



EARNINGS REPORT 1st Quarter 2009

S.A.C.I. FALABELLA



April 2009



Earnings – First Quarter 2009

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Notes:

1. All figures in dollars are calculated using pesos in the Uniform Codified Statistical Record (FECU) as of March 31, 2009 and the observed dollar exchange rate for April 1, 2009 (CH\$ 583.26 per US\$1).
2. Symbols for quarters: 1Q, 2Q, 3Q, and 4Q, as applicable.
3. Other symbols for periods in the year: 1S (first semester) and 9M (first nine months of the year).
4. Currency symbols: CH\$: Chilean pesos; US\$: U.S. dollars; MM: millions.



I. Executive Summary

- Consolidated revenues of S.A.C.I. Falabella grew 7.7% in 1Q 2009, totaling MMCH\$ 847,219 (MMUS\$ 1,452.6). This was mainly due to the rise in sales by international operations (+39.3%), driven by the addition of 145 thousand square meters of floor space in consolidated foreign operations in the last 12 months.
- A total of 39 stores were opened in the last 12 months (29 in the last 2 quarters) and 3 malls. 15 of these stores were inaugurated in Peru, 10 in Colombia (including the takeover of 5 Casa Estrella Stores), 10 in Chile and 4 in Argentina.
- The cumulative EBITDA as of March decreased 6.4%, to MMCH\$ 88,635 (MMUS\$ 152.0), which represents 10.5% over revenues. This drop was mainly the result of the adverse impact of the Argentina operation and the slowdown in Sodimac and Department Stores, both in Chile.
- There was a non-operating loss of MMCH\$ 14,794 (MMUS\$ 25.4) accumulated as of March 2009 as compared to a loss of MMCH\$ 12,908 in 1Q 2008. The increase in loss was mainly due to a greater Interest Expense.
- Therefore, the consolidated net profit was MMCH\$38,837 (MMUS\$66.6) as of March 2009, 22.0% below the figure for the same period in the previous year.
- During 1Q 2009, the following securities were issued to refinance liabilities: Sodimac Chile Bond (MMCH\$32,170, 7 year maturity, spread of 186 bp over BCP) and SACI Falabella Commercial Paper (total of MMCH\$79,240, average spread of 2 bp monthly below TAB).
Subsequent events, occurring in April 2009, were the issuance of the CMR Securitized Bond (MMCH\$90,000, 6.5 year maturity, spread of 154 bp above BCP) and two SACI Falabella bond series for a total of UF 6.5 million, approximately US\$227 million (Short Series: UF 3 million, 6 year maturity, spread of 139 bp over BCU. Long Series: UF 3.5 million, 24 year maturity, spread of 141 bp above BCU) (BCU = Chilean Central Bank Bonds in Unidades de Fomento; BCP = Central Bank Notes).
- The consolidated leverage dropped to 1.22 times as of March 31, 2009 (versus 1.31 as of December 2008 and 1.32 as of March 2008) while financial indebtedness fell to 0.90 times.

Note:

1. In 3Q 2008, the subsidiary Falabella Retail S.A. was incorporated. This company will develop the department store business in Chile. Therefore, the individual FECU of SACI Falabella no longer shows such business (in effect since and including 3Q 2008).
2. The consolidated financial statements of S.A.C.I. Falabella do not consolidate the operations of Banco Falabella Chile, Banco Falabella Peru and Financiera CMR Colombia even though control is held in such companies.



II. Consolidated Income Statement as of March 31, 2009

Consolidated Income Statement January – March 2009 (MMCHS)

	1Q 2009	% Revenues	1Q 2008	% Revenues	Var. 09/08
Revenues	847.219		786.932		7,7%
COGS (less)	(620.550)	-73,2%	(566.524)	-72,0%	9,5%
GROSS MARGIN	226.669	26,8%	220.408	28,0%	2,8%
SG&A (less)	(162.544)	-19,2%	(143.997)	-18,3%	12,9%
OPERATING INCOME	64.124	7,6%	76.411	9,7%	-16,1%
EBITDA	88.635	10,5%	94.736	12,0%	-6,4%
Interest Income	3.832		2.175		76,2%
Profit on investment in related companies	9.714		12.992		-25,2%
Other non-operating income	7.653		3.782		102,4%
Lost on investment in related companies (less)	(704)		(611)		n/a
Amortization of goodwill	(4.476)		(4.472)		0,1%
Interest expenses (less)	(28.711)		(14.564)		97,1%
Other non-operating expenses (less)	(3.718)		(2.786)		33,4%
Price-level restatement	(3.391)		(1.987)		70,7%
Exchange differentials	5.008		(7.437)		-167,3%
NON-OPERATING PROFIT (LOSS)	(14.794)	-1,7%	(12.908)	-1,6%	14,6%
PROFIT BEFORE INCOME TAX & EXTRAORD. ITEMS	49.331	5,8%	63.503	8,1%	-22,3%
INCOME TAX	(4.616)		(10.292)		-55,1%
MINORITY INTEREST	(5.879)		(3.409)		72,4%
NET PROFIT (LOSS)	38.836		49.802		-22,0%
Amortization of negative goodwill	1		1		-0,7%
PROFIT (LOSS) IN THE FISCAL YEAR	38.837	4,6%	49.803	6,3%	-22,0%
Adjusted EBITDA¹	97.645	11,5%	107.117	13,6%	-8,8%

¹ Adjusted EBITDA = EBITDA + profit/loss on investment in related companies.



III. Analysis of Consolidated Results

Operating Income

The consolidated operating income accumulated as of March 2009 fell 16.1%, to MMCH\$ 66,124 (MMUS\$ 109.9). The fall was mainly due to the increase of 33.8% in depreciation caused by the opening of 39 stores and 3 malls in the last 12 months and the consolidation of Plaza Vespucio as of July 30, 2008. Excluding depreciation and the amortization of intangibles, the EBITDA as of March fell 6.4%, mainly the result of the adverse impact of the Argentina operation and the slowdown in Sodimac and Department Stores, both in Chile.

Revenues

Revenues rose 7.7% in 1Q 2009, to MMCH\$ 847,219 (MMUS\$ 1,452.6). These revenues were driven mainly by the growth in the international businesses (+39.3%), in Tottus-San Francisco (+6.7%) and in Mall Plaza (+46.5%). This latter operation was positively affected by the opening of 2 malls in Chile and the consolidation of Plaza Vespucio as of July 30, 2008. Seen from another perspective, the increase in consolidated revenues was the product of a 21.7% expansion in floor space in the last 12 months, partially offset by a consolidated decrease in SSS of approximately 3.9% (nominally), caused by the downturn in the economy.

Gross Margin

The cumulative gross margin in March 2009 grew 2.8% as compared to 2008, totaling MMCH\$ 226,669 (MMUS\$ 338.6), representing a drop of 125 basis points as a percentage of revenues. This decrease is mainly due to the drop in the gross margin in Sodimac and Department Stores in Chile and, to a lesser extent, in CMR Chile.

Selling, General and Administrative Expenses (SGA)

During 1Q 2009, expenses rose 86 basis points to MMCH\$ 162,544 (MMUS\$ 278.7) or 19.2% as a percentage of sales. This increase is largely the result of depreciation and amortization, which climbed 56 base points due to the opening of 39 stores and 2 distribution centers (Sodimac) in the last 12 months. Moreover, the SGA were impacted by an increment in expenses in Argentina (given the start-up of Sodimac, the impact of inflation and the deceleration in same store sales) and in Peru (given the opening of 15 stores in the last 12 months).

Non-Operating Profit (Loss)

In 2008, there was a non-operating loss of MMCH\$ 14,794 (MMUS\$ 25.4) as compared to a loss of MMCH\$ 12,908 in 2008.

The increase in the loss can be explained as follows:

- Interest Expense net of Interest Income: these expenses rose, on a net basis, by MMCH\$12,491 (MMUS\$21.4), 101% higher than in 2008. The rise is attributed mainly to an increase in financial debt because of the consolidation of Plaza Vespucio as of July 30, 2008; to an increase in the debt in Peru operations because of the increase in the



investment plan; and to the impact of the rise in rates in the second half of 2008 that has been reversing gradually due to the drop in the Chilean Central Bank's rates, accompanied by the bond and commercial paper issuances made by the company.

- Profit/loss on investments in related companies: Profits decreased MMCH\$ 3,371 (MMUS\$ 5.8), a drop of 27.2%. This effect can be explained mainly by the following related investments:

Companies where recognized profits decreased:

- Banco Falabella Peru: the recognized profits decreased 43% to MMCH\$ 3,564. This drop is mainly the result of a fall of MMCH\$2,627 in the Exchange Differential Account, according to Bulletin No. 64, followed by a requirement of the Banking and Insurance Commission of Peru that obligated all banks in Peru to make an additional 0.5% reserve on the total loan portfolio during 1Q 2009.
- Plaza Vespucio: As from July 30, 2008, this operation is consolidated, so it no longer was considered in profits on investment in related companies. Therefore, the profits of Plaza Vespucio fell 100% in this line.
- CMR Colombia: the recognized profit fell to a loss of MMCH\$684, caused entirely by the impact of the Exchange Differential Account according to Bulletin No. 64, which dropped MMCH\$2,606.
- Banco Falabella Chile: its recognized profits dropped 14.6% to MMCH\$3,276 as of March 2009.

Companies where recognized profits increased:

- Sodimac Colombia: The recognized profit rose MMCH\$ 3,167 to MMCH\$2,557

The above increase in losses was partially offset by the following increases in profits:

- Price-Level Restatement (PLR) + Exchange Differential (ED): The netting of PLR and ED resulted in a profit of MMCH\$1,617 as of March 2009, or an improvement of MMCH\$11,041 compared to the 1st quarter of the previous year. This was attributed to the strong revaluation of the dollar as compared to the Chilean peso in the last 12 months, which had an impact on the results of foreign operations according to Bulletin No. 64.
- Other Non-Operating Income and Expenses (net): They rose by MMCH\$2,940 during 1Q 2009 as compared to the same period in the previous year, to MMCH\$3,935. The increase came mainly from the extraordinary profit on the 22.5% share acquired by Ripley in Nuevos Desarrollos S.A. (which owns Mall Plaza Alameda and Mall Plaza Sur in San Bernardo).

Note:

Bulletin N° 64: accounting standard for translating foreign financial statements into Chilean GAAP.



IV. Main Events in the Period

1Q 2009

- Chile:
 - A new Tottus Store was opened in San Fernando (January 2009).
- Peru:
 - Sodimac opened a new store in Chincha (January 2009).
- Colombia:
 - Sodimac inaugurated 2 new stores, one in Cucuta (January 2009) and the other in Villavicencio (March 2009).

- On January 13, 2009, Ripley acquired a 22.5% interest in Nuevos Desarrollos S.A., which owns Plaza Alameda and Plaza Sur shopping malls.

- On January 21, 2009, Sodimac placed a Series F Bond for CH\$32.170 billion, 7 year maturity. The duration was 4.44 years and the spread 186 basis points above the BCP-5.

- On March 31, 2009, SACI Falabella exercised its right of first refusal, as holder of 25% of the shares in Inmobiliaria Mall Calama S.A., to purchase the remaining 75% of the shares in that company for an enterprise value of UF 2,178,750 (MMUS\$ 78.5).

Other Recent Events in 1Q 2009

- On April 2, 2009, Promotora CMR Falabella S.A. issued a Securitized Bond for CH\$90.0 billion. The duration was 4.69 years and the spread 154 basis points above the BCP-7.

- The annual shareholders meeting was held on April 28, 2009. The main items of business were: the reelection of the actual board members for a term of 3 years and the approval of a definitive dividend of Ch\$ 26 per share. This dividend will be paid on may 27th 2009 to the holders of stock registered as shareholders as of May 20th 2009.

- A special shareholders meeting was held on April 28, 2009 at which a capital increase of 22,246,633 shares was approved, allocated to an executive stock option plan.

- SACI Falabella placed two bond series on April 29, 2009, for a total of UF 6.5 million (approximately US\$227 million). They were: Short Series for UF 3 million, 6 year maturity, at a spread of 139 basis points above the BCU; Long Series for UF 3.5 million, 24 year maturity, at a spread of 141 basis points above the BCU.



V. Retail Indicators

1. Revenues from the Retail Businesses

Retail Revenues (MUSS)²			
(Adjusted Chilean pesos converted to USD at the observed e/r for April 1, 2009)			
	1Q 2009	1Q 2008	Var. 09/08
Department Stores - Chile	292.378	305.932	-4,4%
Home Improvement - Chile	473.769	509.194	-7,0%
Supermarkets - Chile	128.064	119.989	6,7%
Retail - Peru (Saga, Sodimac & Tottus)	233.510	178.144	31,1%
Retail - Argentina (Falabella & Sodimac)	75.154	51.652	45,5%
Retail - Colombia (Falabella & Sodimac)	165.168	139.857	18,1%

Same-Store Sales (SSS) Growth³					
(all growth is nominal and was calculated in the local currency of each country)					
	1Q 2008	1S 2008	9M 2008	2008	1Q 2009
Department Stores - Chile	5,7%	5,8%	4,8%	1,5%	-5,6%
Home Improvement - Chile ⁴	11,2%	13,9%	15,6%	11,9%	-5,9%
Supermarkets - Chile	14,1%	13,5%	12,2%	10,9%	3,5%
Retail - Peru (Saga, Sodimac & Tottus)	11,3%	11,8%	11,8%	9,9%	-2,7%
Retail - Argentina (Falabella & Sodimac)	28,0%	19,5%	14,7%	11,8%	-10,1%

Chile Department Stores

Revenues during 1Q 2009 totaled MMCH\$ 170,532 (MMUS\$ 292.4), a real drop of 3.9% compared to the previous year, mainly caused by a nominal negative SSS of -5.6%.

Chile Home Improvement

Revenues totaled MMCH\$276,330 during 1Q 2009 (MMUS\$473.8), a drop of 7.0%. This reduction came principally from the fall of 5.9% in nominal SSS revenues, caused by the economic slowdown in the construction and real estate sectors.

Chile Supermarkets

Revenues rose 6.7% during 1Q 2009, totaling MMCH\$ 74,694 (MMUS\$ 128.1), as compared to the same period in the previous year. This increase was mainly the result of a 14% increase in floor space.

Peru

The revenues from the retail business in Peru (Saga Falabella, Sodimac and Tottus) grew 31.1% during 1Q 2009. This increase was driven mainly by the increase of 37.8% in floor space.

Argentina

² Excludes revenues from the credit business.

³ All new stores and those that are enlarged by more than 10% in terms of square meters are excluded in the calculation of same-store growth.

⁴ Sodimac SSS does not include the Imperial stores.



Retail revenues in 1Q 2009 rose 45.5% compared to the same period in the previous year. The rise was basically the result of an 80.5% growth in floor space.

Colombia

The revenues of Sodimac and Falabella Colombia rose 18.1% in the aggregate during 1Q 2009 with respect to 1Q 2008. This growth came from the 33.2% increase in floor space, including the consolidation of the 5 former Casa Estrella Stores and the continued maturation of the existing Falabella Stores.

2. Number of Stores and Floor Space

Sales Area	1Q 2009		1Q 2008	
	Area (m ²)	Stores	Area (m ²)	Stores
Department Stores - Chile	226.666	40	207.434	38
Home Improvement - Chile ⁵	543.901	66	490.692	62
Supermarkets - Chile	100.440	24	88.111	21
Department Stores - Peru	90.592	15	77.203	14
Home Improvement - Peru	98.219	13	67.217	8
Supermarkets - Peru	85.507	17	54.601	9
Department Stores - Argentina	53.099	9	42.295	8
Home Improvement - Argentina	46.168	4	12.714	1
Department Stores - Colombia	53.670	9	27.865	3
Home Improvement - Colombia	190.616	19	155.548	15
Total	1.488.879	216	1.223.680	179

On a consolidated basis, 4 new stores were opened during the first quarter of 2009, one in Chile, one in Peru and 2 in Colombia. This added around 31 thousand square meters of net floor space as compared to the fourth quarter of 2008.

Chile Department Stores

2 new stores were opened in the 12 months since March 2008 and 19,233 square meters of net floor space were added. This came from the opening of the Plaza Alameda store (6,839 m², May-2008) and the Plaza Sur store in San Bernardo (6,606 m², Nov-2008). Moreover, the remodeling and enlargement of the Downtown Concepción store (+2,351 m²) and Osorno store (+3,437 m²) was concluded.

Chile Home Improvement

3 Sodimac stores were opened in Chile in the 12 months since March 2008, 1 Imperial Store and 1 store relocation. The net floor space rose by 53,209 m². This increase includes the Homecenter stores opened in Estacion Central (10,615 m², Sep-08), El Bosque (8,560 m², Oct-08), San Bernardo (11,962 m², Nov-08) and the Imperial Huechuraba store (3,007 m², Apr-2008) as well as the relocation of the Homecenter Los Angeles (+6,958 m²). Homecenter Talca (to 12,522 m², Aug-08) and Homecenter Calama (to 10,797 m², Oct-2008) were also enlarged and the Homecenter Copiapo was remodeled (now 8,895 m², Sep-08).

⁵ Includes Imperial stores.

*San Francisco-Tottus Supermarkets*

3 new San Francisco and Tottus supermarkets were opened in the 12 months since March 2008 and the net floor space rose by 12,329 m²: Tottus Alameda (4,209 m², Jul-08), Tottus El Bosque (4,100 m², Nov-08), and Tottus San Fernando (4,020 m², Jan-2009).

Peru

15 new stores were opened in Peru in the 12 months since March 2008 while the floor space rose by approximately 75,297 m². This was due mainly to the opening of 2 SAGA Falabella stores (13,389 m² increase in floor space--the Chiclayo store measuring 356 m² was also closed), 5 Sodimac stores (increase of 43,618 m² of floor space) and 9 Tottus hypermarkets (increase of 18,290 m² of floor space).⁶

Argentina

In Argentina, 4 new stores were inaugurated in Buenos Aires in the 12 months since March 2008, one Falabella Store⁷ and three Sodimac Stores. The floor space increased by 44,258 m². The new stores are: Falabella Alto Avellaneda (8,150 m², Apr-08), Sodimac Malvinas Argentinas (12,459 m², Apr-08), Sodimac San Justo (11,930 m², Aug-08) and Sodimac Villa Tesei (9,198 m², Oct-08).

Colombia

Colombia has gained 10 stores in the last 12 months since March 2008, 6 Falabella stores and 4 Sodimac stores. Therefore, the floor space rose by 60,874 m². The new stores are: Falabella Hayuelos in Bogota (7,970 m², Apr-08) and the 5 Casa Estrella stores, plus Sodimac HC Bello (6,768 m², Sep-08), HC Molinos (8,433 m², Dec-08) in Medellin, HC Cucuta (11,465 m², Jan-09) and HC Villavicencio (8,402 m², Mar-09).

⁶ Square meters of floor space in Saga and Tottus Stores were retabulated during 1Q 2009 and differ from the amounts reported in 4Q 2008

⁷ Square meters of floor space in Falabella Stores were retabulated during 1Q 2009 and differ from the amounts reported in 4Q 2008.



3. Inventories⁸

Days in Inventory

	1Q 2008	1S 2008	9M 2008	2008	1Q 2009
Department Stores - Chile	86	77	72	79	85
Home Improvement - Chile	65	75	101	98	85
Supermarkets - Chile	29	31	29	26	32
Department Stores - Peru	102	83	86	89	113
Home Improvement - Peru	108	119	126	121	113
Supermarkets - Peru	39	35	48	56	47
Retail - Argentina (Falabella & Sodimac)	148	160	153	127	123

Days in inventory of the Falabella Group rose 12.8% in 1Q 2009 with respect to 1Q 2008. This increase in days in inventory is mainly the result of the 39 openings in the last twelve months and a slowdown in SSS.

Retail Argentina has reduced days in inventory by 17% in the last 12 months thanks to the consolidation of the Sodimac stores and the successful implementation of a reduction in Falabella inventories. Falabella Chile also reduced its days in inventory by 1 day, taking into account the 2 new stores and the two enlargements in the last 12 months.

Moreover, Sodimac has 20 additional days in inventory in 1Q 2009 compared to 1Q 2008, mainly because of the slowdown in SSS, of the 5 openings and the 3 large remodelings carried out in the last 12 months, plus the ongoing transition to only 2 distribution centers during the last few months. Nonetheless, it was able to lower the indicator by 13 days compared to the closing of 2008.

In Peru, the days in inventory rose 9.4% in the last 12 months, due mainly to the 15 openings that took place, 14 in 4Q 2008. This indicator should normalize as the year passes and the new stores mature.

⁸ Days in Inventory = Inventories at the end of the period divided by the cumulative sales cost expressed in days.



VI. Operating Income by Business Unit

1. Chile Department Stores⁹

Department store operating income decreased 90.9% in 1Q 2009, totaling MMUS\$ 0.9 as compared to the same period in the previous year, which was due mainly to the drop in consumption. This was reflected by the fall in sales (SSS -5.6%, on a nominal basis) and in the gross margin, which fell 262 basis points. The greatest impact on margin occurred in seasonal and decorative products and in imported products because of the devaluation of the peso with respect to the dollar, as well as a more intense competition, seen by the high number of promotional offers. Expenses remained efficient during the quarter and were again optimized at the end of March 2009.

Chile Department Stores (MMUS\$ and percentage of sales)

	1Q 2009	1Q 2008	Var.%
Revenues	292,4	305,9	-4,4%
Costs	-72,0%	-69,4%	-0,8%
Gross Margin	28,0%	30,6%	-12,6%
SGA w/o depreciation	-25,6%	-25,2%	-3,1%
EBITDA	2,4%	5,4%	-57,1%
Depreciation + Amortization	-2,1%	-2,2%	-6,9%
Operating Profit (Loss)	0,3%	3,2%	-90,9%

2. Chile Home Improvement

Sodimac Chile's operating income was MMUS\$ 17.0 in 1Q 2009, 48.4% below the previous year. This reduction came mainly from the slowdown in the real estate and construction sectors, which had an impact on Sodimac's sales volumes and on the margins of the construction and remodeling products (commodities). In addition, expenses, especially depreciation, rose because 5 stores were opened and 3 others were remodeled, coupled with the opening of 2 new distribution centers where all logistical operations in Chile will be concentrated. Expenses were optimized significantly in 4Q 2008 and 1Q 2009 and the results of this effort will become more apparent in the coming months.

Chile Home Improvement (MMUS\$ and percentage of sales)

	1Q 2009	1Q 2008	Var.%
Revenues	473,8	509,2	-7,0%
Costs	-75,1%	-74,1%	-5,7%
Gross Margin	24,9%	25,9%	-10,5%
SGA w/o depreciation	-19,3%	-18,1%	-0,6%
EBITDA	5,6%	7,9%	-33,2%
Depreciation + Amortization	-2,0%	-1,4%	38,0%
Operating Profit (Loss)	3,6%	6,5%	-48,4%

⁹ Falabella Retail S.A., a subsidiary, was created in 3Q 2008 to develop the department store business in Chile. As a result, the Individual FECU of SACI Falabella no longer shows that business. This section of the release provides an equivalent pro forma financial statement on Chile department stores for financial analysis.



3. Chile Supermarkets

The Tottus-San Francisco Supermarkets reduced their operating loss to MMUS\$1.0 during 1Q 2009. The EBITDA grew 30.3%, to MMUS\$3.3, thanks to a revenue growth of 6.7% and 211 basis-point increase in the gross margin because of a better administration of the mix and of the product categories. The increase in expenses was mainly caused by the recent opening of stores that are still maturing. For some time now, work is being done to improve logistical and spending efficiency in general, which will continue to be seen during the course of the year.

Chile Supermarkets (MMUS\$ and percentage of sales)

	1Q 2009	1Q 2008	Var.%
Revenues	128,1	120,0	6,7%
Costs	-76,8%	-79,0%	3,9%
Gross Margin	23,2%	21,0%	17,5%
SGA w/o depreciation	-20,6%	-19,0%	16,0%
EBITDA	2,5%	2,1%	30,3%
Depreciation + Amortization	-3,3%	-3,1%	14,7%
Operating Profit (Loss)	-0,8%	-1,0%	-17,3%

4. International Operations

During 1Q 2009, the revenues of the international businesses that are consolidated (Argentina, Peru and Colombia)¹⁰ grew 39.3%, mainly driven by the opening of 25 stores in the last 12 months (+4 Sodimac in Colombia). The natural maturity after those openings and the start-up of Sodimac in Argentina had an impact on operating income, resulting in a loss of MMUS\$-4.5 in 1Q 2009.

Peru¹¹

Consolidated operating income from Peru amounted to MMUS\$ 6.9 in 1Q 2009, a drop of 38.5%. The greater depreciation caused by 15 new stores being opened in the last 12 months made the EBITDA drop only 8.3%, to MMUS\$13.7. The gross margin fell 149 basis points, largely explained by a change in the business mix (due to the greater growth in Tottus) and the inventory adjustments as the growth in Peruvian consumption moderated. The increase of 175 basis points in SG&A was mainly the product of opening 15 stores in the last 12 months.

Peru Consolidated (MMUS\$ and percentage of income)

	1Q 2009	1Q 2008	Var.%
Revenues	241,5	184,0	31,2%
Costs	-75,6%	-74,1%	33,9%
Gross Margin	24,4%	25,9%	23,7%
SGA w/o depreciation	-18,7%	-17,8%	38,2%
EBITDA	5,7%	8,1%	-8,3%
Depreciation + Amortization	-2,8%	-2,0%	83,8%
Operating Profit (Loss)	2,9%	6,1%	-38,5%

¹⁰ Excluding Banco Falabella Peru, CMR Colombia, Sodimac Colombia and Aventura Plaza Peru.

¹¹ The revenues provided in this section exclude the operations of Banco Falabella Peru in all periods. The revenues of this bank are shown as a profit on the investment in related companies. The results of Mall Aventura Plaza are not included either even though they are consolidated in SACI Falabella.



Argentina

There was a consolidated operating loss of MMUS\$ 7.6 in Argentina in 1Q 2009. The fall is due basically to a drop of 2.3 percentage points in the gross margin and an increase in spending of 1.3 percentage points without depreciation. These effects can be attributed to the start-up of Sodimac during 2008, to the impact of inflation on spending in all operations, and to a greater slowdown in consumption.

Argentina Consolidated (MMUS\$ and percentage of income)

	1Q 2009	1Q 2008	Var. %
Revenues	84,4	55,9	50,9%
Costs	-69,2%	-66,9%	56,1%
Gross Margin	30,8%	33,1%	40,3%
SGA w/o depreciation	-37,1%	-35,8%	56,4%
EBITDA	-6,3%	-2,7%	255,7%
Depreciation + Amortization	-2,7%	-2,4%	74,8%
Operating Profit (Loss)	-9,0%	-5,0%	171,0%

Colombia¹²

The operating loss in Colombia totaled MMUS\$-3.8 in 1Q 2009, compared to MMUS\$-1.5 in 1Q 2008. Revenues grew 84.5% in Colombia, driven by the opening of one store in April 2008 and by the takeover of 5 Casa Estrella Stores in November 2008. The drop in gross margin was due mainly to the clean-up of stocks from the former Casa Estrella operation. SGA was also impacted by the takeover of the Casa Estrella stores due to the ongoing adaptation of processes and systems to the Falabella standard.

Colombia Consolidated (MMUS\$ and percentage of income)

	1Q 2009	1Q 2008	Var. %
Revenues	34,1	18,5	84,5%
Costs	-71,7%	-68,6%	92,9%
Gross Margin	28,3%	31,4%	66,1%
SGA w/o depreciation	-35,9%	-34,7%	90,7%
EBITDA	-7,6%	-3,3%	324%
Depreciation + Amortization	-3,5%	-4,6%	40,5%
Operating Profit (Loss)	-11,1%	-7,9%	159,9%

5. Promotora CMR Chile

Operating income of Promotora CMR Chile amounted to MMUS\$ 36.7 in 1Q 2009, decreasing 6.3%. The fall was mainly due to the increase in non-performing loans, which is shown in the total amounts provisioned. As of March 2009, the provision stock represented 6.0% of credits, which is compared to 5.4% in December 2008. It is important to note once again the decrease in expenses as a percentage of sales, which reflects the implementation of good practices and the constant search for efficiency.

¹² The operating income shown in this section does not include either the Financiera CMR Colombia operation nor the Sodimac Colombia operation in any period. The results of Financiera CMR Colombia and Sodimac Colombia are recorded as a profit on the investment in related companies.


Promotora CMR (MMUS\$ and percentage of income)

	1Q 2009	1Q 2008	Var. %
Revenues	115,6	111,9	3,4%
Costs	-60,1%	-56,3%	10,4%
Gross Margin	39,9%	43,7%	-5,6%
SGA w/o depreciation	-8,1%	-8,6%	-2,7%
EBITDA	31,8%	35,1%	-6,3%
Depreciation + Amortization	0,0%	0,0%	-38,6%
Operating Profit (Loss)	31,8%	35,0%	-6,3%

6. Mall Plaza Chile

Operating income totaled MMUS\$ 28.7 in 1Q 2009, 31.2% higher than in the same period in the past year. This result is mainly the product of the high growth in revenues (+46.5%) because of the opening of Mall Plaza Alameda and Mall Plaza Sur (San Bernardo) during 2008 and the fact that the operation of Plaza Vespucio was not consolidated in 1Q 2008. This effect was partially counteracted by a 93.1% increase in Total Expenses for the same aforesaid reasons.

Plaza S.A. (MMUS\$ and percentage of income)

	1Q 2009	1Q 2008	Var. %
Revenues	54,0	36,9	46,5%
Costs	-27,6%	-26,1%	55,3%
Gross Margin	72,4%	73,9%	43,5%
SGA	-19,3%	-14,6%	93,1%
Operating Profit (Loss)	53,1%	59,3%	31,2%
EBITDA	65,7%	67,3%	43,1%

Note: Depreciation is recorded in the cost line.

7. Sociedad de Rentas Falabella (SRF)

During 1Q 2009, operating income totaled MMUS\$ 9.4, a 17.9% rise as compared to the 1Q in the previous year.



VII. Credit Indicators

1. CMR Card Sales

	Cumulative Percentage of Sales using CMR ¹³				1Q 2009
	1Q 2008	1S 2008	9M 2008	2008	
Department Stores - Chile	62,4%	63,5%	63,5%	62,9%	60,0%
Home Improvement - Chile	29,4%	29,4%	29,3%	29,3%	28,8%
Supermarkets - Chile	16,5%	18,0%	18,9%	19,0%	17,5%
Department Stores - Peru	64,7%	65,4%	65,1%	64,3%	59,5%
Home Improvement - Peru	33,5%	33,9%	34,5%	33,9%	30,7%
Supermarkets - Peru	47,2%	47,7%	47,8%	46,9%	40,9%
Department Stores - Argentina	43,7%	41,2%	40,0%	37,5%	35,5%
Department Stores - Colombia				29,2%	25,4%
Home Improvement - Colombia				11,6%	9,7%

By March 2009, there were 2.6 million active CMR cards in Chile; 1.3 million in Peru; 726,000 in Argentina and 444,000 in Colombia.

2. CMR Chile

a. Total Gross Loans (Nominal MMCH\$)

	1Q	2Q	3Q	4Q
2006	551.211	553.908	549.624	608.236
2007	627.290	656.819	665.797	721.506
2008	723.483	741.764	733.899	766.007
2009	713.596			

b. Total Loan Provisions (Nominal MMCH\$)

	0	1Q	2Q	3Q	4Q
2006		-21.266	-22.943	-22.081	-23.104
2007		-23.885	-25.906	-29.862	-28.571
2008		-30.824	-33.518	-36.772	-41.339
2009		-42.988			

c. Provisions/Loans

	1Q	2Q	3Q	4Q
2006	3,86%	4,14%	4,02%	3,80%
2007	3,81%	3,94%	4,49%	3,96%
2008	4,26%	4,52%	5,01%	5,40%
2009	6,02%			

d. Cumulative Net Write-offs (Nominal MMCH\$)

	1Q	2Q	3Q	4Q
2006	4.616	9.457	16.485	22.514
2007	7.034	13.435	21.512	31.325
2008	11.226	20.328	34.268	50.036
2009	19.712			

Note: Write-offs are net of recoveries

¹³ The percentage of sales using CMR refers to the cumulative sales using the card as compared to total cumulative sales by each chain. For Sodimac Chile, the calculation includes retail and wholesale sales.



3. Banco Falabella Chile

a. Total Gross Loans (Nominal MMCH\$)

	1Q	2Q	3Q	4Q
2006	381.344	403.665	430.883	444.159
2007	465.000	474.096	501.073	524.265
2008	547.407	581.780	636.507	627.594
2009	625.612			

b. Total Loan Provisions (Nominal MMCH\$)

	1Q	2Q	3Q	4Q
2006	-11.742	-12.495	-13.307	-14.050
2007	-14.842	-15.293	-16.736	-17.728
2008	-18.221	-18.992	-20.078	-21.335
2009	-23.022			

c. Provisions/Loans

	1Q	2Q	3Q	4Q
2006	3,08%	3,10%	3,09%	3,16%
2007	3,19%	3,23%	3,34%	3,38%
2008	3,33%	3,26%	3,15%	3,40%
2009	3,68%			

d. Cumulative Net Write-offs (Nominal MMCH\$)

	1Q	2Q	3Q	4Q
2006	2.434	4.682	7.437	11.036
2007	3.585	7.607	12.266	17.162
2008	5.113	9.829	18.628	25.541
2009	6.077			

Note: Write-offs are net of recoveries

4. Banco Falabella Peru

Note: Banco Falabella Peru uses the provisions schedule indicated by the Peruvian Banking and Insurance Commission. That Commission required all local banks to make an additional provision of 2.5% on the total loan portfolio.

a. Total Gross Loans (Nominal MUS\$)

	1Q	2Q	3Q	4Q
2006	253.955	259.930	267.741	304.219
2007	294.472	315.711	324.791	360.529
2008	410.904	408.435	414.833	410.249
2009	382.120			

b. Total Loan Provisions (Nominal MUS\$)

	1Q	2Q	3Q	4Q
2006	-11.158	-14.505	-15.826	-17.282
2007	-18.151	-20.528	-20.813	-21.053
2008	-26.351	-25.726	-26.821	-27.795
2009	-31.777			

c. Provisions/Loans

	1Q	2Q	3Q	4Q
2006	4,39%	5,58%	5,91%	5,68%
2007	6,16%	6,50%	6,41%	5,84%
2008	6,41%	6,30%	6,47%	6,78%
2009	8,32%			

d. Cumulative Net Write-offs (Nominal MUS\$)

	1Q	2Q	3Q	4Q
2006	1.141	2.607	4.187	5.746
2007	1.841	3.275	6.184	8.601
2008	3.490	7.278	10.138	18.094
2009	5.230			

Note: Write-offs are net of recoveries



5. CMR Argentina

Note: As of 4Q 2004, additional voluntary charges are being debited against income of CMR Argentina in order to maintain a total provision on loans of at least 3.0%. If we exclude the voluntary charges from the calculation, loan provisions would total only 2.99%.

a. Total Gross Loans (Nominal MUS\$)				
	1Q	2Q	3Q	4Q
2006	37.997	42.920	43.946	53.983
2007	51.760	61.402	62.684	72.332
2008	73.232	83.570	79.262	71.890
2009	55.755			

b. Total Loan Provisions (Nominal MUS\$)				
	1Q	2Q	3Q	4Q
2006	-1.148	-1.309	-1.322	-1.621
2007	-1.597	-1.842	-1.899	-2.181
2008	-2.221	-2.523	-2.378	-2.246
2009	-2.085			

c. Provisions/Loans				
	1Q	2Q	3Q	4Q
2006	3,02%	3,05%	3,01%	3,00%
2007	3,09%	3,00%	3,03%	3,02%
2008	3,03%	3,02%	3,00%	3,12%
2009	3,74%			

d. Cummulative Net Write-offs (Nominal MUS\$)				
	1Q	2Q	3Q	4Q
2006	-32	-116	-193	-290
2007	-49	-83	-85	-60
2008	82	171	-319	506
2009	336			

Note: Write-offs are net of recoveries

6. Financiera CMR Colombia

Note: CMR Colombia began operation in October 2005. Starting in December 2008, CMR Colombia did not consolidate with SACI Falabella, which is retroactive for all of 2008.

a. Total Gross Loans (Nominal MUS\$)				
	1Q	2Q	3Q	4Q
2006	12.347	18.420	27.111	37.651
2007	43.386	59.244	71.952	90.060
2008	109.122	110.912	102.937	106.896
2009	89.751			

b. Total Loan Provisions (Nominal MUS\$)				
	1Q	2Q	3Q	4Q
2006	-164	-465	-972	-1.232
2007	-1.402	-1.841	-2.444	-3.453
2008	-4.889	-6.179	-7.130	-7.647
2009	-7.067			

c. Provisions/Loans				
	1Q	2Q	3Q	4Q
2006	1,33%	2,52%	3,59%	3,27%
2007	3,23%	3,11%	3,40%	3,83%
2008	4,48%	5,57%	6,93%	7,15%
2009	7,87%			

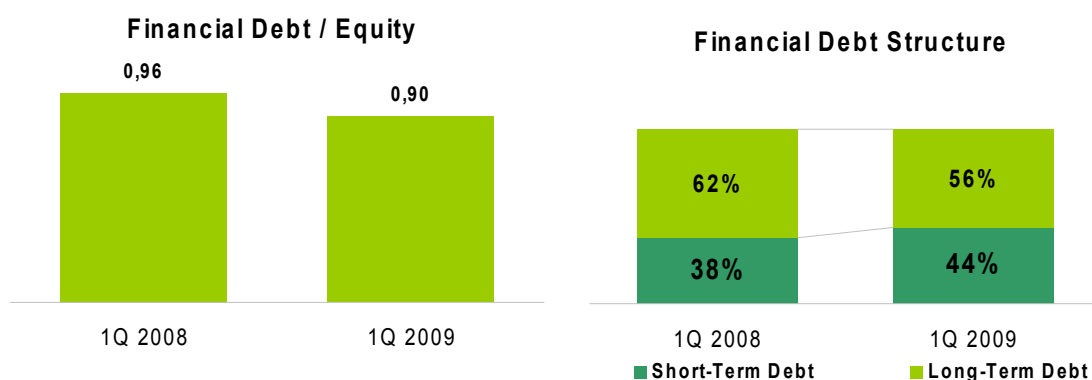
d. Cummulative Net Write-offs (Nominal MUS\$)				
	1Q	2Q	3Q	4Q
2006	0	0	94	603
2007	506	1.051	1.672	2.312
2008	1.193	2.573	2.370	4.065
2009	1.651			

Note: Write-offs are net of recoveries



VIII. Financial Structure

1. Financial Debt as of March 31, 2009

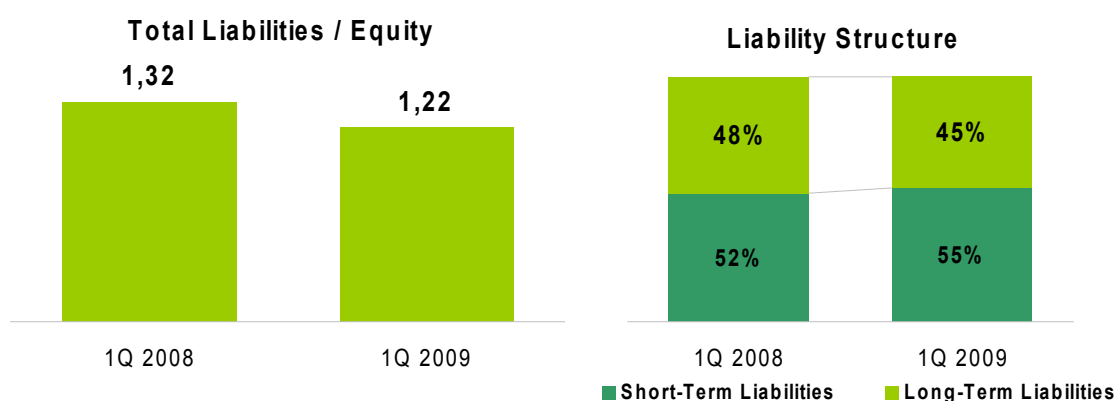


Note: Total Financial Debt as of March 31, 2009 was MMCH\$ 1,716,537 (MMUS\$ 2,943.0). It includes the CMR business debt in Chile and Argentina. As of 1Q 2007, it also included the financial debt of the Malls Plaza (except for Plaza Vespucio). Starting in August 2008, Mall Plaza Vespucio is included.

The following issuances took place in 1Q 2009 in order to refinance liabilities: Sodimac Chile Bond (MMCH\$32,170, 7 year maturity and a spread of 186 bp above BCP) and SACI Falabella Commercial Paper (total of MMCH\$79,240, average spread of 2 bp monthly below TAB).

Subsequent events, occurring in April 2009, also to refinance liabilities, were the issuance of the CMR Securitized Bond (MMCH\$90,000, 6.5 year maturity, at a spread of 154 bp above BCP) and two SACI Falabella bond series for a total of UF 6.5 million, approximately US\$227 million (Short Series: UF 3 million, 6 year maturity, at a spread of 139 bp above BCU. Long Series: UF 3.5 million, 24 year maturity, at a spread of 141 bp above BCU).

2. Total Liabilities as of March 31, 2009



Note: Liabilities totaled MMCH\$ 2,313,419 as of March 31, 2009 (MMUS\$ 3,966.4). This figure included the liabilities of CMR in Chile and Argentina. As of 1Q 2007, it also included the liabilities of the Malls Plaza (excluding Plaza Vespucio). Mall Plaza Vespucio is included starting in August 2008.



IX. Stores and Floor Space

1. Chile Department Stores (net m² of floor space)

N°	Store	Selling Space	Opening	Region
1»6	Paseo Ahumada	9.436	Oct-1889	RM
7	Barros Arana	8.402	may-62	VIII
8	Parque Arauco	12.190	oct-83	RM
9	Temuco	5.307	may-86	IX
10	Viña del Mar	5.136	sep-87	V
11	Plaza Vespucio	8.087	ago-90	RM
12	Lyon	7.837	feb-92	RM
13	Rancagua	5.647	feb-92	VI
14	Calama	6.179	may-93	II
15	Alto Las Condes	9.874	oct-93	RM
16	Plaza Oeste	10.869	nov-94	RM
17	Plaza del Trébol	6.325	abr-95	VIII
18	Osorno	6.912	oct-95	X
19	Chillán	4.659	sep-96	VIII
20	Talca	5.132	may-97	VII
21	Copiapó	3.508	mar-98	III
22	Plaza Tobalaba	7.192	nov-98	RM
23	La Serena	4.963	nov-98	IV
24	Valparaíso	5.565	feb-99	V
25	Curicó	3.905	sep-00	VII
26	Iquique	5.296	sep-00	I
27	Puerto Montt	5.946	jul-01	X
28	Quilpué	4.543	sep-01	V
29	Plaza Los Angeles	5.158	mar-03	VIII
30	Plaza Norte	5.677	nov-03	RM
31	Paseo Puente	7.771	oct-05	RM
32	La Dehesa	7.904	nov-05	RM
33	Antofagasta Mall	9.164	oct-06	II
34	La Calera	4.907	nov-06	V
35	Valdivia	4.534	jun-07	XIV
36	Melipilla	3.723	jun-07	RM
37	Punta Arenas	5.349	nov-07	XII
38	Manquehue	6.125	mar-08	RM
39	Estación Central	6.839	may-08	RM
40	San Bernardo	6.606	nov-08	RM
TOTAL		226.666		

- **Other minor stores:**

1	Expo Arica	132	
2	Expo San Fernando	440	
3	Expo Castro	176	
4	Bodega Rosas, Stgo.	3.244	ene-01
TOTAL		5.576	



2. Chile Home Improvement Stores (net m² of floor space)

N°	Store	Selling Space	Opening	Region
1	HC Temuco	8.654	ene-82	IX
2	HC Copiapó	8.895	ene-82	III
3	Co Viña del Mar	4.517	ene-82	V
4	Co Valparaíso	668	ene-82	V
5	Co Talcahuano	1.813	ene-82	VIII
6	Co Rancagua	1.783	ene-82	VI
7	Co Maipú	4.306	ene-82	RM
8	Co Castro	335	ene-82	X
9	HC Concepción	4.669	jun-87	VIII
10	HC Las Condes	8.761	mar-88	RM
11	Co Vic. Mackenna	2.949	ene-92	RM
12	Co Antofagasta	9.056	jul-92	II
13	HC Los Angeles	11.656	1992	VIII
14	HC Viña del Mar	7.318	ene-93	V
15	Co Cantagallo	5.870	ene-93	RM
16	HC La Florida	6.683	jul-93	RM
17	HC Ñuñoa	4.838	sep-93	RM
18	HC Rancagua	10.724	nov-95	VI
19	HC Puente Alto	16.893	oct-96	RM
20	HC Quilpue	8.129	nov-96	V
21	Co La Florida	6.934	mar-97	RM
22	HC Maipú	14.044	jul-98	RM
23	HC El Trébol	14.456	nov-98	VIII
24	HC La Serena	12.545	dic-98	IV
25	Co Reñaca Alto	7.656	dic-98	V
26	HC Parque Arauco	10.777	oct-99	RM
27	HC Talca	12.522	dic-00	VII
28	HC Calama	10.797	nov-01	II
29	HC San Miguel	13.061	nov-01	RM
30	HC La Reina	13.207	abr-02	RM
31	Co Vallenar	3.621	may-02	III
32	HC Ñuble	10.935	jun-02	RM
33	HC Valdivia	8.288	sep-02	XIV
34	HC Nueva La Florida	18.461	nov-02	RM
35	HC SS Temuco	13.370	abr-03	IX
36	HC Huechuraba	11.630	nov-03	RM
37	HC Villarrica	6.530	feb-04	IX
38	HC Osorno	8.545	jul-05	X
39	HC Angol	4.214	sep-05	VIII
40	HC Chillán	8.781	dic-05	VIII
41	HC Coyhaique	5.740	ene-06	XI
42	HC Curico	8.012	mar-06	VII
43	HC Coquimbo	5.882	mar-06	IV
44	HC Plaza Oeste	14.696	may-06	RM
45	HC La Calera	8.030	jul-06	V
46	HC Pto.Montt	9.514	ago-06	X
47	HC Plaza Vespucio	11.433	sep-06	RM
48	Co Fontova	6.720	sep-06	RM
49	HC San Felipe	8.685	nov-06	V
50	HC Arica	8.747	dic-06	XV
51	HC Iquique	9.955	feb-07	I
52	HC Antofagasta	10.718	abr-07	II
53	HC Plaza Concepción	11.343	jun-07	VIII
54	HC Punta Arenas	8.192	ago-07	XII
55	HC Linares	7.040	nov-07	VII
56	HC Estación Central	10.615	sep-08	RM
57	HC El Bosque	8.560	oct-08	RM
58	HC San Bernardo	11.962	nov-08	RM
Sub Total		504.735		

N°	Store	Selling Space	Opening	Región
1	Imperial Santa Rosa	9.442	1974	RM
2	Imperial Mapocho	10.803	1999	RM
3	Imperial Maipú	3.790	2001	RM
4	Imperial Peñalolén	1.802	2001	RM
5	Imperial La Florida	974	2002	RM
6	Imperial Valparaíso	1.567	2003	V
7	Imperial Concepción	7.781	2007	VIII
8	Imperial Huechuraba	3.007	Abr-08	RM
Sub Total Imperial		39.166		
TOTAL SODIMAC		543.901		



3. San Francisco Supermarkets - Chile (net m² of floor space)

N°	Store	Selling Space	Opening	Region
1	Talagante Plaza	3.145	1964	RM
2	Tottus San Bernardo Plaza	6.290	1986	RM
3	El Monte	962	1951	RM
4	Tottus Buin	5.389	1995	RM
5	San Bernardo Estación	3.161	1996	RM
6	Peñaflor	3.926	1999	RM
7	Rengo	2.014	2000	VI
8	Melipilla	2.462	2001	RM
9	Tottus San Antonio	2.827	oct-04	V
10	Talagante Cordillera	3.000	feb-05	RM
11	Tottus Puente Alto	5.055	dic-05	RM
12	Tottus Nataniel	4.296	mar-06	RM
13	Tottus La Calera	3.511	jul-06	V
14	Tottus Fontova	4.591	sep-06	RM
15	Tottus Mall Antofagasta	5.180	sep-06	II
16	Tottus Plaza Oeste	5.149	dic-06	RM
17	Tottus Puente Alto II	4.580	ene-07	RM
18	Tottus La Florida	4.971	mar-07	RM
19	Tottus Megacenter	7.200	jul-07	RM
20	Tottus Antofagasta Centro	5.584	sep-07	II
21	Tottus Colina	4.818	oct-07	RM
22	Tottus Alameda	4.209	jul-08	RM
23	Tottus El Bosque	4.100	nov-08	RM
24	Tottus San Fernando	4.020	ene-09	VI
TOTAL		100.440		

4. Mall Plaza Chile

N°	Mall	Opening
1	Plaza Vespucio	Ago-90
2	Plaza Oeste	Nov-94
3	Plaza Trébol	Abr-95
4	Plaza Tobalaba	Nov-98
5	Plaza La Serena	Dic-98
6	Plaza Los Ángeles	Mar-03
7	Plaza Norte	Nov-03
8	Plaza Antofagasta	Sep-06
9	Plaza Alameda	Abr-08
10	Plaza Sur	Nov-08



5. Peru¹⁴

i) Department Stores (net m ² of floor space)					ii) Home Improvement (net m ² of floor space)				
N°	Store	Selling Space	Opening	Department	N°	Store	Selling Space	Opening	Department
1	San Isidro	11.848	1995	Lima	1	San Miguel	11.728	2004	Lima
2	San Miguel	11.095	1995	Lima	2	Megaplaza	9.998	May-05	Lima
3	Jockey Plaza	11.054	1997	Lima	3	Atocongo	8.300	Abr-06	Lima
4	Lima Centro	5.571	1998	Lima	4	Javier Prado	8.257	Mar-07	Lima
5	Trujillo	569	2001	La Libertad	5	Chiclayo	7.626	Nov-07	Lambayeque
6	Piura	2.485	2001	Piura	6	Trujillo Mall	7.724	Nov-07	La Libertad
7	Arequipa	4.915	2002	Arequipa	7	Ica Constructor	5.189	Nov-07	Ica
8	Miraflores	7.074	oct-05	Lima	8	Centro de Lima	8.396	Feb-08	Lima
9	Chiclayo Mall	5.709	oct-05	Lambayeque	9	Canta Callao	5.734	Oct-08	Lima
10	Megaplaza	9.096	oct-06	Lima	10	Los Jardines	6.241	Dic-08	La Libertad
11	Cajamarca	988	mar-07	Cajamarca	11	Bellavista	10.102	Dic-08	Lima
12	Ica	660	may-07	Ica	12	Ica Minka	3.757	Dic-08	Ica
13	Trujillo Mall	5.990	nov-07	La Libertad	13	Chincha	5.169	Ene-09	Ica
14	Bellavista	6.088	dic-08	Lima					
15	Atocongo	7.451	dic-08	Lima					
TOTAL		90.592			TOTAL		98.219		

iii) Supermarkets (net m ² of floor space)					iv) Aventura Plaza Peru		
N°	Store	Selling Space	Opening	Department	N°	Mall	Opening
1	Megaplaza	8.391	2002	Lima	1	Aventura Plaza Trujillo	Nov-07
2	San Isidro	5.616	2003	Lima	2	Aventura Plaza Bellavista	Dic-08
3	San Miguel	9.097	2004	Lima			
4	Atocongo	7.231	Abr-06	Lima			
5	Chorrillos	4.930	Nov-07	Lima			
6	Chiclayo	5.152	Nov-07	Lambayeque			
7	Trujillo Mall	6.199	Nov-07	La Libertad			
8	Quilca	3.790	Dic-07	Lima			
9	Saenz Peña	2.116	Feb-08	Lima			
10	Canta Callao	3.774	Oct-08	Lima			
11	Crillón	4.830	Nov-08	Lima			
12	La Polvora	3.843	Nov-08	Lima			
13	Puente Piedra	3.820	Dic-08	Lima			
14	Los Jardines	3.778	Dic-08	La Libertad			
15	Bellavista	5.802	Dic-08	Lima			
16	Ica Minka	3.292	Dic-08	Ica			
17	Pachacutec	3.846	Dic-08	Lima			
TOTAL		85.507					

¹⁴ The downtown Lima store includes the Lima La Merced store (just household appliances). The Chiclayo store was also closed (356 m²).



6. Argentina

i) Department Stores (net m² of floor space)

N°	Store	Selling Space	Opening	Province
1	Mendoza	5.821	mar-93	Mendoza
2	Rosario	7.938	dic-94	Santa Fé
3	Córdoba	4.889	may-97	Córdoba
4	San Juan	2.755	oct-97	San Juan
5	Unicenter	10.872	mar-99	Buenos Aires
6»8	Florida	12.674	nov-07	Buenos Aires
9	Alto Avellaneda	8.150	abr-08	Buenos Aires
TOTAL		53.099		

ii) Home Improvement Stores (net m² of floor space)

N°	Store	Selling Space	Opening	Province
1	San Martín	12.581	feb-08	Buenos Aires
2	Malvinas Argentinas	12.459	abr-08	Buenos Aires
3	San Justo	11.930	ago-08	Buenos Aires
4	Villa Tesei	9.198	oct-08	Buenos Aires
TOTAL		46.168		

7. Colombia

i) Department Stores (net m² of floor space)

N°	Store	Selling Space	Opening	City
1	Santa Fe	10.268	Nov-06	Bogotá
2	Suba	8.597	Abr-07	Bogotá
3	San Diego	9.000	Nov-07	Medellín
4	Hayuelos	7.970	Abr-08	Bogotá
5	Unicentro Bogotá	5.000	Nov-08	Bogotá
6	Galerías Bogotá	4.900	Nov-08	Bogotá
7	Unicentro Cali	3.300	Nov-08	Cali
8	Chipichape Cali	2.300	Nov-08	Cali
9	Outlet Bima	2.336	Nov-08	Bogotá
TOTAL		53.670		

ii) Home Improvement (net m² of floor space)

N°	Store	Selling Space	Opening	City
1	HC Las Américas	2.017	1994	Bogotá
2	HC Calle 80	12.746	1997	Bogotá
3	HC Sur	10.465	1998	Bogotá
4	HC Norte	12.841	1999	Bogotá
5	HC Medellín	8.626	2002	Medellín
6	HC Cali Sur	12.544	2003	Cali
7	HC Barranquilla	13.115	2004	Barranquilla
8	HC Pereira	13.241	Jul-05	Medellín
9	HC El Dorado	11.326	Nov-05	Bogotá
10	HC Medellín San Juan	13.718	Jul-06	Medellín
11	HC Cali Norte	13.306	Feb-07	Cali
12	HC Suba	6.256	Mar-07	Bogotá
13	HC Soacha	7.275	Jun-07	Bogotá
14	HC Ibagué	10.010	Jul-07	Ibagué
15	HC Cartagena	8.062	Nov-07	Cartagena
16	HC Bello	6.768	Sep-08	Bello
17	HC Molinos Medellín	8.433	Dic-08	Medellín
18	HC Cúcuta	11.465	Ene-09	Cúcuta
19	HC Villavicencio	8.402	Mar-09	Villavicencio
TOTAL		190.616		



X. Financial Statements of S.A.C.I. Falabella - FECU

S.A.C.I. FALABELLA
CONSOLIDATED BALANCE SHEETS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
ASSETS		
Current Assets	1.530.667	1.488.991
Cash	42.128	59.798
Time deposits	10.200	5.836
Marketeable securities	22.231	27.695
Trade receivables	709.466	774.570
Notes receivables	42.953	40.469
Other receivables	43.202	44.858
Notes and accounts receivable from related parties	15.579	16.569
Inventories	510.050	424.663
Recoverable taxes	68.863	45.103
Prepaid expenses	22.434	24.339
Deferred income taxes	36.051	21.101
Other current assets	7.511	3.990
Leasing agreements	0	0
Leasing assets	0	0
Property, Plant and Equipment	1.868.827	1.381.131
Land	401.376	314.245
Buildings and infrastructure	964.915	675.547
Machinery and equipment	235.532	172.274
Other property, plant and equipment	763.754	603.173
Technical reappraisal of property, plant and equipment	132	1.985
Accumulated depreciation	(496.882)	(386.092)
Other Assets	813.080	798.622
Investments in related companies	196.698	186.679
Investments in other societies	262	2.634
Goodwill	276.919	277.097
Negative goodwill	(130)	(5)
Long Term receivables	124.802	123.294
Notes and accounts receivable from relates parties	956	1.254
Deferred income taxes	0	0
Intangibles assets	242.407	229.155
Amortization	(42.544)	(35.544)
Other long-term assets	13.711	14.058
Long-term leasing	0	0
Total Assets	4.212.573	3.668.744



S.A.C.I. FALABELLA
CONSOLIDATED BALANCE SHEETS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
LIABILITIES		
Current Liabilities	1.265.202	1.093.399
Short-term bank borrowings	376.492	469.861
Current portion of long-term bank borrowings	92.734	73.238
Obligations with the public (promissory notes)	107.107	8.350
Current portion of bonds payable	171.551	25.406
Current portion of long-term borrowings	0	0
Dividends to be paid	173	277
Trade account payables	402.204	384.649
Documents payable	11.194	12.683
Sundry creditors	15.387	28.241
Notes and accounts payable to related companies	4.911	21.090
Accruals	34.906	32.428
Withholdings	21.255	17.716
Income tax	7.747	6.129
Unearned income	19.064	13.068
Deferred taxes	0	0
Other short-term liabilities	478	262
Total long-term liabilities	1.048.218	997.333
Long-term bank borrowings	581.693	444.816
Bonds payable	386.960	498.594
Documents payable - long-term	14.351	0
Sundry creditors	226	207
Notes and accounts payable to related companies	0	0
Accruals	648	1.918
Deferred taxes	49.049	42.879
Other long-term liabilities	15.290	8.919
Minority interest	165.809	90.755
Shareholder's Equity	1.733.345	1.487.259
Paid-in capital	532.508	515.677
Capital revaluation reserve	(12.247)	4.125
Additional paid-in capital	3.681	2.355
Other reserves	1.117	(56.338)
Retained earnings	1.208.286	1.021.440
Reserve for future dividends	0	0
Accumulated profits	1.169.450	971.637
Accumulated loss	0	0
Net income (loss)	38.837	49.803
Interim dividends	0	0
Deficit from development period	0	0
Total Liabilities	4.212.573	3.668.744



S.A.C.I. FALABELLA
CONSOLIDATED INCOME STATEMENT
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
Operating Income	64.124	76.411
Gross Margin	226.669	220.408
Revenues	847.219	786.932
Cost of sales	(620.550)	(566.524)
Selling , general and administrative expenses	(162.544)	(143.997)
Non-operating Income	(14.794)	(12.908)
Financial income	3.832	2.175
Profit on investments in related companies	9.714	12.992
Other non-operating income	7.653	3.782
Loss on investment in related companies	(704)	(611)
Amortization of goodwill	(4.476)	(4.472)
Financial expenses	(28.711)	(14.564)
Other non-operating expenses	(3.718)	(2.786)
Price-level restatement	(3.391)	(1.987)
Exchange differentials	5.008	(7.437)
Profit Before Income Tax & Extraordinary Items	49.331	63.503
Income Tax	(4.616)	(10.292)
Extraordinary Items	0	0
Profit (loss) before minority interest	44.715	53.211
Minority interest	(5.879)	(3.409)
Net profit (loss)	38.836	49.802
Amortization of negative goodwill	1	1
Profit (loss) in the fiscal year	38.837	49.803



S.A.C.I. FALABELLA
CONSOLIDATED STATEMENT OF CASH FLOWS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
Cash Flows From Operating Activities	84.052	96.058
Collection of trade receivables	1.151.910	1.006.533
Financial income received	2.551	1.612
Dividends received	0	6.660
Other income received	14.164	10.803
Payments to suppliers and personnel	(992.584)	(871.191)
Interest paid	(26.169)	(10.819)
Income tax payments	(12.961)	(12.881)
Other expenses	(6.231)	(3.566)
VAT and other taxes paid	(46.628)	(31.093)
Cash Flows From Financing Activities	(28.336)	(14.713)
Proceeds from issuance of common stock	8.759	0
Borrowings from banks	196.301	282.884
Proceeds from issuance of bonds	108.769	39.674
Borrowings from related companies	0	0
Other borrowings from related companies	0	0
Other sources of financing	0	6.789
Payment of dividends	0	(46.855)
Distribution of capita	0	0
Payment of loans	(307.352)	(283.340)
Payment of public liabilities incurred	(34.653)	(8.447)
Payment of related companies loans	0	0
Payment of other related companies loans	0	0
Payment of common stock issuance costs	(71)	(196)
Payment of bond issuance costs	(90)	(4.769)
Other payments	(0)	(453)
Cash Flows From Investing Activities	(70.926)	(66.691)
Proceeds from sales of property, plant and equipment	499	9.215
Proceeds from sales of long-term investments	0	0
Proceeds from sales of other investments	0	0
Collection of loans to related companies	0	0
Collections of other loans to related companies	0	0
Other investment income	368	489
Additions to property, plant and equipment	(61.768)	(56.058)
Payment of interest capitalized	0	(620)
Purchase of permanent investments	0	0
Investments in financial instruments	(88)	0
Loans to related companies	0	0
Other payments to related companies	(9.860)	(19.510)
Other payments of investments	(76)	(207)
Net Cash Flow	(15.210)	14.654
Price-level Restatements of Cash and Cash Equivalents	2.346	(3.535)
Net Increase (Decrease) in Cash and Cash Equivalents	(12.864)	11.119
Cash and Cash Equivalents at Beginning of Period	87.423	82.211
Cash and Cash Equivalents at End of Period	74.559	93.329



S.A.C.I. FALABELLA
CONSOLIDATED RECONCILIATION BETWEEN NET INCOME AND CASH FLOWS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
Income on sale of assets	515	149
Gain on sales of property, plant and equipment	515	149
Gain on sales of investments	0	0
Loss on sales of investments	0	0
Gain (loss) on sales of other assets	0	0
Other Debits (Credits) to income that do not represent cash flows	47.002	50.035
Depreciation	21.912	17.826
Amortization of Intangibles	4.370	1.630
Write-offs and provisions	30.103	32.373
Equity in gains of unconsolidated affiliates	(9.714)	(12.992)
Equity in losses of unconsolidated affiliates	704	611
Amortization of goodwill	4.476	4.472
Amortization of negative goodwill	(1)	(1)
Price-level restatement	3.391	1.987
Exchange differentials	(5.008)	7.437
Other credits to income that do not represent cash flows	(7.500)	(3.392)
Other debits to income that do not represent cash flows	4.268	84
Changes in operating assets	39.529	7.978
Receivables	31.188	26.507
Inventories	24.809	(4.634)
Other current assets	(16.468)	(13.895)
Changes in operating liabilities	(47.709)	(15.316)
Trade accounts payable and notes payables relating to operating activities	(32.209)	(7.545)
Taxes to be paid	209	(3.890)
Net income tax	(6.933)	(5.282)
Other trade accounts payable relating to operating activities	13.429	11.373
VAT and other taxes	(22.205)	(9.971)
Income attributable to minority interest	5.879	3.409
Net cash provided by operating activities	84.052	96.058



S.A.C.I. FALABELLA
INDIVIDUAL BALANCE SHEETS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
ASSETS		
Current Assets	371.178	377.494
Cash	987	13.252
Time deposits	0	0
Marketeable securities	3.300	0
Trade receivables	0	1.949
Notes receivables	0	7.346
Other receivables	330	2.704
Notes and accounts receivable from related parties	354.901	211.547
Inventories	0	119.303
Recoverable taxes	814	1.244
Prepaid expenses	266	12.434
Deferred income taxes	2.886	3.349
Other current assets	7.693	4.367
Leasing agreements	0	0
Leasing assets	0	0
Property, Plant and Equipment	3.725	102.743
Land	0	0
Buildings and infrastructure	1.681	11.968
Machinery and equipment	190	16.346
Other property, plant and equipment	8.021	170.158
Technical reappraisal of property, plant and equipment	0	0
Accumulated depreciation	(6.167)	(95.729)
Other Assets	1.967.738	1.664.804
Investments in related companies	1.954.730	1.639.553
Investments in other societies	0	0
Goodwill	5.123	9.946
Negative goodwill	0	0
Long Term receivables	53	113
Notes and accounts receivable from relates parties	0	2.355
Deferred income taxes	0	0
Intangibles assets	522	642
Amortization	(140)	(156)
Other long-term assets	7.450	12.351
Long-term leasing	0	0
Total Assets	2.342.641	2.145.042



S.A.C.I. FALABELLA
INDIVIDUAL BALANCE SHEETS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
LIABILITIES		
Current Liabilities	302.869	210.430
Short-term bank borrowings	83	22.226
Current portion of long-term bank borrowings	0	0
Obligations with the public (promissory notes)	98.461	0
Current portion of bonds payable	143.609	7.410
Current portion of long-term borrowings	0	0
Dividends to be paid	130	142
Trade account payables	16.951	72.915
Documents payable	0	2.039
Sundry creditors	16	1.121
Notes and accounts payable to related companies	42.358	96.428
Accruals	1.129	2.097
Withholdings	72	480
Income tax	0	0
Unearned income	59	5.570
Deferred taxes	0	0
Other short-term liabilities	0	0
Total long-term liabilities	306.427	447.353
Long-term bank borrowings	0	0
Bonds payable	285.577	423.484
Documents payable - long-term	0	0
Sundry creditors	0	0
Notes and accounts payable to related companies	19.719	18.613
Accruals	41	783
Deferred taxes	1.090	4.403
Other long-term liabilities	0	70
Minority interest	0	0
Shareholder's Equity	1.733.345	1.487.259
Paid-in capital	532.508	515.677
Capital revaluation reserve	(12.247)	4.125
Additional paid-in capital	3.681	2.355
Other reserves	1.117	(56.338)
Retained earnings	1.208.286	1.021.440
Reserve for future dividends	0	0
Accumulated profits	1.169.450	971.637
Accumulated loss	0	0
Net income (loss)	38.837	49.803
Interim dividends	0	0
Deficit from development period	0	0
Total Liabilities	2.342.641	2.145.042



S.A.C.I. FALABELLA
INDIVIDUAL INCOME STATEMENT
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
Operating Income	3.533	5.769
Gross Margin	5.517	54.634
Revenues	62.226	178.438
Cost of sales	(56.709)	(123.804)
Selling , general and administrative expenses	(1.984)	(48.865)
Non-operating Income	35.380	44.241
Financial income	1.472	486
Profit on investments in related companies	48.752	54.341
Other non-operating income	137	1.274
Loss on investment in related companies	0	(689)
Amortization of goodwill	(108)	(224)
Financial expenses	(7.383)	(6.028)
Other non-operating expenses	(384)	(427)
Price-level restatement	(5.702)	(2.511)
Exchange differentials	(1.403)	(1.980)
Profit Before Income Tax & Extraordinary Items	38.913	50.010
Income Tax	(76)	(207)
Extraordinary Items	0	0
Profit (loss) before minority interest	38.837	49.803
Minority interest	0	0
Net profit (loss)	38.837	49.803
Amortization of negative goodwill	0	0
Profit (loss) in the fiscal year	38.837	49.803



S.A.C.I. FALABELLA
INDIVIDUAL STATEMENT OF CASH FLOWS
 Expressed in Millions of Chilean Pesos as of March 31 2009

	2009	2008
Cash Flows From Operating Activities	(27.703)	70.831
Collection of trade receivables	5.497	255.545
Financial income received	0	1
Dividends received	46.800	18.348
Other income received	5.276	4.996
Payments to suppliers and personnel	(57.650)	(200.424)
Interest paid	(4.974)	(463)
Income tax payments	(1.457)	(1.416)
Other expenses	(692)	(485)
VAT and other taxes paid	(20.502)	(5.271)
Cash Flows From Financing Activities	(243.985)	(44.051)
Proceeds from issuance of common stock	96	0
Borrowings from banks	82	22.315
Proceeds from issuance of bonds	76.158	0
Borrowings from related companies	0	8.968
Other borrowings from related companies	0	21.012
Other sources of financing	0	0
Payment of dividends	0	(46.841)
Distribution of capita	0	0
Payment of loans	(2.979)	(37.879)
Payment of public liabilities incurred	(31.000)	0
Payment of related companies loans	(189.941)	0
Payment of other related companies loans	(96.401)	(6.917)
Payment of common stock issuance costs	0	0
Payment of bond issuance costs	0	(4.709)
Other payments	0	0
Cash Flows From Investing Activities	271.769	(35.404)
Proceeds from sales of property, plant and equipment	165	52
Proceeds from sales of long-term investments	0	0
Proceeds from sales of other investments	0	0
Collection of loans to related companies	252.350	0
Collections of other loans to related companies	20.076	320
Other investment income	36	341
Additions to property, plant and equipment	(47)	(8.909)
Payment of interest capitalized	0	0
Purchase of permanent investments	(812)	(10.028)
Investments in financial instruments	0	0
Loans to related companies	0	0
Other payments to related companies	0	(17.156)
Other payments of investments	0	(23)
Net Cash Flow	81	(8.624)
Price-level Restatements of Cash and Cash Equivalents	(74)	112
Net Increase (Decrease) in Cash and Cash Equivalents	7	(8.512)
Cash and Cash Equivalents at Beginning of Period	4.280	21.763
Cash and Cash Equivalents at End of Period	4.287	13.252



S.A.C.I. FALABELLA
INDIVIDUAL RECONCILIATION BETWEEN NET INCOME AND CASH FLOWS

Expressed in Millions of Chilean Pesos as of March 31 2009

	<u>2009</u>	<u>2008</u>
Income on sale of assets	0	0
Gain on sales of property, plant and equipment	0	0
Gain on sales of investments	0	0
Loss on sales of investments	0	0
Gain (loss) on sales of other assets	0	0
Other Debits (Credits) to income that do not represent cash flows	(41.405)	(43.061)
Depreciation	175	3.874
Amortization of Intangibles	0	15
Write-offs and provisions	16	1.980
Equity in gains of unconsolidated affiliates	(48.752)	(54.341)
Equity in losses of unconsolidated affiliates	0	689
Amortization of goodwill	108	224
Amortization of negative goodwill	0	0
Price-level restatement	5.702	2.511
Exchange differentials	1.403	1.980
Other credits to income that do not represent cash flows	(57)	(50)
Other debits to income that do not represent cash flows	0	57
Changes in operating assets	37.343	55.110
Receivables	(67.009)	43.060
Inventories	57.138	(4.307)
Other current assets	47.214	16.357
Changes in operating liabilities	(62.478)	8.979
Trade accounts payable and notes payables relating to operating activities	(57.196)	7.420
Taxes to be paid	2.099	864
Net income tax	(473)	(1.625)
Other trade accounts payable relating to operating activities	2.614	5.218
VAT and other taxes	(9.521)	(2.898)
Income attributable to minority interest	0	0
Net cash provided by operating activities	(27.703)	70.831



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The information in this report was prepared on the basis of the Uniform Codified Statistical Record (FECU) reported to the Securities and Insurance Commission (SVS).

S.A.C.I. Falabella assumes no liability for damages, injuries or losses that may result from the interpretation of this report or the evolution of markets, in particular the stock exchange.