satisfy all their basic shopping needs. At 28 February 2026, there were 137 Supercor stores in Spain and six in Portugal.

  – Sfera stores: a retail chain specialised in fashion and accessories. At 28 February 2026, the Group operated 167 proprietary standalone Sfera brand stores in a number of countries, 309 franchised stores abroad and 71 stores within ECI department stores in Spain and Portugal.

  Several business models coexist in the Retail segment, e.g. firm purchases, concessions (direct operations) and store brands. Together, they enhance the offering and also help diversify and balance business risks, e.g. inventories, logistics and personnel.

Another feature is the omnichannel strategy for customers: home delivery, Click &Collect &Car, 2-hour delivery, etc.

- **Travel Group**: this segment reinforced its leadership of the tourism sector in Spain, while it also has a footprint internationally, above all in the Americas and Europe. The Travel Group's activity is structured into several specialised areas, offering a range of services, primarily: (i) leisure travel, selling tourism products to end customers; e.g., holiday packages, personalised individual services; e.g., flights, accommodation, rail transport, etc., (ii) business travel, offering end-to-end management of business travel that covers bookings, logistics and personalised services for employees and executives, iii) MICE, managing the organisation and holding of corporate events, meetings, conferences and incentive travel, offering companies bespoke solutions, and iv) bed bank, wholesale distribution of tourist accommodation services to travel agencies, tour operators and digital platforms around the world.
  Its leadership of the Spanish leisure travel market is backed by a distribution network of bricks-and-mortar establishments, comprising approximately 400 agencies under the Viajes El Corte Inglés brand, along with a growing presence in the online channel, in which the Logitravel brand operates. The Travel Group has made inroads on its digital transformation. Improvements include the new agent portal to enhance both the customer and employee experience.

- **Surface Commercialization**: this segment encompasses the real estate leases in which the Group acts as lessor and all of the business arrangements whereby third parties carry out their activities as principal in Group establishments, thereby complementing the products and services it offers its customers, reinforcing store traffic and optimising use of its real estate assets. Services offered by external firms under these business arrangements include optician, car wash and workshop, hairdresser, dental clinics, etc.

- **Other Business Lines**: this segments includes operations in the following industries:

  – **Financial services**: the Group's strengths lie in a business model that is customer-centric throughout the shopping experience. The Group also facilitates payment methods, offering a range of financing schemes and the possibility of insuring the goods or services acquired. The consumer finance and insurance business provide a growth and diversification vector.

    - **Financiera El Corte Inglés (FECI)** is the Group's finance arm, providing finance solutions for customers both in-store and beyond. Authorised by the Bank of Spain, FECI provides a range of services, such as granting loans, issuing cards and payment methods, and providing payment initiation services.
      Since 2013, FECI has been in a strategic alliance with Santander Consumer Finance, leveraging its financial sector expertise. El Corte Inglés Group currently holds a 49% interest in this JV.

At 28 February 2026, FECI was a key player in consumer finance in Spain, with 11.7 million active cards and total investment of €7.36 billion. Its activity is present in a great deal of the Group's business ecosystem, managing a significant portion of sales eligible for financing.

- **Insurance Group:** one of Spain's largest insurance groups. It comprises the SECI life and accident insurance company and the CESS and CSC insurance intermediaries.

At 28 February 2026, the Group managed a portfolio of over 1.4 million policies, producing net attributable profit for El Corte Inglés Group of €37.1 million.

– SECI offers a broad range of personal insurance, including accident, term life and savings life insurance.

– CESS, as a tied insurance agent, offers products from SECI, Mutua Madrileña and other leading insurance companies.

Since El Corte Inglés and Mutua Madrileña teamed up in 2022, the strategic alliance has focused on strengthening distribution channels and offering the Group's large customer base a more attractive and personalised insurance proposition.

– **Other business lines:** The Group also does business and has investments in other sectors, e.g., business security services, home customer services through energy supply and alarm service. These business are carried out primarily through:

- Parinver (100%): an investment vehicle that holds stakes in several companies, including Camino Real (11%), a Mexican hotel company, and Sicor Alarmas El Corte Inglés (100%), which includes the alarm service business since February 2025.
- Parinver Servicios, S.L.U. (100%), through several subsidiaries, provides security services to corporate customers.
- Telecor, S.A. (100%): the energy business of the Group, managing the Group's energy consumption and operating in the retail energy supply market under the Energía El Corte Inglés brand. This segment includes other business, such as digital content and top-up.

1.2 Governance bodies

The corporate governance model in place allows the Group to develop an effective governance structure and is aligned with recommendations of regulatory bodies and best corporate governance practices.

Within the Group's corporate governance structure, the Annual General Meeting is the supreme deliberation and decision-making body in relation to all matters reserved to it and its own matters, while the Board of Directors of the Parent is the highest decision-making and oversight body in relation to all matters not exclusively reserved for the Annual General Meeting. The main characteristics and functions of each body making up the Group's corporate governance are discussed below:

Annual General Meeting: the Company's corporate bylaws set out the functions and remit of the Annual General Meeting as the Group's supreme decision-making body, ensuring utmost transparency. The remit of the Annual General Meeting includes approving the annual financial statements, management and sustainability reports, as duly and independently audited or assured, as appropriate. It also evaluates the performance of the Board of Directors, decides on director appointments and sets director remuneration, and ratifies own share transactions.

Board of Directors: the Group's highest decision-decision and oversight body, except in relation to matters reserved to the Annual General Meeting. In charging its duties, the Board defines and steers strategy, supervises execution and, in general, delegates the day-to-day running of the business to the management team, while retaining oversight and control.

The members of the Company's Board of Directors as of 28 February 2026: Cristina Álvarez Guil, as chair, and Marta Álvarez Guil, Cartera Mancor, S.L. (represented by Paloma García Peña), Corporación Ceslar, S.L. (represented by Carlota Areces Galán), Mutua Madrileña Automovilista, S.S.P.F., S.A. (represented by Ignacio Garralda Ruiz de Velasco), Fernando Bécker Zuazua, Manuel Pizarro Moreno, Javier Rodríguez-Arias Ambrosini as members and José Ramón de Hoces Íñiguez as director and secretary. Rafael Díaz Yeregui is non-member vice-secretary of the Board of Directors.

The following changes to the Board of Directors took place in 2025: on 28 October 2025, Gastón Bottazzini, voluntarily tendered his resignation as director and CEO of the Company. Subsequently, on 26 November 2025, the Board of Directors, on the proposal of by Marta Álvarez Guil, approved he appointment of Cristina Álvarez Guil as new chair of the Board, with effect from 15 January 2026.

At 28 February 2026, the Board of Directors had the following committees:

Audit and Control: the general duties of this committee, as an advisory and reporting committee, include: supervising the Group's internal control, risk management, financial reporting and regulatory compliance systems. It also reports at the Annual General Meeting on the matters dealt with within its purview, specifically including the outcome of the external audit.

Appointments and Remuneration Committee: the general duties of this committee, as an advisory and reporting committee, include: supporting the Board of Directors on matters regarding its composition and operation, and the remuneration of its governing bodies and of senior management.

Sustainability Committee: its responsibilities include assisting the Board of Directors in overseeing material environmental and social topics for the Group and monitoring the integration of these topics into its strategy and management processes. It is also tasked with supervising the preparation of the Sustainability Statement for approval at the Annual General Meeting.

Oversight Committee: supports the Board of Directors in its oversight and monitoring role. Its duties are non-executive and complement, but do not replace, the responsibilities attributed to the Board of Directors and the Company's other committees and executives.

1.3 Headcount

At 28 February 2026, the Group had a total headcount of 81,830 people, across the various Group companies.

The average headcount, expressed in terms of full-time equivalents, was 72,890:

Categories	Average headcount	
	2025	2024
Managers	6,751	6,857
Coordinators	2,861	2,611
Skilled professionals	6,283	6,269
Professionals	43,978	44,341
Staff	13,017	12,586
Total	**72,890**	**72,664**

Of the Group's employees, 97.5% have permanent contracts. The breakdown of the year-end headcount by employee category and gender is as follows:

Categories	2025		2024	
	Women	Men	Women	Men
Managers	2,485	4,508	2,445	4,662
Coordinators	1,495	1,694	1,265	1,459
Skilled professionals	4,413	2,111	4,377	2,284
Professionals	32,769	16,155	33,023	16,459
Staff	9,913	6,287	9,090	5,727
Total	**51,075**	**30,755**	**50,200**	**30,591**

2. BUSINESS AND EARNINGS PERFORMANCE

Total transaction value and revenue

As disclosed in note 4.2.11, the Group acts as agent in certain Retail and Travel business models, so it recognises revenue at the net amount of the transaction. To measure its entire activity by its gross amount, the Group uses total transaction value, which in 2025 amounted to €17.25 billion, up 1.1% from the year before.

In 2025, the Group recognised €14.99 billion of revenue, year-on-year growth of 1.4%. Same-store growth in revenue was 2.0%.

The breakdown of revenue by segment (see note 25) is as follows:

Segment	Percentage contribution	€ million		% Chg.
		2025	2024	25/24
Total transaction value		17,247	17,053	1.1%
Retail	**84.3**	**12,633**	**12,495**	**1.1%**
Fashion and beauty	46.6	5,882	5,703	3.1%
Food and hospitality	24.3	3,064	3,020	1.5%
Home furnishings and electronics	22.0	2,776	2,767	0.3%
Other (1)	7.2	911	1,006	(9.5%)
Travel Group	**14.1**	**2,117**	**2,054**	**3.1%**
Business travel	23.5	497	489	1.7%
Leisure travel	76.5	1,620	1,565	3.5%
Surface Commercialization	**0.6**	**95**	**83**	**14.4%**
Other business lines	**1.7**	**250**	**257**	**(2.8%)**
Consolidation adjustments	**(0.7)**	**(107)**	**(103)**	**3.7%**
Total revenue	100.0	14,988	14,786	1.4%

In € m

(1) “Other income” includes revenue earned by non-comparable stores.

- Retail: this is the Group’s core business segment, accounting for 84.3% of consolidated revenue, and the segment contributing the largest absolute growth to the Group. 2025 featured solid growth in the Retail business, with revenue rising 1.1% (1.8% on a same-store basis). Highlights by category:
  - Fashion and Beauty: reported the highest growth of all Retail areas, with same-store revenue growth of 3.1% compared to last year, driven by better overall performance across all categories (primarily sports, jewellery, watches, costume jewellery and perfumes) and business models (especially private label and concessions).
  - Food and Hospitality: solid growth in food of 1.5% compared to the year before, buoyed by faster growth in Hospitality and Gourmet.

- Household and Electronics: 0.3% increase in revenue on a same-store basis from the year before.

- **Travel Group**: the Veci Travel Group delivered strong growth in revenue from the year before of 3.1%, primarily by shoring up its position in leisure travel and the sale of goods in which it acts as principal.

- **Surface Commercialization**: 14.4% year-on-year growth, buoyed by strong demand in the car park-EV charging activity and the full integration of KUMO Networks.

- **Other business lines**: 2.8% year-on-year decrease in revenue.

Gross profit

The following table sets out the gross profit obtained by each of the Group's operating segments:

Segment	Percentage contribution	€ million 2025	€ million 2024	% Chg. 25/24
Retail	88.2	4,490	4,375	2.6%
Travel Group	9.1	463	451	2.7%
Surface Commercialization	1.8	93	82	13.4%
Other business lines	2.9	150	152	(1.3%)
Consolidation adjustments	(2.0)	(104)	(94)	10.6%
Gross profit	**100.0**	**5,092**	**4,966**	**2.5%**
Gross margin, %		**34.0**	**33.6**	

In € m

As illustrated, the Group's gross profit increased by 2.5% in the year, with the Retail business contributing 88.2% of the total. One key highlight of 2025 was gross margin expansion, above all in Retail.

EBITDA

The following table sets out the EBITDA obtained by each of the Group's operating segments:

Segment	Percentage contribution	€ million 2025	2024	% Chg. 25/24
Retail	75.9	961	921	4.3%
Travel Group	8.5	107	101	6.3%
Surface Commercialization	4.6	58	52	10.8%
Other business lines	1.7	22	18	22.2%
Consolidation adjustments	9.3	118	117	0.9%
Total EBITDA	**100.0**	**1,266**	**1,209**	**4.7%**
EBITDA margin, %		**8.4**	**8.2**	

In € m

Consolidated EBITDA rose by 4.7% in 2025 to €1.27 billion, with a 20bp increase in the EBITDA margin thanks to the expansion in gross margin and control over operating expenses. At segment level:

- **Retail**: As shown, Retail accounted for approximately 75.9% of Group EBITDA, delivering year-on-year growth of 4.3%.

- **Travel Group**: this segment reported an increase in EBITDA of 6.4% from the year before thanks to growth in products in which it acts as principal and cost containment, primarily employee benefits expense.

- **Surface Commercialization**: EBITDA for this segment amounted to €58 million, up 11.4% from 2024, primarily thanks to the consolidation KUMO Networks and performance in department stores (e.g., car parks, EV charging).

- **Other business lines**: lastly, EBITDA for this segment increased by +22.2% year-on-year, essentially due to investments in Sicor Group and Telecor.

Higher EBITDA in all Group segments left an EBITDA ratio for 2025 of 8.4%, an increase of 20bp from 2024.

Net income

Net income obtained by the Group for each segment:

Segment	Percentage contribution	€ million 2025	2024	% Chg. 25/24
Retail	74.8	470	367	28.1%
Travel Group	5.9	37	33	12.1%
Surface Commercialization	5.7	36	32	12.5%
Other business lines	1.1	7	(6)	(216.7%)
Consolidation adjustments	12.4	78	86	(9.3%)
Total net income	**100.0**	**628**	**512**	**22.7%**
Total recurring net income		**522**	**470**	**11.0%**

Stripping out extraordinaries, recurring consolidated net income was €521.62 million, 11% higher than 2024.

- **Retail**: net income for the Retail segment totalled €469.53 million, on the back of higher EBITDA, along with control over, and reduction in, finance costs. However, net income in 2025 came after a lower income tax expense based on the capitalisation of tax credits after the generation of taxable profits.
- **Travel Group**: The Travel Group segment reported net income of €37 million, 14.5% higher than in 2024.
- **Surface Commercialization:** this segment posted a 12.5% increase in net income to €36 million.
- **Other impacts on net income**: Consolidation adjustments also includes results from Financial Services (ECI Finance and ECI Insurance), which delivered net income attributable to the Group of €63.35 million; i.e. 10.08% of total net income (12.14% of net recurring profit).

Other metrics

Inventories at 28 February 2026 stood at €1.87 billion 2026 (28 February 2025: €1.86 billion).

Cash flows from operating activities amounted to €1.05 billion, as reflected in the statement of cash flows, with proceeds from disposals and payments primarily to purchase assets, for capital rotation and to repay debt.

Group capital expenditure amounted to €577 million in 2025 (2024: €527.85 million), broken down as follows:

Item	2025	2024
Technology	237	233
PP&E and works	321	287
Other	19	8
Total	**577**	**528**

In € m

Group capex is consistently high so the strategic objectives can be delivered. Specifically, investment in "Technology" targets primarily the omnichannel strategy, reinforcing logistics and in-store operations and in the Retail and Travel segments.

Capex in "PP&E and works" includes refurbishment to adapt and upgrade the department stores in the Retail segment and enlarge its establishments in other formats.

3. FINANCIAL POSITION

3.1 Composition of the statement of financial position

Below are the main statement of financial position headings as at 28 February 2026 and 28 February 2025:

Item	2025	2024
Non-current assets	11,261	11,091
Reported working capital	(1,046)	(1,138)
Equity	(7,382)	(7,168)
Non-controlling interests	(116)	(102)
Reported net financial debt	(1,646)	(1,796)
Other assets and liabilities	(1,071)	(886)

In € m

Performance of the key statement of financial position items:

- The balance of non-current assets comprises mostly the value of the department stores and other real estate assets used by the Group in carrying out its business (e.g. offices and logistics). The increase was driven primarily by execution of the investment plan in line with its strategic objectives, resulting in the modernisation of its department stores and technological development to enhance the service provided to end customers.

- Working capital consists primarily of inventories, receivables and payables, as defined in note 26 to this consolidated financial statements. The Group managed its inventories more efficiently in 2025, helped by the good results of its operations.

- Healthy earnings in 2025 also had a positive impact on cash generation, enabling the Group to improve its overall financial position at year-end. Specifically, debt at the end of the reporting period stood at €1.65 billion.

3.2 Capital management and financial structure

The Group's capital management objectives are to safeguard its ability to continue as a going concern in order to generate further returns for its shareholders and benefits for all its stakeholders and to maintain an optimum financial structure to reduce the cost of capital.

The Group's directors use the leverage ratio to monitor compliance with the Group's capital and financial management objectives. It defines leverage as the ratio of net financial debt to adjusted EBITDA. Net financial debt and adjusted EBITDA are defined in the APMs described in Appendix III to the consolidated financial statements.

The resulting leverage ratios at year-end:

Item	2025	2024
Reported net financial debt:		
Non-current notes and other marketable securities	996	504
Non-current borrowings	1,263	1,726
Current borrowings	53	89
Current financial assets, cash and cash equivalents (excluding derivatives)	(664)	(524)
Total reported net financial debt	**1,646**	**1,796**
Total adjusted EBITDA	**1,251**	**1,200**
Leverage ratio	**1.3**	**1.5**

In € m

3.3 Cash flows generated in the year

The main changes in cash generation in 2025 and 2024 were as follows:

Item	2025	2024
(=) Initial reported net financial debt	**1,796**	**2,059**
(+) Cash flows from operating activities		
(-) EBITDA	(1,266)	(1,209)
(+) Working capital changes	92	15
(-) Other assets and liabilities	154	48
(+) Cash flows from investing activities		
(+) Capex	567	492
(-) Disposals, non-recurring items, discontinued operations.	(12)	35
(-) Dividends received from associates	(107)	(39)
(+) Cash flows from financing activities		
(+) Rents under IFRS 16	117	114
(+) Net finance costs	77	91
(+) Own shares and dividends paid	230	190
(=) Final reported net financial debt	**1,648**	**1,796**

In € m

As explained above, the cash generation and reported net financial debt reduction in 2025 were shaped primarily by the results of operations in terms of EBITDA. On the investment front, the Group improved capex during the year, disposing only of assets considered non-core.

3.4 Other initiatives to strengthen capital structure

In 2025, leveraging the strong earnings performance and cash flows, Group management carried out the following initiatives, considerably enhancing its financial position:

- The rating agencies Standard & Poor's and Fitch Ratings affirmed their corporate BBB- rating, revising the outlook from stable to positive.

- Seizing on easier access to financial markets, the Group completed a new corporate note issuance, for a notional amount of €500 million, to support the Group's strategy of diversifying funding sources.

Factoring in these deals along with the organic growth in cash flows generated from operating activities, El Corte Inglés Group enjoyed a sound financial structure at year-end 2025, with average maturity of its financial debt at 4.4 years and efficiently staggered maturities.

4. MAIN RISKS AND UNCERTAINTIES

As detailed in the notes to the consolidated financial statements, the Group's business activities expose it to various types of financial and market risks: credit risk, liquidity risk, price risk, interest rate risk and foreign currency risk. Risk management at the Group is overseen by the Parent's management team, which puts the necessary mechanisms in place. Management focuses on uncertainty in the financial markets and seeks to minimise the potential adverse effects on the Group's profitability.

The main risks are:

- **Credit risk**: the Group's credit risk vis-a-vis third parties is not significantly concentrated: the vast majority of its revenue stems from retail sales which are settled, fundamentally, in cash or by card.

- There were no significant balances at 28 February 2026 or 28 February 2025 that had not been adjusted for expected credit losses based on the analysis conducted by the Group and its policies for determining those haircuts. The fair value of the Group's receivables is not materially different from their carrying amount.

- **Liquidity risk**: prudent management of liquidity risk entails maintaining adequate cash and marketable securities and ensuring available funding in the form of sufficient committed credit facilities.

  The Group manages liquidity by maintaining adequate funds, using appropriate bank services, keeping undrawn credit and loan facilities and continuously monitoring prevailing and forecast cash flows, matching them with the maturity profiles of its financial assets and liabilities.

- **Price risk**: despite the inflationary pressures accentuated by international conflicts, the Group is successfully mitigating their impact, bolstering the supply chain to cut costs and skilfully managing potential fluctuations in energy costs. Official monetary policy in previous years has been a key contributing factor in the normalisation of interest rates and stabilisation of inflation.

- **Interest-rate risk**: future cash flows of assets and liabilities benchmarked against floating rates of interest will fluctuate because of changes in interest rates. The Group's financial instruments that expose it to interest rate risk are essentially its floating-rate loans and its derivative instruments.

  The Group arranges derivative financial instruments to mitigate that exposure based on its outlook for interest rates and its long-term capital structure targets.

– **Foreign currency risk**: the Group operates in international markets and is, therefore, exposed to foreign exchange risk, particularly as a result of purchases of merchandise arranged in US dollars.

  Foreign exchange risk is managed in accordance with Group management guidelines which essentially contemplate natural hedging strategies and constant monitoring of exchange rates, among other mitigating measures. It is Group policy to arrange financial instruments (currency forwards) to reduce its exposure to exchange differences on foreign-currency transactions.

  In order to control and reduce the potential adverse impact of movements in interest and foreign exchange rates on the Group's earnings, the Parent has a medium-term risk management policy under which it arranges certain financial instruments to mitigate its exposure to variability in those rates, and also to energy prices. The notional amounts covered by those interest and foreign exchange risk management programmes are disclosed in note 19 of the consolidated financial statements.

5. EVENTS AFTER THE REPORTING PERIOD

No significant event occurred after the end of the reporting period with a significant impact on understanding these consolidated financial statements.

6. OUTLOOK

The international macroeconomic environment continues to be characterised by a significant degree of uncertainty derived from geopolitical tensions, which have intensified in the wake of the recent conflict in the Middle East, which has joined other sources of persistent instability. Those events have increased volatility in the financial and energy markets, particularly in oil and gas prices.

The main risk in Spain lies more in higher prices than a supply shortage, as the country still enjoys relatively diversified oil and gas supply. Energy price inflation can trickle down to the rest of the economic if the situation drags out, above all in energy-intensive sectors, such as transportation. As things stand this situation is not comparable with previous bouts of rampant inflation, risks are still tilted to the upside, requiring continuous monitoring by companies and economic authorities.

In Spain, where the Group's business is concentrated, the economy registered estimated growth of 2.8%, above the European average. Growth in Spain is expected to slow in 2026, to around 2.2%, conditioned by the global geopolitical panorama. Inflation eased in 2025 and is expected to stabilise in 2026, albeit exposed to fluctuations associated with the trend in energy prices as a consequence of the conflict in the Middle East. The Spanish labour market continued to perform well, with unemployment dipping below 10% for the first time since 2008, while private consumption also remained strong, albeit expected to slow in 2026. The tourism sector hit new records in 2025 but is showing signs of growing more modestly in 2026.

Against this global backdrop, El Corte Inglés Group boasts a solid financial position, with plenty of tools for raising short-term funding quickly.

Looking to the next few years, assuming macroeconomic forecasts are reasonably on target, the Group expects to turn in a positive revenue and earnings performance.

7. RESEARCH AND DEVELOPMENT

In 2025, the Group implemented an innovative agenda focused on technology, fashion, and household, security and travel services with a view to upgrading processes and enhancing customer experience. This effort includes new digital platforms and advances in analytics, AI and cybersecurity, shoring up competitiveness and operational efficiency. The most important projects in terms of content and scope were:

- Upgrades to corporate platforms with aim of optimising economic-financial processes, use of AI for personalisation and forecasting (predictive models), and evolution of eCommerce and logistics (end-to-end supply chain processes) with real-time traceability.
- Development of new designs and prototypes (in the fashion industry) for seasonal campaigns, integrating trends and reinforcing the differentiation of private label brands in the light of the ever-changing fashion landscape both in Spain and internationally.
- Unification of energy and security services, including gas in the energy ecosystem (Hogar 360) and enhancement of the digital experience with an omnichannel CRM and a self-service app.
- Advancement, leveraging analytics, in information security (predictive models on large volumes of data), monitoring of industrial environments (cybersecurity), control of cloud regulations (regulatory and control framework), and risk management modelling (machine learning techniques), reinforcing digital resilience and streamlining governance, risk and compliance models.
- Deployment of new management platforms, omnichannel strategies and data analytics to improve service and personalisation in El Corte Inglés Travel Group.

Framed by its innovation efforts and the projects from the Information Technology and Systems and Fashion Sample areas, El Corte Inglés has certified more than 400 employees as research employees, with full-time dedication to activities classified as technological innovation. This is endorsed by the Binding Reasoned Report issued by the Ministry of Science, Innovation and Universities in the wake of the audit conducted by an accredited and ENAC (National Accreditation Body) certified external firm.

8. OWN SHARE TRANSACTIONS

The Group held the following own shares, on a temporary basis and earmarked for upcoming sale, at 28 February 2026 and 28 February 2025:

Item	No. of shares	Par value (€)
Own Class A shares at 28 February 2026	5,224,076	6
Own Class A shares at 28 February 2025	5,224,076	6

In € 000

No transactions with own shares were carried out in 2025. At the reporting date, the Group held a total of 5,224,076 own shares, equivalent to 6.9% of its share capital.

See disclosure of main movements in note 15.4.

9. ENVIRONMENTAL DISCLOSURES

The Group's environmental management effort is focused on the consumption of raw materials, energy and water, control over its greenhouse gas emissions and waste management.

The Group's general environmental protection and awareness policy encompasses the following aspects:

- Reduction of the impact of materials usage and minimisation of packaging.
- Energy consumption efficiency plans at the department stores (addressing lighting, the cold chain, HVAC and control systems) and the search for more efficient technologies.

The following key initiatives stand out:

- Choice of lighting systems based on the criteria, such as the colour rendering index, useful life, design, auxiliary equipment and light regulation, control and maintenance systems, that largely determine their energy consumption.
- Technical upgrade of the stock of refrigerators, enhancing their performance and improving their energy efficiency.
- Water consumption reduction and wastewater quality improvement measures. Many of the Group's facilities have been fitted with new wastewater treatment techniques based on microbial ecology fermentation systems.
- Gradual reduction in the use of water-pumped cooling towers.
- Energy efficiency measures targeted at cutting emissions.
- Specific treatment programmes for the various categories of waste generated by the Group.

The Group recognised €20.57 million of environmental protection expenses in 2025 (2024: €17.75 million), broken down as follows:

Item	2025	2024
Cost of sales	588	172
External services	16,634	14,457
Taxes other than income tax	3,350	3,117
Total	**20,572**	**17,746**

In € 000

The amounts recognised under cost of sales relate to the *ad-hoc* purchase of consumables not included in the external service purchases whose purpose is related with environmental performance, such as: air pollution filters, water treatment products and boiler and treatment facility maintenance products.

External services encompass all services, whether regular maintenance or other general services, purchased with a view to enhancing the Company's environmental performance. Specific actions include the cleaning of air conditioning ducts, onsite water treatment (cleaning, disinfection, etc.), packaging and packaging-waste management, waste transport and handling (fluorescent bulbs, machinery oil, paper waste, vegetable oils, organic waste, sanitary product waste, etc.) and civil liability insurance cover.

Lastly, the taxes other than income tax include environmental levies, mainly derived from the use of landfills.

10. OTHER DISCLOSURES

The Group's environmental management effort is focused on the consumption of raw materials, energy and water, control over its greenhouse gas emissions and waste management.

• Occupational health and safety

Refer to the 2025 Non-Financial Statement.

• Training

Refer to the 2025 Non-Financial Statement.

• Disclosures on payments to suppliers

Below are the disclosures required under Additional Provision Three - "Disclosure requirements" - of Spanish Law 15/2010 (5 July 2010):

Item	2025	2024
Average supplier payment term	39 days	39 days
Paid transactions ratio	40 days	40 days
Outstanding transactions ratio	20 days	20 days
	Amount	
Total payments made	**12,456,331**	**11,480,231**
Total payments outstanding	**696,480**	**750,702**
Invoices paid within the legally stipulated deadline	11,689,438	10,510,423
Percentage of total payments	93.8%	91.6%
Number of invoices paid within the legally stipulated deadline	7,572,840	6,439,921
Percentage of total invoices	93.5%	91.7%

In € 000

• Other disclosures

Note that the Group has endorsed and complies with the Code of Best Tax Practices. The Group files all of the required tax returns within the deadlines and in the manner stipulated.

This document represents a translation into English of the consolidation financial statements (balance sheet, income statement, statement for changes in equity and statement of cash flow) and the accompanying notes for the year ending 28 February of 2026 originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails.

José Ramón de Hoces Íñiguez

Director Secretary of the Board