



# THE CREATION OF A BUSINESS MODEL FOR ONE OF THE LEADING RETAILERS IN LATAM



January | 2020

# ● RETAIL PLATFORM IN LATIN AMERICA

FALABELLA

**7**  
COUNTRIES



FASHION AND ELECTRONICS



SUPERMARKETS



HOME IMPROVEMENT



FINANCIAL SERVICES



MARKETPLACE



REAL ESTATE

**US\$12.9bn**  
3Q19 LTM Revenues

**12.9%**  
3Q19 LTM EBITDA margin

**US\$1.1bn**  
3Q19 LTM NMV<sup>1</sup>

**63%**  
3Q19 NMV Growth in Linio

**US\$7.2bn**  
3Q19 Gross Loan Book

**5.5m**  
Active CMR Accounts  
with balance

**503 stores**  
Three retail formats

**US\$1.3 bn**  
3Q19 LTM Digital Channel  
sales for financial services

Source: Company filings

Note: Main figures as of September 2019. All dollar figures are calculated based on the observed exchange rate as of October 1<sup>st</sup>, 2019 (728.21 CLP/US\$). EBITDA calculated as Operational income + Depreciation and Amortization;

<sup>1</sup> NMV includes revenue generated through online channels for Department Stores in Chile, Peru, Argentina & Colombia; Home Improvement in Chile, Peru, Argentina, Brazil & Uruguay; Supermarkets in Chile & Peru and Linio's NMV;

<sup>2</sup> As of September 2019; Includes C&C and Home delivery orders across the region.

# ● REGIONAL FOOTPRINT

FALABELLA

							
FALABELLA RETAIL	47 Stores 327,000 m <sup>2</sup>	29 Stores 175,000 m <sup>2</sup>	25 Stores 176,000 m <sup>2</sup>	10 Stores 57,000 m <sup>2</sup>			
HOME IMPROVEMENT	89 Stores 771,000 m <sup>2</sup>	54 Stores 362,000 m <sup>2</sup>	40 Stores 386,000 m <sup>2</sup>	9 Stores 94,000 m <sup>2</sup>	53 Stores 172,000 m <sup>2</sup>	3 Stores 25,000 m <sup>2</sup>	3 Stores 35,000 m <sup>2</sup>
SUPERMARKETS	68 Stores 223,000 m <sup>2</sup>	73 Stores 250,000 m <sup>2</sup>					
FINANCIAL SERVICES	2,789,000 active credit cards	1,074,000 active credit cards	1,023,000 active credit cards	391,000 active credit cards			182,000 active credit cards
REAL ESTATE	26 malls 1,575,000 m <sup>2</sup> GLA	14 malls 520,000 m <sup>2</sup> GLA	2 malls 76,000 m <sup>2</sup> GLA				

## MIX BY COUNTRY (LTM)



**Colombia**  
6% revenue · 7% EBITDA

**Peru**  
27% revenue · 23% EBITDA

**Chile**  
61% revenue · 71% EBITDA

**Brazil**  
2% revenue · <1% EBITDA

**Uruguay**  
<1% revenue · <1% EBITDA

**Argentina**  
3% revenue · <1% EBITDA

## MIX BY (LTM) BUSINESS



**Home Improvement**  
US\$ 4.2 billion revenues

32%  
Revenue

17%  
EBITDA



**Fashion & Electronics**  
US\$ 4.0 billion revenues

31%  
Revenue

11%  
EBITDA



**Supermarkets**  
US\$ 2.2 billion revenues

17%  
Revenue

8%  
EBITDA



**Real Estate**  
3.2 million m2 of GLA<sup>3</sup>

5%  
Revenue

30%  
EBITDA



**Financial Services**  
US\$ 7.2 billion Loan Book

15%  
Revenue











34%  
EBITDA

1. All figures as of September 2019.

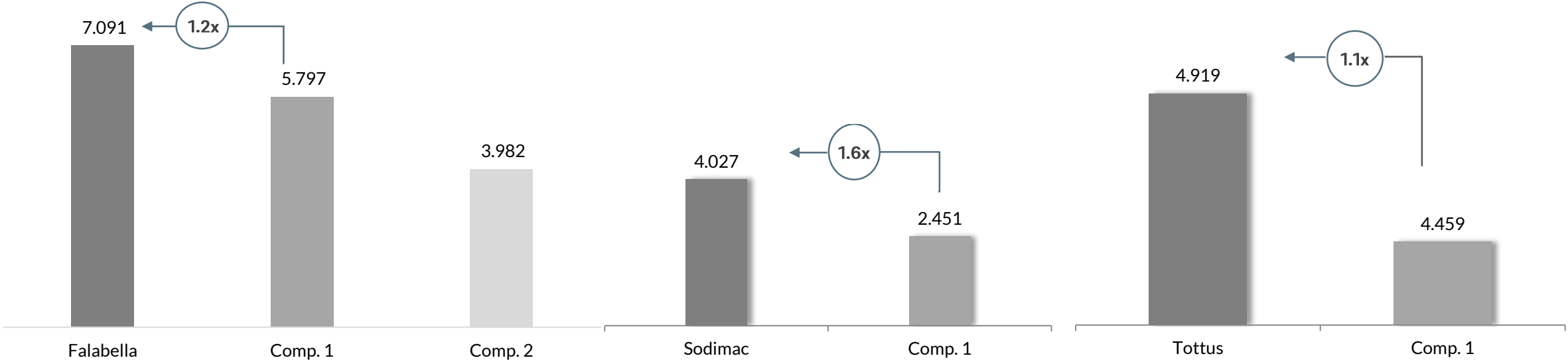
2. Mix by Country and Mix by Business as of September 2019. Segment 'Colombia' and 'Home Improvement' does not include Sodimac Colombia (\$1.1 Bn in revenue) which we do not consolidate. EBITDA Breakdown does not consider adjustment and eliminations

3. Includes 1,030,000 m2 of additional GLA in free standing stores in the region also owned by Falabella.

# ● LEADERSHIP POSITION

MARKET POSITION <sup>1</sup>	 Fashion & Electronics Revenues MMUS\$	 Home Improvement Revenues MMUS\$	 Supermarkets Revenues MMUS\$	 Financial Services CMR Accounts	 Real Estate Footprint
 CHILE	2,145 #1	2,890 #1	1,083 #4	2,789,000 #1	26 Shopping Centers GLA 1.6 million m2 #1
 PERU	941 #1	834 #1	1,122 #3	1,074,000 #1	14 Shopping Centers GLA 0.5 million m2 #1
 COLOMBIA	611 #1	1,127 #1		1,023,000 #1	2 Shopping Centers
 ARGENTINA	344 #1	148 #2		391,000	
 BRAZIL		258 #4			

SALES LTM / M<sup>2</sup> (US\$) <sup>2</sup>

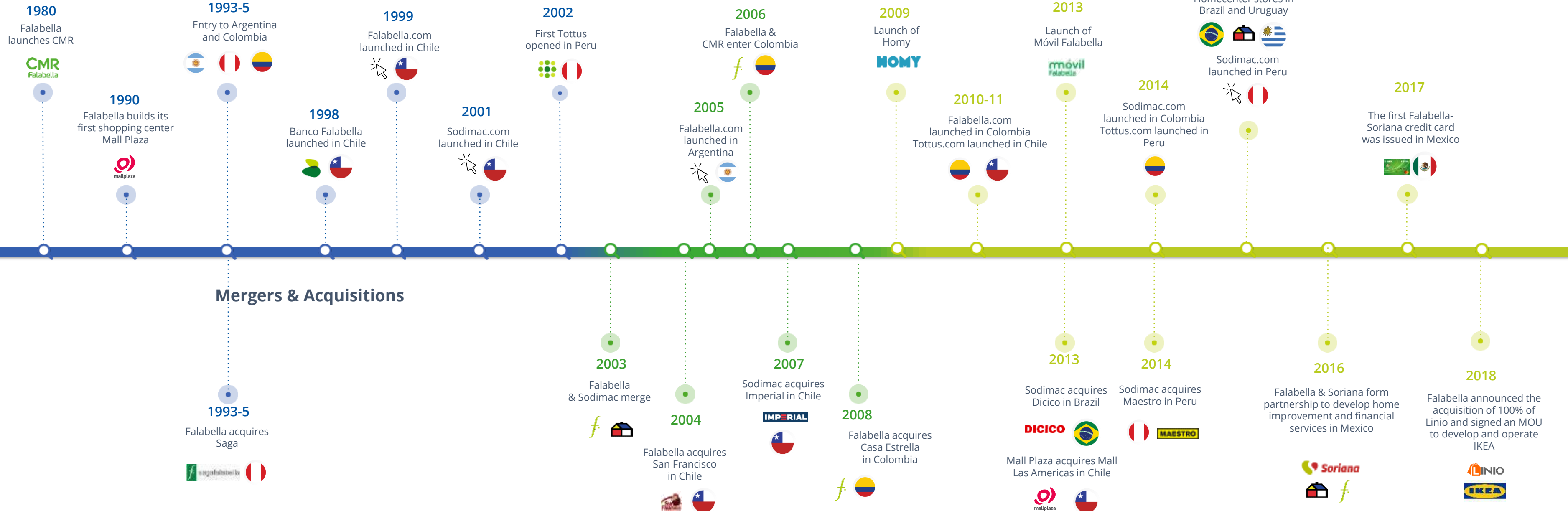


1. Revenues as of September 2019 LTM. Number of CMR accounts, malls and GLA as of September 2019. FX rates as of October 1<sup>st</sup>, 2019 (728.21 CLP/US\$)  
2. Sales LTM per square meter as of June 2019. FX rates as of July 1<sup>st</sup>, 2019 (679.15 CLP/US\$). Tottus' sales area excludes check out area, in order to compare with peer's reported sales per square meter.

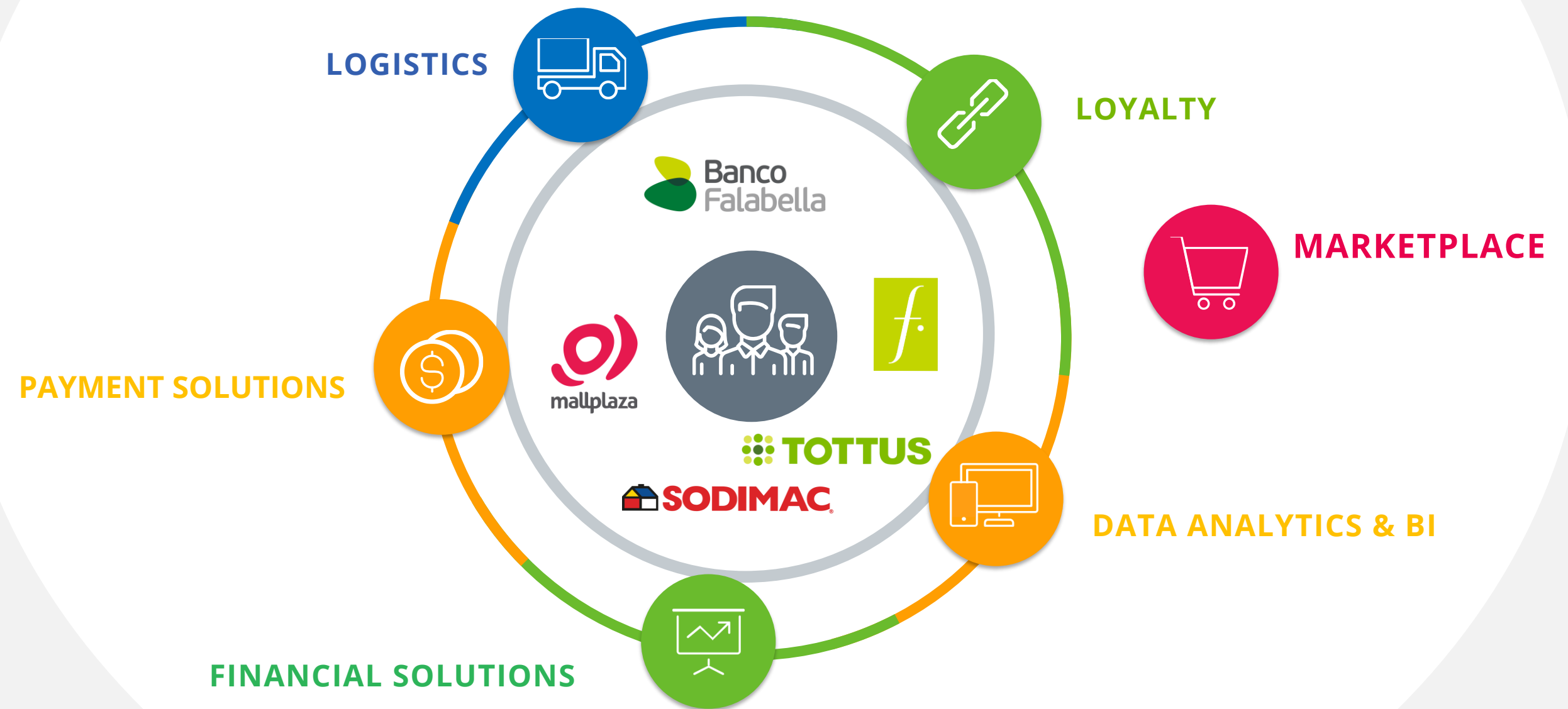
# ● CONSTANTLY EVOLVING TO MEET OUR CUSTOMERS DEMANDS

FALABELLA

## Organic Initiatives



- CURRENTLY STRENGTHENING OUR DIGITAL ECOSYSTEM CAPABILITIES



# ● BASED IN FIVE STRATEGIC PRIORITIES



01

Differentiated  
Value  
Proposition



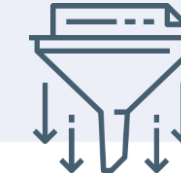
02

Scaling Up  
Logistics  
And Fulfillment



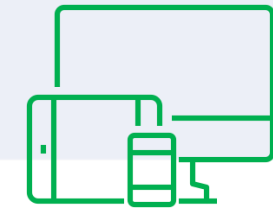
03

Financing and  
Payments



04

Data Analytics  
and Business  
Intelligence



05

Technological  
Platform  
Development

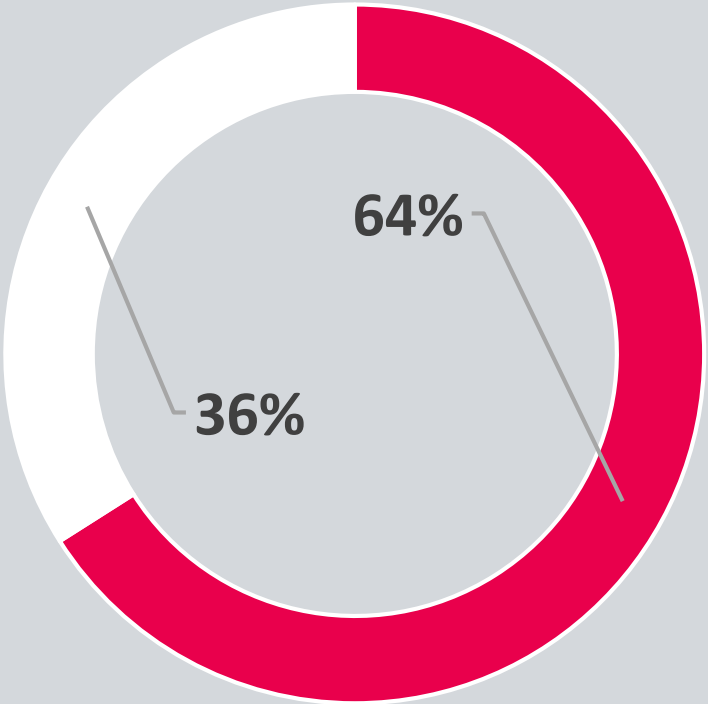
**Building a digital ecosystem leveraged on our unmatched physical assets**



# STRONG FINANCIAL POSITION

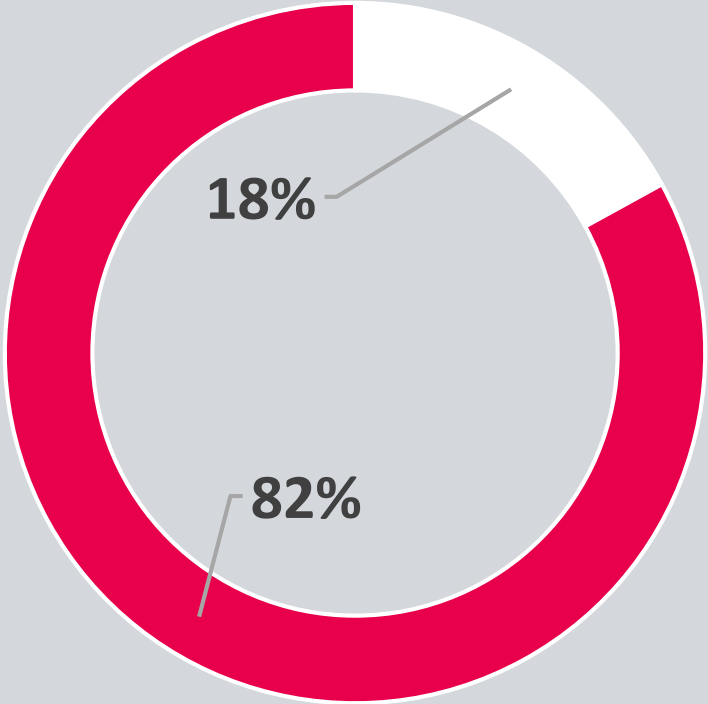
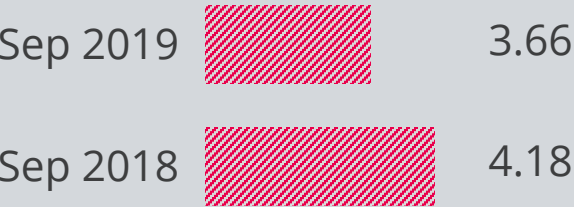
**Debt By Creditor**  
w/o Banking Operations

4.8 years  
Duration



Public bonds   Financial institutions

**Net Financial Debt/Ebitda (times)**  
w/o Banking Operations

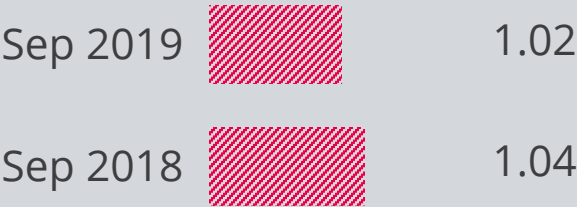


Short term   Long term

**Debt By Maturity**  
w/o Banking Operations

US\$ 4,528 MM  
Financial Debt w/o Banks

**Leverage (times)**  
w/o Banking Operations





# ● CAPITAL EXPENDITURE ORGANIC INVESTMENT PLAN 2020 - 2023

US\$ 2.9 bn

Investment over the next 4 years

38%

IT and logistics projects

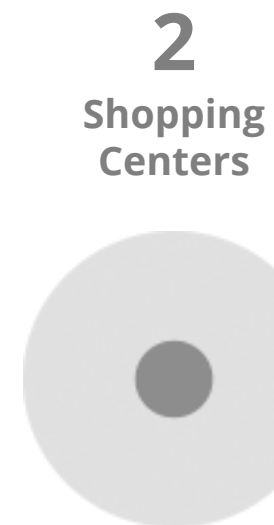
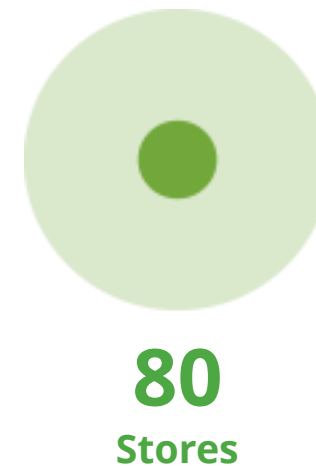
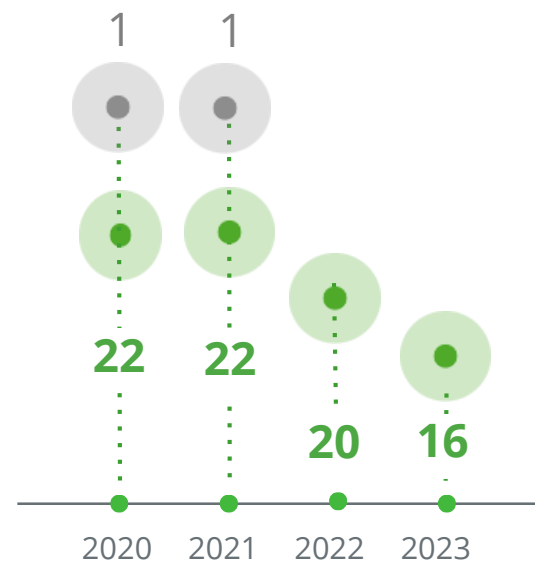
31%

New stores & shopping centers

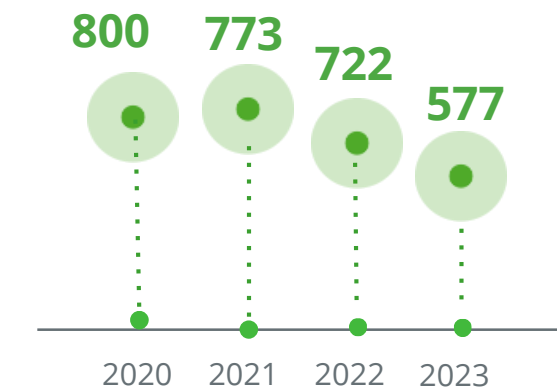
31%

Remodeling and expansions

## STORE AND SHOPPING CENTERS OPENINGS



## INVESTMENT (US\$ MILLION)



# ● FOSTERING AN ENTREPRENEURIAL CULTURE DRIVEN BY OUR VALUES

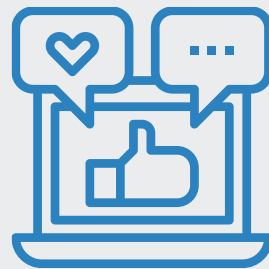


## ONE FALABELLA TEAM

Exceed  
customers'  
expectations



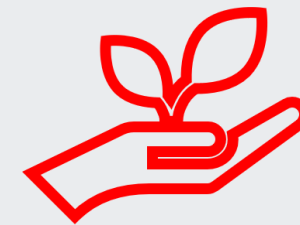
Make things  
happen



Meritocracy



Purposeful  
actions





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