



EARNINGS REPORT 4th Quarter 2009

S.A.C.I. FALABELLA



February 2010



Earnings – Fourth Quarter 2009

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Notes:

- All figures in dollars are calculated using pesos in the Uniform Codified Statistical Record (FECU) as of December 31, 2009 and the observed dollar exchange rate for January 4, 2010 (CH\$507.1 per US\$1).
- Symbols for quarters: 1Q, 2Q, 3Q, and 4Q, as applicable.
- Other symbols for periods in the year: 1S (first semester) and 9M (first nine months of the year).
- Currency symbols: CH\$: Chilean pesos; US\$: U.S. dollars; MM: millions.



I. Executive Summary

- The net profit in the quarter rose 71.9%, to MMCH\$93,524 (MMUS\$184.4), or 9.6% of revenues, compared to 5.1% earned in 4Q08. The consolidated net profit totaled MMCH\$199,018 as of December 2009 (MMUS\$392.5), or 0.8% higher than the previous year.
- The 4Q09 EBITDA grew 28.4% compared to the same period in the last year, to MMCH\$163,484 (MMUS\$322.4). The EBITDA margin was 16.8% of revenues, comparable to the 11.9% attained in 4Q08. This growth came from the 21.0% reduction in SG&A and the 2.3 percentage point increment in the gross margin in the quarter that was the result of the closer management of inventories and the efficient control of credit risk. The cumulative EBITDA rose 9.3% for the year, to MMCH\$461,812 (MMUS\$910.7), or 13.1% of revenues.
- The consolidated revenues of S.A.C.I. Falabella totaled MMCH\$975,579 (MMUS\$1,923.8) in 4Q 2009, 8.8% less than the same quarter in 2008. This drop was largely due to the effect of the conversion of foreign-earned revenues to Chilean pesos pursuant to Technical Bulletin N°64. The consolidated accumulative revenues of S.A.C.I. Falabella totaled MMCH\$3,524,441 as of December 2009 (MMUS\$6,950.2), representing a drop of 2.7%.
- Selling, General & Administrative expenses of the company fell 21.0%, to 17.5% of revenues, which is 2.7 percentage points less than in 4Q08. This drop, quite above the sales turnover, reflects the operating efficiency policies that have been implemented in the company in recent quarters.
- The consolidated days in inventory fell by 13 days, to 73 days during 2009. Added to the good SSS, particularly in Sodimac and Falabella (both with 10.5% in the 4Q), the effect was positive on operating income.
- Following the trend shown in 3Q09, the company has continued to reduce the credit portfolio risk. The loan provisions totaled 4.4% at the close of 2009, which is a significant reduction in comparison to the 5.5% in 3Q09 and 5.4% in 4Q08.
- The quarterly non-operating loss was MMCH\$8,466 (MMUS\$16.7), 65.7% below the loss of MMCH\$24,649 (MMUS\$48.6) in 4Q08. The difference mainly is due to the net drop in financial expenses because of the reduction in financial indebtedness and the translation of debt of foreign subsidiaries to Chilean pesos, combined with a drop in price-level restatement due to lower inflation.
- At the close of 2009 the Net Debt / EBITDA ratio was 2,96 below the 4,07 at the close of 2009. The consolidated leverage was 1.11, below the 1.31 at the close of 2008 and the 1.20 presented in September 2009.
- 8 stores and 1 mall were opened during 2009. 4 of the stores were inaugurated in Chile, 2 in Colombia, 1 in Peru and 1 in Argentina.



II. Consolidated Income Statement as of December 31, 2009

Consolidated Income Statement January – December 2009 (MMCH\$)

	2009	% Revenues	2008	% Revenues	Var. 09/08
Revenues	3.524.441		3.623.072		-2,7%
COGS (less)	(2.493.873)	-70,8%	(2.574.702)	-71,1%	-3,1%
GROSS MARGIN	1.030.568	29,2%	1.048.369	28,9%	-1,7%
SG&A (less)	(662.049)	-18,8%	(711.745)	-19,6%	-7,0%
OPERATING INCOME	368.520	10,5%	336.624	9,3%	9,5%
EBITDA	461.812	13,1%	422.342	11,7%	9,3%
Interest Income	9.552		10.627		-10,1%
Profit on investment in related companies	30.146		34.539		-12,7%
Other non-operating income	22.450		37.079		-39,5%
Loss on investment in related companies (less)	(1.094)		0		n/a
Amortization of goodwill	(17.744)		(17.383)		2,1%
Interest expenses (less)	(83.325)		(76.368)		9,1%
Other non-operating expenses (less)	(22.297)		(19.139)		16,5%
Price-level restatement	(19.491)		(40.619)		-52,0%
Exchange differentials	(6.779)		10.608		-163,9%
NON-OPERATING PROFIT (LOSS)	(88.582)	-2,5%	(60.655)	-1,7%	46,0%
PROFIT BEFORE INCOME TAX & EXTRAORD. ITEMS	279.937	7,9%	275.969	7,6%	1,4%
INCOME TAX	(52.280)		(42.456)		23,1%
MINORITY INTEREST	(28.643)		(36.148)		-20,8%
NET PROFIT (LOSS)	199.015		197.365		0,8%
Amortization of negative goodwill	4		2		93,5%
PROFIT (LOSS) IN THE FISCAL YEAR	199.018	5,6%	197.367	5,4%	0,8%
Adjusted EBITDA¹	490.864	13,9%	456.881	12,6%	7,4%

Consolidated Income Statement October- December 2009 (MM\$)

	4Q'09	% Revenues	4Q'08	% Revenues	Var. 09/08
Revenues	975.579		1.069.515		-8,8%
COGS (less)	(664.730)	-68,1%	(752.802)	-70,4%	-11,7%
GROSS MARGIN	310.849	31,9%	316.713	29,6%	-1,9%
SG&A (less)	(170.276)	-17,5%	(215.646)	-20,2%	-21,0%
OPERATING INCOME	140.572	14,4%	101.066	9,4%	39,1%
EBITDA	163.484	16,8%	127.317	11,9%	28,4%
Interest Income	1.383		4.323		-68,0%
Profit on investment in related companies	7.256		5.718		26,9%
Other non-operating income	4.386		7.288		-39,8%
Loss on investment in related companies (less)	0		30		n/a
Amortization of goodwill	(4.419)		(4.019)		9,9%
Interest expenses (less)	(13.654)		(26.364)		-48,2%
Other non-operating expenses (less)	(8.856)		(6.284)		40,9%
Price-level restatement	(4.085)		(12.975)		-68,5%
Exchange differentials	9.522		7.634		24,7%
NON-OPERATING PROFIT (LOSS)	(8.466)	-0,9%	(24.649)	-2,3%	-65,7%
PROFIT BEFORE INCOME TAX & EXTRAORD. ITEMS	132.106	13,5%	76.418	7,1%	72,9%
INCOME TAX	(24.058)		(5.557)		332,9%
MINORITY INTEREST	(14.524)		(16.466)		-11,8%
NET PROFIT (LOSS)	93.524		54.394		71,9%
Amortization of negative goodwill	1		0		505,9%
PROFIT (LOSS) IN THE FISCAL YEAR	93.524	9,6%	54.394	5,1%	71,9%
Adjusted EBITDA¹	170.741	17,5%	133.065	12,4%	28,3%

Note: 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.



III. Analysis of Consolidated Results

Operating Income

The cumulative operating income was MMCH\$368,520 (MMUS\$726.7) as of December 2009, a growth of 9.5% in comparison to 2008, representing 10.5% of revenues.

The consolidated operating income was MMCH\$140,572 (MMUS\$277.2) in the fourth quarter of 2009, accounting for 14.4% of revenues, margin 5.0 percentage points higher than in 4Q 2008. The growth mainly came from the reduction of 2.7 percentage points in SG&A and the 2.3 percentage-point increase in the gross margin.

Revenues

Revenues in 2009 totaled MMCH\$3,524,441 on a cumulative basis (MMUS\$6,950.2), decreasing 2.7% compared to the previous year.

In 4Q 2009, revenues amounted to MMCH\$975,579 (MMUS\$1,923.8) as compared to MMCH\$1,069,515 (MMUS\$2,109.1) in the same period of the previous year, which meant a decrease of 8.8%. This decrease is due basically to the effect of converting the revenues from international operations according to Bulletin 64. The Chilean peso depreciated in 4Q08 15.4% compared to the dollar. The translation raised the quarterly income in comparison to the previous year. During 4Q09, the Chilean peso appreciated 7.9%, which this time reduced income in the quarter. Both effects combined, distorted the variations in income, because of the result of translation. This effect was offset to a certain extent by an average consolidated growth of 8.0% in SSS.

Gross Margin

The cumulative gross margin for the year was MMCH\$1,030,568 (MMUS\$2,032.2), 29.2% of sales and 0.3 percentage points more than in the same period of the previous year.

The 4Q 2009 gross margin was 31.9% on revenues, 2.3 percentage points more than in the same quarter of the previous year. It totaled MMCH\$310,849 (MMUS\$612.9). This increase mainly was the product of the inventory and credit portfolio risk control.

Selling, General and Administrative Expenses (SGA)

During 2009, SG&A totaled MMCH\$662,049 (MMUS\$1,305.6), decreasing 7.0%. They represented 18.8% of revenues.

During 4Q 2009, the SG&A were reduced 21.0% compared to the same period in the previous year, to a total of MMCH\$170,276 (MMUS\$335.8). This represents 17.5% of the period's revenues and a drop of 2.7 percentage points in comparison to 4Q 2008. The company has been able to reduce SG&A significantly thanks to the operating efficiency measures it has been implementing since early 2008.



Non-Operating Profit (Loss)

The non-operating loss was MMCH\$88,582 in 2009 (MMUS\$174.7), versus a loss of MMCH\$60,655 (MMUS\$119.6) in 2008. In 4Q 2009, the loss totaled MMCH\$8,466 (MMUS\$16.7), comparable to a loss of MMCH\$24,649 (MMUS\$48.6) for the same period in 2008.

The increase in loss during 2009 was mostly the result of the following:

- Other Non-Operating Income + Expenses, net: The total was MMCH\$154 in 2009, i.e. MMCH\$17,787 less than the previous year. The drop came mainly from an extraordinary profit of MMCH\$14,440 in 3Q 08, when the shares in Mall Plaza Vespucio were exchanged, offset in part by an exchange of shares in the Mall Calama transaction that signified income of MMCH\$3,736 during 2009.
- Exchange Differential: It caused a loss of MMCH\$6,779 (MMUS\$13.4) in 2009 compared to a gain of MMCH\$10,608 (MMUS\$20.9) in 2008. The cause was the volatility of the dollar against local currencies that had an impact in the translation of the financial statements of foreign operations according to Bulletin 64.
- Financial Expenses net of Financial Income rose by MMCH\$8,032 (MMUS\$15.8), 12.2% higher than in 2008. This growth was due mainly to the acquisition of Mall Calama in March 2009 and the new debt securities issue by SACI Falabella that generated financial expenses for one month prior to prepayment of the older debt. The new issues in 1S09 at lower rates have begun to result in significant lower net financial expenses that totaled MMCH\$9,770 (MMUS\$19.3) as of 4Q09.

The increase in losses was partially offset by the following increase in profit:

- Price-Level Restatement (PLR): The PLR loss fell by MMCH\$21,128 (MMUS\$41.7) to MMCH\$19,491 (MMUS\$38.4). This has occurred mostly because of lower inflation, net of the company's inflation hedging policy. PLR will be eliminated from the Income Statement once the IFRS are implemented.



IV. Main Events in the Period

- In October, Falabella reached its 120th anniversary since its first tailor's shop was opened in downtown Santiago. Celebrating the consolidation of its current business units in Chile, Peru, Argentina and Colombia.
- 2 new Tottus Supermarkets were inaugurated in the fourth quarter in Chile. The Puente supermarket was opened in downtown Santiago in November and has net floor space of 600 square meters. The Quillota supermarket was inaugurated in December and has a net floor space of 1,455 square meters. These supermarkets increase the presence of Tottus in the 5th Region, adding to the existing location in La Calera.
- The first part of the remodeling of the Falabella store in Plaza Vespucio was opened in November. The second part will be ready at the end of March 2010.
- During 4Q 2009, 3 former Casa Estrella stores reopened as Falabella: Unicentro Bogota, Galerías Bogota and Unicentro Cali. They were the last stores to complete the remodeling to Falabella standards.

2009 Milestones

- The consolidated financial liabilities of the company were restructured and diversified to extend the duration of the financial debt from 2.7 to 4 years. CH\$473.000 million (US\$890 million) in Chile debt was restructured through the following securities issues that were used to pay down short-term debt:
 - Sodimac: a bond for CH\$32.170.000 million (7.00%, amortizable, 7 years)
 - CMR: a securitized bond for CH\$90.000 million (5.00%, amortizable, 4 years)
 - SACI: 3 bonds, one for UF 3.5 million (UF + 4.00%, 24 years), one for UF 3 million (UF + 2.80%, 6 years) and one for CH\$31.000 million (5.30%, 6 years), all amortizable.
 - Plaza: 2 bonds, one for UF 2 million (UF + 3.00%, bullet, 5 years) and one for UF 3 million (UF + 4.50%, amortizable, 21 years).
- New projects:
 - Chile: Tottus San Fernando, Puente y Quillota + Imperial Temuco
 - Peru: Sodimac Chinchá
 - Argentina: Falabella DOT in Buenos Aires
 - Colombia: Remodeling of former Casa Estrella stores to Falabella standards + Sodimac Cucuta and Villavicencio
 - Mall: Acquisition of Mall Calama
- Falabella became a founding member of the Green Building Council in Chile.
- Great Place to Work: Falabella was the only retailer in Chile named one of the 30 best companies at which to work in Chile. In Peru, Saga (28th), Sodimac (3rd) and Tottus (12th) were among the top 30.



V. Retail Indicators

1. Revenues from the Retail Businesses

Cumulative Retail Revenues in 2009 (MMUS\$)¹

(Adjusted Chilean pesos converted to USD at the observed e/r for January 4, 2010)

	2009	2008	Var. 09/08	Var. w/o BT-64*
Department Stores - Chile	1.581	1.518	4,2%	n.a.
Home Improvement - Chile	2.100	2.202	-4,6%	n.a.
Supermarkets - Chile	626	597	4,9%	n.a.
Retail - Peru (Saga, Sodimac & Tottus)	1.115	1.279	-12,8%	9,2%
Retail - Argentina (Falabella & Sodimac)	396	436	-9,2%	31,6%
Retail - Colombia (Falabella & Sodimac)	841	938	-10,4%	19,2%

Retail Revenues 4Q 2009 (MMUS\$)²

(Adjusted Chilean pesos converted to USD at the observed e/r for January 4, 2010)

	4Q'09	4Q'08	Var. 09/08	var. w/o BT-64*
Department Stores - Chile	501	447	12,1%	n.a.
Home Improvement - Chile	568	559	1,7%	n.a.
Supermarkets - Chile	175	159	10,3%	n.a.
Retail - Peru (Saga, Sodimac & Tottus)	272	466	-41,6%	8,5%
Retail - Argentina (Falabella & Sodimac)	104	164	-36,9%	40,4%
Retail - Colombia (Falabella & Sodimac)	219	316	-30,7%	23,0%

The variation without the effect of Technical Bulletin N° 64 represents the variation in the nominal currency of each country.

Same-Store Sales (SSS) Growth²

(all growth is nominal and was calculated in the local currency of each country)

SSS Nominal	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2009	1S 2009	9M 2009	2009
Department Stores - Chile	-5,6%	-2,5%	7,2%	10,5%	-5,6%	-3,9%	-0,3%	3,0%
Home Improvement - Chile	-5,9%	-10,7%	-9,1%	10,5%	-5,9%	-7,9%	-8,3%	-3,4%
Supermarkets - Chile	3,5%	-1,0%	-2,1%	1,8%	3,5%	1,2%	0,0%	0,5%
Retail - Peru (Saga, Sodimac, Tottus)	-2,7%	-9,0%	-7,1%	-0,9%	-2,7%	-6,5%	-6,7%	-5,0%
Retail - Argentina (Falabella & Sodimac)	-10,1%	6,4%	12,8%	22,6%	-10,1%	-0,5%	4,3%	10,1%
Department Stores - Colombia	5,5%	-0,4%	-18,6%	11,0%	5,5%	2,0%	-5,8%	0,2%

Chile Department Stores

Revenues in 4Q 2009 totaled MMCH\$254,117 (MMUS\$501.1), a growth of a real 12.1% compared to the same period in the previous year and due to a nominal SSS of 10.5%.

The cumulative revenues for the year grew a real 4.2%, reversing the trend thanks to the reactivation in consumption during the second half of 2009.

¹ Excludes revenues from the credit business.

² 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. SSS Sodimac does not include the Imperial stores, but does include wholesales.

*Chile Home Improvement*

Revenues totaled MMCH\$288,276 during 4Q 2009 (MMUS\$568.5), growing 1.7% compared to the same period in the previous year and reversing the trend seen in the previous quarters of 2009. The nominal SSS in 4Q was 10.5% as sales of seasonal and Christmas products in the retail segment rose with the recovery in demand. Another contributing factor in sales growth was the incipient recovery in the construction and real estate sectors.

Chile Supermarkets

Revenues rose a real 10.7% during 4Q 2009, totaling MMCH\$ 148,257 (MMUS\$ 292.4), as compared to the same period in the previous year. This sales growth was mainly the product of opening 2 new stores.

Total cumulative revenues in 2009 were MMCH\$376,993 (MMUS\$743.4), or a growth of 5.9%.

Peru

The revenues from the retail business in Peru (Saga Falabella, Sodimac and Tottus) grew 8.5% in local currency in 4Q and 9.2% cumulatively on an annual basis, indicating a noteworthy growth considering that Peru began to show signs of a moderation in consumption in January 2009, which made 2008 a high basis for comparison.

In Chilean pesos, 4Q 2009 revenues fell 41.6%, to MMCH\$138,165 (MMUS\$272.5) due to the peso/dollar exchange rate effect.

Argentina

Retail revenues in 2009 grew 31.6% compared to 2008 in local currency, signifying a recovery in demand in 4Q, when growth was 40.4%, helped by the addition of a new store and a SSS growth of 22.6%.

In Chilean pesos, retail revenues amounted to MMCH\$52,519 (MMUS\$103.6), or a drop of 36.9% compared to 4Q08, influenced by the book effect of translation.

Colombia

The revenues of Sodimac and Falabella Colombia rose a combined 23.0% in local currency, mainly due to the opening of all of the former Casa Estrella stores. Revenues fell 30.7% in Chilean pesos for both companies combined in 4Q 2009 as compared to 4Q 2008 because of the effect of translation. They totaled MMCH\$110,994 (MMUS\$218.9).



2. Number of Stores and Floor Space

Sales Area	2009		2008	
	Area (m ²)	Stores	Area (m ²)	Stores
Department Stores - Chile	226.666	35	223.229	35
Expos Falabella Retail - Chile	5.576	4	5.576	4
Home Improvement - Chile ⁴	533.031	65	543.901	66
Supermarkets - Chile	102.495	26	96.420	23
Department Stores - Peru	90.592	15	94.647	15
Home Improvement - Peru	98.219	13	93.050	12
Supermarkets - Peru	85.507	17	85.523	17
Department Stores - Argentina	59.569	10	50.445	9
Home Improvement - Argentina	46.168	4	46.168	4
Department Stores - Colombia	55.878	9	53.670	9
Home Improvement - Colombia	190.616	19	170.748	17
Total Stores	1.494.317	217	1.463.378	211
Mall Plaza - Chile	809.920	11	762.485	10
Soc. Rentas Falabella - Chile	88.084	3	88.084	3
Aventura Plaza - Perú	109.077	2	109.077	2
Malls Perú - Perú	117.300	5	117.300	5
Total Real Estate	1.124.380	21	1.076.945	20

On a consolidated basis, only 2 new Tottus Chile stores were opened in the fourth quarter of 2009. As of December 2009, the company had 213 stores in operation in the four countries where it does business.

During the year, Falabella enlarged and remodeled the Osorno store and completed the first stage of the remodeling of the Plaza Vespucio store, which together meant close to 6,000 square meters of floor space. Sodimac closed a store in La Florida and opened an Imperial store in Temuco where there used to be a Sodimac store.

Tottus inaugurated 3 new supermarkets in 2009 and increased floor space by 6,075 square meters. These supermarkets are in San Fernando (4,020 m², January 2009), Puente (600 m², November 2009) and Quillota (1,455 m², December 2009).

Only 1 new Sodimac store was opened in the international operations in 2009, corresponding to the Chíncha store that has a floor space of 5,169 m². A new Falabella store was opened in May 2009 in Buenos Aires, Argentina: Falabella DOT, with a floor space of 6,470 m². The former Casa Estrella stores were remodeled during most of 2009 that combined represent approximately 20,800 m². They were opened to the public again in the second half of 2009. Sodimac Colombia opened 2 new stores: Cucuta (11,465 m²) in January and Villavicencio (8,402 m²) in March.

⁴ Includes Imperial stores.

⁵ Square meters of floor space in Saga, Tottus Peru, Falabella Argentina and Falabella Colombia Stores were retabulated during 1Q 2009 and differ from the amounts reported in 4Q 2008.



3. Inventories ⁵

	Days in Inventory				2009
	2008	1Q 2009	1S 2009	9M 2009	
Department Stores - Chile	79	85	70	74	66
Home Improvement - Chile	98	85	78	84	83
Supermarkets - Chile	26	32	27	30	24
Department Stores - Peru	89	113	95	98	87
Home Improvement - Peru	121	113	105	112	104
Supermarkets - Peru	56	47	43	44	40
Retail - Argentina (Falabella & Sodimac)	127	123	110	127	117
Consolidated⁷	86	83	73	78	73

On a consolidated basis, Falabella had an inventory level of 73 days in December 2009, representing a drop of 16.1% compared to 2008. This reduction totaled 13 days and was mainly the product of a strict control of inventories in all subsidiaries and of sales, which grew heavily in the second half of the year, especially in Sodimac and Falabella in Chile.

Sodimac Chile was able to reduce its inventory levels by 15 days in 2009, mostly through a good management of product purchases, given the drop in business in the construction and real estate sectors. Also contributive was the successful start-up of the new Distribution Center, which replaced the satellite warehouses throughout Santiago.

Falabella reduced inventories by 13 days because of a good purchase management, added to a high turnover due to the increase in demand in 4Q.

⁵ Days in Inventory = Final inventories at the end of the period divided by the annualized COGS, expressed in days.

⁶ The consolidated days in inventory are calculated using the sums of inventories and COGS of Falabella, Sodimac and Tottus in each country, not the consolidated values, because the consolidated COGS includes the financial and real estate businesses.



VI. Operating Income by Business Unit

1. Chile Department Stores⁷

Department store operating income totaled MMUS\$65.9 in 4Q 09, MMUS\$32.3 higher than the same period in the previous year. This growth basically came from the material increase in the gross margin, reflecting a rigorous control of inventory flows and a better turnover. Another element contributing to the growth in operating income was the drop in SG&A as compared to sales (2.4 percentage points), the consequence of the continuing efforts to improve operating efficiency.

The cumulative operating income grew 70.7% in the year.

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

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	501,1	447,0	12,1%	1.581,5	1.518,3	4,2%
Costs	-66,5%	-69,4%	7,3%	-69,4%	-69,7%	3,8%
Gross Margin	33,5%	30,6%	23,1%	30,6%	30,3%	5,0%
SGA w/o depreciation	-19,0%	-21,4%	-0,1%	-22,1%	-24,0%	-4,1%
EBITDA	14,5%	9,2%	77,0%	8,5%	6,3%	39,9%
Depreciation + Amortization	-1,4%	-1,8%	-16,0%	-1,8%	-2,2%	-17,3%
Operating Profit (Loss)	13,2%	7,4%	99,7%	6,7%	4,1%	70,7%

2. Chile Home Improvement

Sodimac Chile's operating income was MMUS\$ 44.9 in 4Q09, representing a growth of 5.1 percentage points compared to the same period in the previous year and accounting for 7.9% of revenues. This rise was mainly the result of the growth of 4.9 percentage points in the gross margin as compared to 4Q 08, possible because of the efficient handling of inventories and a good exchange rate that improved the price of imported merchandise.

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

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	568,5	559,1	1,7%	2.100,1	2.202,1	-4,6%
Costs	-69,9%	-74,8%	-5,0%	-72,6%	-73,6%	-6,0%
Gross Margin	30,1%	25,2%	21,5%	27,4%	26,4%	-1,0%
SGA w/o depreciation	-19,5%	-20,0%	-0,9%	-20,6%	-19,8%	-0,9%
EBITDA	10,7%	5,2%	107,0%	6,8%	6,6%	-1,1%
Depreciation + Amortization	-2,8%	-2,5%	13,6%	-2,0%	-1,7%	17,3%
Operating Profit (Loss)	7,9%	2,8%	190,4%	4,8%	4,9%	-7,3%

⁷ 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. Tottus Chile Supermarkets

Tottus earned an operating profit of MMUS\$2.7 in 4Q 2009, mainly because of the growth of 0.5 percentage points in the gross margin. The EBITDA rose 2.7%, to MMUS\$7.8, or 0.8 percentage points.

Chile Supermarkets (MMUS\$ and percentage of sales)⁸

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	174,9	158,6	10,3%	626,0	596,6	4,9%
Costs	-75,2%	-76,4%	8,5%	-76,5%	-78,4%	2,4%
Gross Margin	24,8%	23,6%	16,2%	23,5%	21,6%	14,1%
SGA w/o depreciation	-20,4%	-20,0%	12,6%	-20,1%	-19,2%	9,9%
EBITDA	4,4%	3,6%	36,1%	3,5%	2,5%	46,4%
Depreciation + Amortization	-2,9%	-3,2%	0,0%	-3,2%	-2,9%	13,3%
Operating Profit (Loss)	1,6%	0,4%	297,6%	0,3%	-0,4%	178,4%

4. International Operations

During 4Q 2009, the revenues of the international businesses that are consolidated (Argentina, Peru and Colombia)⁹ totaled MMUS\$39.4, meaning a growth of 32.5% compared to the same period in the previous year, despite the book effect of translation pursuant to Bulletin 64. So, the consolidated international businesses accounted for 14.2% of the consolidated revenues of SACI Falabella in 4Q 09.

Peru¹⁰

Consolidated revenues from Peru amounted to MMUS\$ 28.8 in 4Q 2009, accounting for 10.4% of sales, which is 2.1 percentage points better than in 4Q 08. This improvement came from the gross margin, which rose because of the operating efficiency reflected, for example, by the drop in days in inventory.

The EBITDA margin rose 1.9 points compared to the same period in the previous year.

⁸ Starting in January 2009, Tottus Chile accounts for marketing revenues as a drop in costs. The amounts shown for 2008 in this Release include that accounting change.

⁹ Excluding Banco Falabella Peru, Sodimac Colombia and CMR Colombia.

¹⁰ The revenues presented 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 also excluded.



Peru Consolidated (MMUS\$ and percentage of income)

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	277,9	479,7	-42,1%	1.146,8	1.318,5	-13,0%
Costs	-70,8%	-71,2%	-42,4%	-73,6%	-72,8%	-12,0%
Gross Margin	29,2%	28,8%	-41,1%	26,4%	27,2%	-15,7%
SGA w/o depreciation	-17,2%	-18,6%	-46,6%	-17,4%	-17,9%	-15,2%
EBITDA	12,1%	10,1%	-31,1%	8,9%	9,3%	-16,5%
Depreciation + Amortization	-1,7%	-1,9%	-48,1%	-2,6%	-1,9%	18,5%
Operating Profit (Loss)	10,4%	8,3%	-27,3%	6,3%	7,4%	-25,6%

Argentina

There was a consolidated operating profit of MMUS\$ 1.5 in Argentina in 4Q 2009, reversing the losses in the same period in 2008. This sum represented 1.4% of revenues. The improvement was basically due to a improvement of 3.6 percentage points in the margin and a drop of 4.4 points in SG&A as compared to sales.

Argentina Consolidated (MMUS\$ and percentage of income)

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	109,2	178,8	-39,0%	426,9	473,6	-9,9%
Costs	-62,5%	-66,1%	-42,3%	-65,2%	-65,3%	-9,9%
Gross Margin	37,5%	33,9%	-32,5%	34,8%	34,7%	-9,7%
SGA w/o depreciation	-33,9%	-38,3%	-45,9%	-35,0%	-37,1%	-15,0%
EBITDA	3,5%	-4,4%	-149,1%	-0,2%	-2,4%	-93,5%
Depreciation + Amortization	-2,1%	-2,8%	-54,7%	-2,7%	-2,5%	-3,4%
Operating Profit (Loss)	1,4%	-7,2%	112,0%	-2,8%	-4,9%	-47,1%

Colombia¹¹

The operating profit in Colombia grew 9.8 percentage points in 4Q 2009, driven by the 5.9 percentage-point improvement in the gross margin compared to the same period in 2008, when the liquidation of Casa Estrella products had an impact.

Colombia Consolidated (MMUS\$ and percentage of income)

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	65,9	78,5	-16,0%	197,7	181,1	9,2%
Costs	-61,3%	-67,2%	-23,4%	-67,6%	-65,8%	12,2%
Gross Margin	38,7%	32,8%	-0,9%	32,4%	34,2%	3,3%
SGA w/o depreciation	-22,8%	-25,9%	-25,9%	-29,9%	-29,0%	12,4%
EBITDA	15,9%	7,0%	92,2%	2,5%	5,2%	-48%
Depreciation + Amortization	-2,2%	-3,1%	-39,5%	-3,0%	-3,0%	6,6%
Operating Profit (Loss)	13,7%	3,9%	196,6%	-0,5%	2,1%	-125,4%

¹¹ 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.



5. Promotora CMR Chile

The revenues of Promotora CMR Chile was MMUS\$52.9 in 4Q09, growing 40.5% compared to the same period in 2008. This was mainly due to the increase of 14 percentage points in the gross margin because of the drop of 11.3% in provisions compared to the previous period (1.1 percentage points as in loan provisions) and because of the drop in financing costs resulting from lower rates. Also a factor in the improvement was the 7.0% reduction in SG&A as compared to 4Q08, reflecting the continuing successful implementation of operating efficiency initiatives by the company.

Promotora CMR (MMUS\$ and percentage of income)

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	123,1	130,7	-5,8%	513,4	521,2	-1,5%
Costs	-47,7%	-61,7%	-27,1%	-54,4%	-57,1%	-6,1%
Gross Margin	52,3%	38,3%	28,7%	45,6%	42,9%	4,6%
SGA w/o depreciation	-9,4%	-9,5%	-7,0%	-8,7%	-9,2%	-7,2%
Operating Profit (Loss)	42,9%	28,8%	40,5%	36,9%	33,7%	7,9%

6. Mall Plaza Chile

Revenues of Mall Plaza Chile grew 6.7% in 4Q09, to MMUS\$60.7. The gross margin fell 1.5 percentage points on income, mainly because of the growth of 37.6% in SG&A due to the spending in support of the operation of the newer Malls (Plaza Sur and Plaza Alameda) and the recent addition of Plaza Calama.

Income totaled MMUS\$84.4, 9.1% higher than the same period in 2008. The increase basically came from the acquisition of Mall Calama in April 2009.

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

	4Q'09	4Q'08	Var.%	2009	2008	Var.%
Revenues	84,4	77,4	9,1%	280,5	225,1	24,6%
Costs	-20,7%	-20,7%	9,3%	-24,1%	-23,5%	27,4%
Gross Margin	79,3%	79,3%	9,0%	75,9%	76,5%	23,8%
SGA	-7,3%	-5,8%	37,6%	-14,2%	-12,3%	43,8%
Operating Profit (Loss)	72,0%	73,5%	6,7%	61,8%	64,2%	19,9%

Note: Depreciation is recorded in the cost line.

7. Sociedad de Rentas Falabella (SRF)

During 4Q 2009, revenues totaled MMUS\$ 9.5, decreasing 15.1% as compared to the 4Q in the previous year. Cumulative revenues amounted to MMUS\$41 in 2009, growing 8.7% with respect to the previous year.



VII. Credit Indicators

1. CMR Card Sales¹²

Cumulative Percentage of Sales using CMR

	2008	1Q 2009	1S 2009	9M 2009	2009
Department Stores - Chile	62,9%	60,0%	61,8%	61,9%	61,8%
Home Improvement - Chile	29,3%	28,8%	28,7%	28,4%	28,7%
Supermarkets - Chile	19,0%	17,5%	18,9%	19,2%	19,5%
Department Stores - Peru	64,3%	59,5%	61,1%	60,7%	61,3%
Home Improvement - Peru	33,9%	30,7%	32,1%	32,4%	32,7%
Supermarkets - Peru	46,9%	40,9%	40,9%	40,9%	41,8%
Department Stores - Argentina	37,5%	35,5%	34,2%	35,9%	36,1%
Department Stores - Colombia	29,2%	25,4%	28,0%	29,8%	34,0%
Home Improvement - Colombia	11,6%	9,7%	10,4%	11,8%	13,2%

By December 2009, there were 2.4 million active CMR cards in Chile; 913,000 in Peru; 775,000 in Argentina and 498,000 in Colombia.

2. CMR Chile

a. Total Stock Colocaciones Brutas (MM\$ de cada período)

	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	687.798	666.680	741.850

b. Total Stock Provisiones de Colocaciones (MM\$ de cada período)

	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	-44.170	-36.672	-32.532

c. Provisiones/Colocaciones

	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%	6,42%	5,50%	4,39%

d. Castigos Netos Acumulados (MM\$ de cada período)

	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	36.982	57.146	72.396

Note: Write-offs are net of recoveries

¹² The percentage of sales through CMR: means the cumulative sales using the card as compared to total cumulative sales of each chain. The calculation for Sodimac Chile includes retail sales and wholesales.



3. Banco Falabella Chile

a. Total Stock Colocaciones Brutas (MM\$ de cada período)

	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	682.982	645.869	627.136

b. Total Stock Provisiones de Colocaciones (MM\$ de cada período)

	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	-23.872	-23.977	-22.599

c. Provisiones/Colocaciones Chile

	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%	3,50%	3,71%	3,60%

d. Castigos Netos Acumulados (MM\$ de cada período)

	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	13.940	22.234	30.804

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. It has also kept additional provisions that were required some time ago, even though the measure is no longer in force.

a. Total Stock Colocaciones Brutas (MUS\$ de cada período)

	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	395.797	406.721	403.364

b. Total Stock Provisiones de Colocaciones (MUS\$ de cada período)

	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	-37.622	-34.028	-30.401

c. Provisiones/Colocaciones Perú

	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%	9,51%	8,37%	7,54%

d. Castigos Netos Acumulados (MUS\$ de cada período)

	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	12.200	22.685	34.474

Note: Write-offs are net of recoveries



5. CMR Argentina

a. Total Stock Colocaciones Brutas (MUS\$ de cada período)

	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	60.003	67.321	88.941

b. Total Stock Provisiones de Colocaciones (MUS\$ de cada período)

	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	-2.244	-2.254	-2.501

c. Provisiones/Colocaciones Argentina

	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%	3,74%	3,35%	2,81%

d. Castigos Netos Acumulados (MUS\$ de cada período)

	1Q	2Q	3Q	4Q
2006	-32	-116	-193	-290
2007	-49	-83	-85	-60
2008	82	171	-319	506
2009	336	603	1.021	1.467

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 Stock Colocaciones Brutas (MUS\$ de cada período)

	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	105.576	121.383	138.791

b. Total Stock Provisiones de Colocaciones (MUS\$ de cada período)

	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	-8.556	-9.350	-8.383

c. Provisiones/Colocaciones Colombia

	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%	8,10%	7,70%	6,04%

d. Castigos Netos Acumulados (MUS\$ de cada período)

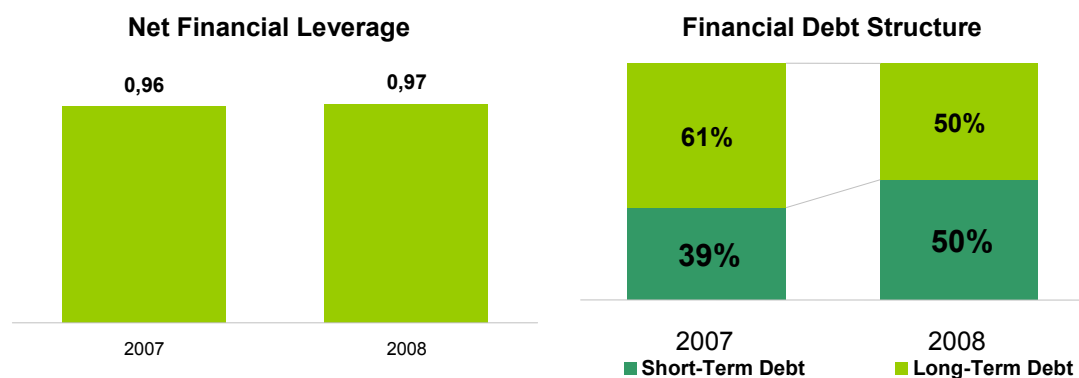
	1Q	2Q	3Q	4Q
2006	0	0	94	603
2007	506	1.051	1.672	2.312
2008	1.193	2.573	2.370	4.065
2009	1.651	3.879	6.550	8.516

Note: Write-offs are net of recoveries



VIII. Financial Structure

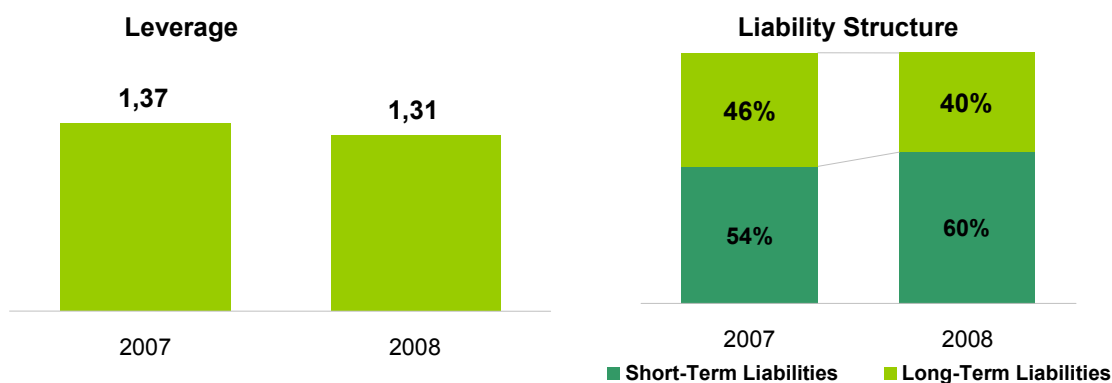
1. Financial Debt as of December 31, 2009¹³



Total Financial Debt as of December 31, 2009 was MMCH\$ 1,523,123 (MMUS\$ 3,003), which represents a decrease of 15.5% compared to the debt as of December 2008. Combined with an improvement in the cumulative EBITDA for the year, the Net Financial Debt/EBITDA ratio was 2.96, dropping at a ratio of 4.07 compared to December 2008. The consolidated financial liabilities of the company were restructured during 2009 to extend the duration of the financial debt from 2.7 years to 4 years.

The financial debt includes the debt of CMR in Chile and Argentina.

2. Total Liabilities as of December 31, 2009



Total liabilities were MMCH\$ 2,177,330 as of December 31, 2009 (MMUS\$ 4,293). This figure includes the liabilities of CMR in Chile and Argentina. In 2009, Leverage¹⁴ fell close to 15%. This difference arose because of the 15% reduction in financial debt (MMCH\$280,199; MMUS\$552), driven mainly by the credit business (CMR Chile and, to a lesser extent, CMR Argentina) due to the drop in loans and a more restrictive handling of the portfolio to reduce risk during the year.

¹³ Net financial leverage = (Financial Debt - Cash and Banks - Times Deposits - Marketable Securities), divided by (Equity + Minority Interest).

¹⁴ Leverage = total liabilities divided by (Equity + Minority Interest).



IX. Stores and Floor Space

1. Chile Department Stores¹⁵

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

TOTAL	226.666
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• **Other minor stores:**

1	Expo Arica	132
2	Expo San Fernando	440
3	Expo Castro	176
4	Bodega Rosas, Stgo.	3.244

TOTAL	5.576
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¹⁵ Starting with the 2Q09 Press Release, the 6 stores along Paseo Ahumada Walk are accounted for as one single store.



2. Chile Home Improvement Stores

N°	Store	Selling Space	Opening
1	HC Copiapó	8.895	ene-82
2	Co Viña del Mar	4.517	ene-82
3	Co Valparaíso	668	ene-82
4	Co Talcahuano	1.813	ene-82
5	Co Rancagua	1.783	ene-82
6	Co Maipú	4.306	ene-82
7	Co Castro	335	ene-82
8	HC Concepción	4.669	jun-87
9	HC Las Condes	8.761	mar-88
10	Co Vic. Mackenna	2.949	ene-92
11	Co Antofagasta	9.056	jul-92
12	HC Los Angeles	11.656	1992
13	HC Viña del Mar	7.318	ene-93
14	Co Cantagallo	5.870	ene-93
15	HC Ñuñoa	4.838	sep-93
16	HC Rancagua	10.724	nov-95
17	HC Puente Alto	16.893	oct-96
18	HC Quilpue	8.129	nov-96
19	Co La Florida	6.934	mar-97
20	HC Maipú	14.044	jul-98
21	HC El Trébol	14.456	nov-98
22	HC La Serena	12.545	dic-98
23	Co Refaça Alto	7.656	dic-98
24	HC Parque Arauco	10.777	oct-99
25	HC Talca	12.522	dic-00
26	HC Calama	10.797	nov-01
27	HC San Miguel	13.061	nov-01
28	HC La Reina	13.207	abr-02
29	Co Vallenar	3.621	may-02
30	HC Ñuble	10.935	jun-02
31	HC Valdivia	8.288	sep-02
32	HC Nueva La Florida	18.461	nov-02
33	HC SS Temuco	13.370	abr-03
34	HC Huechuraba	11.630	nov-03
35	HC Villarrica	6.530	feb-04
36	HC Osorno	8.545	jul-05
37	HC Angol	4.214	sep-05
38	HC Chillan	8.781	dic-05
39	HC Coyhaique	5.740	ene-06
40	HC Curico	8.012	mar-06
41	HC Coquimbo	5.882	mar-06
42	HC Plaza Oeste	14.696	may-06
43	HC La Calera	8.030	jul-06
44	HC Pto.Montt	9.514	ago-06
45	HC Plaza Vespucio	11.433	sep-06
46	Co Fontova	6.720	sep-06
47	HC San Felipe	8.685	nov-06
48	HC Arica	8.747	dic-06
49	HC Iquique	9.955	feb-07
50	HC Antofagasta	10.718	abr-07
51	HC Plaza Concepción	11.343	jun-07
52	HC Punta Arenas	8.192	ago-07
53	HC Linares	7.040	nov-07
54	HC Estación Central	10.615	sep-08
55	HC El Bosque	8.560	oct-08
56	HC San Bernardo	11.962	nov-08
Sub Total		489.398	

N°	Store	Selling Space	Opening
1	Imperial Santa Rosa	9.442	1974
2	Imperial Mapocho	10.803	1999
3	Imperial Maipú	3.790	2001
4	Imperial Peñalolén	1.802	2001
5	Imperial La Florida	974	2002
6	Imperial Valparaíso	1.567	2003
7	Imperial Concepción	7.781	2007
8	Imperial Huechuraba	3.007	Abr-08
9	Imperial Temuco	4.467	May-09

Sub Total Imperial	43.633
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TOTAL SODIMAC	533.031
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3. Tottus/ SanFrancisco Supermarkets – Chile

N°	Store	Selling Space	Opening
1	Talagante Plaza	3.145	1964
2	Tottus San Bernardo Plaza	6.290	1986
3	El Monte	962	1951
4	Tottus Buin	5.389	1995
5	San Bernardo Estación	3.161	1996
6	Peñaflor	3.926	1999
7	Rengo	2.014	2000
8	Melipilla	2.462	2001
9	Tottus San Antonio	2.827	oct-04
10	Talagante Cordillera	3.000	feb-05
11	Tottus Puente Alto	5.055	dic-05
12	Tottus Nataniel	4.296	mar-06
13	Tottus La Calera	3.511	jul-06
14	Tottus Fontova	4.591	sep-06
15	Tottus Mall Antofagasta	5.180	sep-06
16	Tottus Plaza Oeste	5.149	dic-06
17	Tottus Puente Alto II	4.580	ene-07
18	Tottus La Florida	4.971	mar-07
19	Tottus Megacenter	7.200	jul-07
20	Tottus Antofagasta Centro	5.584	sep-07
21	Tottus Colina	4.818	oct-07
22	Tottus Alameda	4.209	jul-08
23	Tottus El Bosque	4.100	nov-08
24	Tottus San Fernando	4.020	ene-09
25	Tottus Puente	600	nov-09
26	Tottus Quillota	1.455	dic-09
TOTAL		102.495	

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
11	Mall Calama	Mar-09

5. Power Centers¹⁶

N°	Power Center	Opening
1	La Calera	jul-06
2	Megacenter	jul-07
3	El Bosque	nov-08

¹⁶ Power Centers are locations where there are two or more formats of the Falabella Group and smaller stores leased to third parties.



6. Peru¹⁷

i) Department Stores

N°	Store	Selling Space	Opening
1	San Isidro	11.848	1995
2	San Miguel	11.095	1995
3	Jockey Plaza	11.054	1997
4	Lima Centro	5.571	1998
5	Trujillo	569	2001
6	Piura	2.485	2001
7	Arequipa	4.915	2002
8	Miraflores	7.074	oct-05
9	Chiclayo Mall	5.709	oct-05
10	Megaplaza	9.096	oct-06
11	Cajamarca	988	mar-07
12	Ica	660	may-07
13	Trujillo Mall	5.990	nov-07
14	Bellavista	6.088	dic-08
15	Atocongo	7.451	dic-08

TOTAL	90.592
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iii) Supermarkets

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

TOTAL	85.507
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ii) Home Improvement

N°	Store	Selling Space	Opening
1	San Miguel	11.728	2004
2	Megaplaza	9.998	May-05
3	Atocongo	8.300	Abr-06
4	Javier Prado	8.257	Mar-07
5	Chiclayo	7.626	Nov-07
6	Trujillo Mall	7.724	Nov-07
7	Ica Constructor	5.189	Nov-07
8	Centro de Lima	8.396	Feb-08
9	Canta Callao	5.734	Oct-08
10	Los Jardines	6.241	Dic-08
11	Bellavista	10.102	Dic-08
12	Ica Minka	3.757	Dic-08
13	Chincha	5.169	Ene-09

TOTAL	98.219
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iv) Aventura Plaza Perú

N°	Mall	Opening
1	Aventura Plaza Trujillo	Nov-07
2	Aventura Plaza Bellavista	Dic-08

v) Open Plaza Perú

N°	Power Center	Opening
1	San Miguel	Nov-04
2	Atocongo	Abr-06
3	Chiclayo	Dic-07
4	Canta Callao	Oct-08
5	Trujillo Jardines	Dic-08

¹⁷ The downtown Lima store includes the Lima La Merced store (just household appliances). The Chiclayo store was also closed (356 m²).



7. Argentina

i) Department Stores

N°	Store	Selling Space	Opening
1	Mendoza	5.821	mar-93
2	Rosario	7.938	dic-94
3	Córdoba	4.889	may-97
4	San Juan	2.755	oct-97
5	Unicenter	10.872	mar-99
6»8	Florida	12.674	nov-07
9	Alto Avellaneda	8.150	abr-08
10	DOT Baires	6.470	may-09
TOTAL		59.569	

ii) Home Improvement Stores

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

8. Colombia

i) Department Stores

N°	Store	Selling Space	Opening
1	Santa Fe	10.317	Nov-06
2	Suba	8.416	Abr-07
3	San Diego	7.524	Nov-07
4	Hayuelos	8.808	Abr-08
5	Unicentro Bogotá	5.257	Nov-08
6	Galerías Bogotá	6.602	Nov-08
7	Unicentro Cali	3.604	Nov-08
8	Chipichape Cali	3.014	Nov-08
9	Outlet Bima	2.336	Nov-08
TOTAL		55.878	

ii) Home Improvement

N°	Store	Selling Space	Opening
1	HC Las Américas	2.017	1994
2	HC Calle 80	12.746	1997
3	HC Sur	10.465	1998
4	HC Norte	12.841	1999
5	HC Medellín	8.626	2002
6	HC Cali Sur	12.544	2003
7	HC Barranquilla	13.115	2004
8	HC Pereira	13.241	Jul-05
9	HC El Dorado	11.326	Nov-05
10	HC Medellín San Juan	13.718	Jul-06
11	HC Cali Norte	13.306	Feb-07
12	HC Suba	6.256	Mar-07
13	HC Soacha	7.275	Jun-07
14	HC Ibagué	10.010	Jul-07
15	HC Cartagena	8.062	Nov-07
16	HC Bello	6.768	Sep-08
17	HC Molinos Medellín	8.433	Dic-08
18	HC Cúcuta	11.465	Ene-09
19	HC Villavicencio	8.402	Mar-09
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 December 31 2009

	2009	2008
ASSETS		
Current Assets	1.554.119	1.658.245
Cash	48.513	56.973
Time deposits	1.542	25.281
Marketeable securities	105.429	778
Trade receivables	749.701	771.980
Notes receivables	49.023	48.818
Other receivables	33.605	40.086
Notes and accounts receivable from related parties	34.874	33.995
Inventories	449.461	548.565
Recoverable taxes	34.555	70.992
Prepaid expenses	20.130	23.511
Deferred income taxes	23.042	22.688
Other current assets	4.244	14.579
Leasing agreements	0	0
Leasing assets	0	0
Property, Plant and Equipment	1.750.503	1.845.418
Land	329.690	374.899
Buildings and infrastructure	1.030.353	940.040
Machinery and equipment	223.386	226.928
Other property, plant and equipment	698.760	770.305
Technical reappraisal of property, plant and equipment	132	132
Accumulated depreciation	(531.818)	(466.886)
Other Assets	831.618	807.033
Investments in related companies	225.744	199.008
Investments in other societies	34	313
Goodwill	245.591	264.272
Negative goodwill	(162)	(2)
Long Term receivables	124.127	127.286
Notes and accounts receivable from relates parties	822	943
Deferred income taxes	0	0
Intangibles assets	270.449	252.293
Amortization	(60.735)	(50.324)
Other long-term assets	25.748	13.245
Long-term leasing	0	0
Total Assets	4.136.241	4.310.696



S.A.C.I. FALABELLA
CONSOLIDATED BALANCE SHEETS

Expressed in Millions of Chilean Pesos as of December 31 2009

	2009	2008
LIABILITIES		
Current Liabilities	926.967	1.475.124
Short-term bank borrowings	245.479	579.293
Current portion of long-term bank borrowings	49.224	96.268
Obligations with the public (promissory notes)	44.425	63.924
Current portion of bonds payable	37.921	171.671
Current portion of long-term borrowings	0	0
Dividends to be paid	320	192
Trade account payables	408.649	428.557
Documents payable	9.466	11.926
Sundry creditors	15.414	19.726
Notes and accounts payable to related companies	7.537	6.880
Accruals	45.322	38.013
Withholdings	34.588	31.667
Income tax	6.348	8.515
Unearned income	20.858	17.716
Deferred taxes	0	0
Other short-term liabilities	1.415	778
Total long-term liabilities	1.252.404	969.051
Long-term bank borrowings	411.945	535.763
Bonds payable	734.130	358.533
Documents payable - long-term	34.016	13.784
Sundry creditors	556	685
Notes and accounts payable to related companies	0	0
Accruals	3.306	1.711
Deferred taxes	53.022	44.461
Other long-term liabilities	15.430	14.114
Minority interest	167.538	153.777
Shareholder's Equity	1.789.332	1.712.743
Paid-in capital	524.990	520.248
Capital revaluation reserve	0	0
Additional paid-in capital	7.619	3.599
Other reserves	(49.755)	19.454
Retained earnings	1.306.479	1.169.443
Reserve for future dividends	0	0
Accumulated profits	1.107.460	972.076
Accumulated loss	0	0
Net income (loss)	199.018	197.367
Interim dividends	0	0
Deficit from development period	0	0
Total Liabilities	4.136.241	4.310.696



S.A.C.I. FALABELLA
CONSOLIDATED INCOME STATEMENT

Expressed in Millions of Chilean Pesos as of December 31 2009

	2009	2008
Operating Income	368.520	336.624
Gross Margin	1.030.568	1.048.369
Revenues	3.524.441	3.623.072
Cost of sales	(2.493.873)	(2.574.702)
Selling , general and administrative expenses	(662.049)	(711.745)
Non-operating Income	(88.582)	(60.655)
Financial income	9.552	10.627
Profit on investments in related companies	30.146	34.539
Other non-operating income	22.450	37.079
Loss on investment in related companies	(1.094)	0
Amortization of goodwill	(17.744)	(17.383)
Financial expenses	(83.325)	(76.368)
Other non-operating expenses	(22.297)	(19.139)
Price-level restatement	(19.491)	(40.619)
Exchange differentials	(6.779)	10.608
Profit Before Income Tax & Extraordinary Items	279.937	275.969
Income Tax	(52.280)	(42.456)
Extraordinary Items	0	0
Profit (loss) before minority interest	227.658	233.513
Minority interest	(28.643)	(36.148)
Net profit (loss)	199.015	197.365
Amortization of negative goodwill	4	2
Profit (loss) in the fiscal year	199.018	197.367



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

	2009	2008
Cash Flows From Operating Activities	472.639	273.926
Collection of trade receivables	4.570.449	3.897.947
Financial income received	9.271	22.081
Dividends received	8.516	24.125
Other income received	20.667	22.394
Payments to suppliers and personnel	(3.848.548)	(3.406.924)
Interest paid	(106.728)	(83.566)
Income tax payments	(62.197)	(67.234)
Other expenses	(14.860)	(43.231)
VAT and other taxes paid	(103.932)	(91.667)
Cash Flows From Financing Activities	(244.130)	185.442
Proceeds from issuance of common stock	38.318	39.427
Borrowings from banks	643.780	927.037
Proceeds from issuance of bonds	480.379	109.968
Borrowings from related companies	0	0
Other borrowings from related companies	0	0
Other sources of financing	24.041	1.787
Payment of dividends	(78.145)	(70.230)
Distribution of capita	0	0
Payment of loans	(1.094.104)	(796.235)
Payment of public liabilities incurred	(257.726)	(24.995)
Payment of related companies loans	0	0
Payment of other related companies loans	0	0
Payment of common stock issuance costs	0	0
Payment of bond issuance costs	(655)	(1.292)
Other payments	(17)	(25)
Cash Flows From Investing Activities	(143.258)	(446.711)
Proceeds from sales of property, plant and equipment	2.914	6.259
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	1.186	14.211
Additions to property, plant and equipment	(113.317)	(436.504)
Payment of interest capitalized	(1.883)	(2.144)
Purchase of permanent investments	(24.135)	(4.667)
Investments in financial instruments	0	0
Loans to related companies	0	0
Other payments to related companies	(1.367)	(19.337)
Other payments of investments	(6.657)	(4.528)
Net Cash Flow	85.251	12.656
Price-level Restatements of Cash and Cash Equivalents	(6.260)	(1.029)
Net Increase (Decrease) in Cash and Cash Equivalents	78.991	11.628
Cash and Cash Equivalents at Beginning of Period	76.493	75.313
Cash and Cash Equivalents at End of Period	155.484	86.941



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

	2009	2008
Net Income	199.018	197.367
Income on sale of assets	(2.993)	(510)
Gain on sales of property, plant and equipment	750	(167)
Gain on sales of investments	(3.742)	(343)
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	240.686	239.135
Depreciation	86.864	80.123
Amortization of Intangibles	10.328	9.591
Write-offs and provisions	124.097	134.377
Equity in gains of unconsolidated affiliates	(30.146)	(34.539)
Equity in losses of unconsolidated affiliates	1.094	0
Amortization of goodwill	17.744	17.383
Amortization of negative goodwill	(4)	(2)
Price-level restatement	19.491	40.619
Exchange differentials	6.779	(10.608)
Other credits to income that do not represent cash flows	(6.829)	(8.077)
Other debits to income that do not represent cash flows	11.267	10.269
Changes in operating assets	13.422	(245.046)
Receivables	31.714	36.230
Inventories	77.055	(151.395)
Other current assets	(95.347)	(129.881)
Changes in operating liabilities	(6.138)	46.831
Trade accounts payable and notes payables relating to operating activities	(26.448)	(22.334)
Taxes to be paid	11.101	(2.089)
Net income tax	1.575	6.396
Other trade accounts payable relating to operating activities	3.459	70.558
VAT and other taxes	4.175	(5.700)
Income attributable to minority interest	28.643	36.148
Net cash provided by operating activities	472.639	273.926



S.A.C.I. FALABELLA
INDIVIDUAL BALANCE SHEETS

Expressed in Millions of Chilean Pesos as of December 31 2009

	2009	2008
ASSETS		
Current Assets	301.146	314.513
Cash	428	371
Time deposits	0	0
Marketeable securities	26.001	0
Trade receivables	0	0
Notes receivables	0	98
Other receivables	383	599
Notes and accounts receivable from related parties	269.350	245.771
Inventories	0	55.824
Recoverable taxes	161	808
Prepaid expenses	39	244
Deferred income taxes	940	1.276
Other current assets	3.844	9.523
Leasing agreements	0	0
Leasing assets	0	0
Property, Plant and Equipment	1.000	4.020
Land	0	0
Buildings and infrastructure	20	1.681
Machinery and equipment	69	186
Other property, plant and equipment	1.367	8.095
Technical reappraisal of property, plant and equipment	0	0
Accumulated depreciation	(456)	(5.942)
Other Assets	2.153.229	1.938.886
Investments in related companies	2.137.393	1.925.102
Investments in other societies	0	0
Goodwill	4.799	5.232
Negative goodwill	0	0
Long Term receivables	53	53
Notes and accounts receivable from relates parties	0	0
Deferred income taxes	0	0
Intangibles assets	314	527
Amortization	(82)	(131)
Other long-term assets	10.753	8.104
Long-term leasing	0	0
Total Assets	2.455.374	2.257.419



S.A.C.I. FALABELLA
INDIVIDUAL BALANCE SHEETS

Expressed in Millions of Chilean Pesos as of December 31 2009

	2009	2008
LIABILITIES		
Current Liabilities	214.390	238.454
Short-term bank borrowings	139	2.911
Current portion of long-term bank borrowings	0	0
Obligations with the public (promissory notes)	36.600	52.820
Current portion of bonds payable	12.334	142.804
Current portion of long-term borrowings	0	0
Dividends to be paid	139	134
Trade account payables	7.642	4.794
Documents payable	0	0
Sundry creditors	0	27
Notes and accounts payable to related companies	156.078	23.614
Accruals	1.153	1.742
Withholdings	274	9.508
Income tax	30	0
Unearned income	0	99
Deferred taxes	0	0
Other short-term liabilities	0	0
Total long-term liabilities	451.652	306.222
Long-term bank borrowings	0	0
Bonds payable	445.276	285.569
Documents payable - long-term	0	0
Sundry creditors	0	0
Notes and accounts payable to related companies	4.479	20.059
Accruals	58	34
Deferred taxes	1.839	560
Other long-term liabilities	0	0
Minority interest	0	0
Shareholder's Equity	1.789.332	1.712.743
Paid-in capital	524.990	520.248
Capital revaluation reserve	0	0
Additional paid-in capital	7.619	3.599
Other reserves	(49.755)	19.454
Retained earnings	1.306.479	1.169.443
Reserve for future dividends	0	0
Accumulated profits	1.107.460	972.076
Accumulated loss	0	0
Net income (loss)	199.018	197.367
Interim dividends	0	0
Deficit from development period	0	0
Total Liabilities	2.455.374	2.257.419



S.A.C.I. FALABELLA
INDIVIDUAL INCOME STATEMENT

Expressed in Millions of Chilean Pesos as of December 31 2009

	2009	2008
Operating Income	9.492	14.396
Gross Margin	17.324	170.024
Revenues	74.071	672.814
Cost of sales	(56.747)	(502.790)
Selling , general and administrative expenses	(7.832)	(155.628)
Non-operating Income	191.852	183.060
Financial income	2.853	1.049
Profit on investments in related companies	243.011	205.305
Other non-operating income	289	5.679
Loss on investment in related companies	0	(666)
Amortization of goodwill	(433)	(732)
Financial expenses	(29.590)	(25.856)
Other non-operating expenses	0	(5.615)
Price-level restatement	(6.382)	(20.068)
Exchange differentials	(17.896)	23.964
Profit Before Income Tax & Extraordinary Items	201.344	197.455
Income Tax	(2.326)	(88)
Extraordinary Items	0	0
Profit (loss) before minority interest	199.018	197.367
Minority interest	0	0
Net profit (loss)	199.018	197.367
Amortization of negative goodwill	0	0
Profit (loss) in the fiscal year	199.018	197.367



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

	2009	2008
Cash Flows From Operating Activities	85.040	185.628
Collection of trade receivables	640.593	825.245
Financial income received	0	944
Dividends received	46.800	64.805
Other income received	13.126	11.361
Payments to suppliers and personnel	(554.577)	(653.337)
Interest paid	(23.346)	(21.146)
Income tax payments	(2.418)	(1.983)
Other expenses	(14.069)	(28.241)
VAT and other taxes paid	(21.069)	(12.020)
Cash Flows From Financing Activities	25.637	185.861
Proceeds from issuance of common stock	8.741	1.419
Borrowings from banks	222	44.295
Proceeds from issuance of bonds	243.610	50.097
Borrowings from related companies	150.528	154.210
Other borrowings from related companies	820.059	120.843
Other sources of financing	0	0
Payment of dividends	(62.199)	(46.668)
Distribution of capita	0	0
Payment of loans	(2.979)	(78.081)
Payment of public liabilities incurred	(233.202)	(2.600)
Payment of related companies loans	(190.476)	(15.626)
Payment of other related companies loans	(708.667)	(41.571)
Payment of common stock issuance costs	0	0
Payment of bond issuance costs	0	(433)
Other payments	0	(25)
Cash Flows From Investing Activities	(88.186)	(388.250)
Proceeds from sales of property, plant and equipment	165	476
Proceeds from sales of long-term investments	52.424	0
Proceeds from sales of other investments	0	0
Collection of loans to related companies	475.252	0
Collections of other loans to related companies	461.093	162.802
Other investment income	56	769
Additions to property, plant and equipment	(111)	(28.596)
Payment of interest capitalized	(83)	0
Purchase of permanent investments	(121.464)	(49.078)
Investments in financial instruments	0	0
Loans to related companies	(11.455)	(441.292)
Other payments to related companies	(943.981)	(33.130)
Other payments of investments	(83)	(202)
Net Cash Flow	22.492	(16.761)
Price-level Restatements of Cash and Cash Equivalents	(342)	(733)
Net Increase (Decrease) in Cash and Cash Equivalents	22.149	(17.494)
Cash and Cash Equivalents at Beginning of Period	4.280	21.774
Cash and Cash Equivalents at End of Period	26.429	4.280



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

	2009	2008
Net Income	199.018	197.367
Income on sale of assets	0	35
Gain on sales of property, plant and equipment	0	35
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	(218.272)	(188.231)
Depreciation	220	14.391
Amortization of Intangibles	163	53
Write-offs and provisions	48	7.455
Equity in gains of unconsolidated affiliates	(243.011)	(205.305)
Equity in losses of unconsolidated affiliates	0	666
Amortization of goodwill	433	732
Amortization of negative goodwill	0	0
Price-level restatement	6.382	20.068
Exchange differentials	17.896	(23.964)
Other credits to income that do not represent cash flows	(404)	(2.550)
Other debits to income that do not represent cash flows	0	223
Changes in operating assets	663.916	130.550
Receivables	555.271	25.411
Inventories	57.138	37.991
Other current assets	51.507	67.148
Changes in operating liabilities	(559.622)	45.908
Trade accounts payable and notes payables relating to operating activities	(547.355)	48.632
Taxes to be paid	3.770	1.008
Net income tax	816	(1.254)
Other trade accounts payable relating to operating activities	(7.534)	(12.379)
VAT and other taxes	(9.319)	9.902
Income attributable to minority interest	0	0
Net cash provided by operating activities	85.040	185.628



S.A.C.I. Falabella

Address:

Rosas 1665
Santiago, Chile

Contacts:

Jordi Gaju / Tomás Gazmuri / Humberto Solovera
Corporate Planning and Development Division
Phone: (56 2) 380 2007
E-mail: inversionistas@falabella.cl

Website:

www.falabella.com
Click on “Inversionistas” at the page bottom.

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