



2nd Quarter 2010 EARNINGS REPORT  
**SACI FALABELLA**

---

**AUGUST 2010**

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## Notes:

- All dollar figures are calculated using the observed exchange rate of CLP 547.19/US\$1 on July 1, 2010.
- Symbols for quarters are: 1Q, 2Q, 3Q and 4Q, as applicable.
- Other symbols for periods in the year are: 1H for first semester and 9M for the first 9 months of the year.
- Currency symbols: CLP\$: Chilean pesos; US\$: U.S. dollars; M: Million.

## I. Executive Summary

There was a consolidated net profit of MCLP\$95,525 (MUS\$174) in the quarter that meant a growth of 67.2% compared to the same period in 2009. The cumulative net profit grew 53.0% through June 30, 2010 in comparison to the same period in 2009, for a total of MCLP\$162,373 (MUS\$296). The increase in profit in the quarter and thus far in the year is the product of better levels of consumption in the region and of efforts by all of the Company's businesses to keep a control on costs and expenses low.

The EBITDA in 2Q10 grew 39% compared to the same period in the past year, to a total of MCLP\$175,976 (MUS\$321.6). The EBITDA margin rose 2.3 percentage points in comparison to the same period in 2009, to 16.1% of income.

The consolidated revenues in the quarter totaled MCLP\$1,090,958 (MUS\$1,993.75), 19.5% better than the second quarter in 2009. On a cumulative basis through June 30th, consolidated revenues totaled MCLP\$2,038,224 (MUS\$3,724.9), representing a growth of 12.5% with respect to the same period in 2009. This growth was mainly due to the recovery in the levels of consumption in the region.

Selling, General and Administrative Expenses with respect to revenues fell 2.3 percentage points compared to the same period in 2009, to 21.7%. This reduction is the result of policies to control unnecessary expenses that were fostered in all businesses in 2009.

Total loans reached MCLP\$1.865.580 (MUS\$3.410). The loan portfolio provisions continued to fall during the quarter. They totaled 4.46% at June 30th on a consolidated basis.

The consolidated leverage was 1.22 in June 2010. Excluding the liabilities of the bank businesses in the group, the consolidated leverage was 0.83 times.

In May, the Falabella Santa Fe store was inaugurated in downtown Medellin. This is the second Falabella store opened in Colombia thus far in 2010. During 1Q2010 the Sodimac Vicente López store was inaugurated in Argentina and the Falabella Plaza Vespucio store was enlarged. In July we opened one Tottus in Chile and two in Peru.

## II. CONSOLIDATED INCOME STATEMENT AS OF JUNE 30, 2010

### Consolidated Income Statement 1H 2010 (MCLP\$)<sup>1</sup>

	1H 2009	% Sales	1H 2010	% Sales	Var 10/09 %
Revenues of Non-Banking Operations	1.701.118		1.917.387		12,7%
Revenues of Banking Operations	110.968		120.837		8,9%
<b>TOTAL REVENUES</b>	<b>1.812.086</b>		<b>2.038.224</b>		<b>12,5%</b>
COGS of Non-Banking operations	(1.144.910)	-67%	(1.275.993)	-67%	11,4%
COST of Banking Operations	(52.371)	-47%	(46.433)	-38%	-11,3%
<b>GROSS PROFIT</b>	<b>614.805</b>	<b>33,9%</b>	<b>715.799</b>	<b>35,1%</b>	<b>16,4%</b>
SG&A Expenses	(436.906)	-24,1%	(458.207)	-22,5%	4,9%
<b>Operational Income</b>	<b>177.899</b>	<b>9,8%</b>	<b>257.592</b>	<b>12,6%</b>	<b>44,8%</b>
<b>EBITDA</b>	<b>232.810</b>	<b>12,8%</b>	<b>312.820</b>	<b>15,3%</b>	<b>34,4%</b>
Other Non- Operating Income / (Expenses)	7.356		(8.561)		-216,4%
Net Finacial Income / (Cost)	(61.572)		(23.942)		-61,1%
Share of Profit in Associates	1.216		4.740		289,8%
Exchange rate differences	3.919		(2.260)		-157,7%
Gain / (Loss) in inflation-index monetary units	20.370		(12.254)		-160,2%
<b>Non- Operating Profit</b>	<b>(28.711)</b>	<b>-1,6%</b>	<b>(42.278)</b>	<b>-2,1%</b>	<b>47,3%</b>
<b>Profit Before Tax Expenses</b>	<b>149.189</b>	<b>8,2%</b>	<b>215.313</b>	<b>10,6%</b>	<b>44,3%</b>
Income Tax	(29.887)		(38.451)		28,7%
Minority Interest	(13.183)		(14.490)		9,9%
<b>NET PROFIT / (LOSS)</b>	<b>106.118</b>	<b>5,9%</b>	<b>162.373</b>	<b>8,0%</b>	<b>53,0%</b>

### Consolidated Income Statement 2Q 2010 (MCLP\$)

	2Q 2009	% Sales	2Q 2010	% Sales	Var 10/09 %
Revenues of Non-Banking Operations	855.945		1.028.472		20,2%
Revenues of Banking Operations	57.042		62.486		9,5%
<b>TOTAL REVENUES</b>	<b>912.987</b>		<b>1.090.958</b>		<b>19,5%</b>
COGS of Non-Banking operations	(567.659)	-66%	(678.977)	-66%	19,6%
COST of Banking Operations	(30.151)	-53%	(23.685)	-38%	-21,4%
<b>GROSS PROFIT</b>	<b>315.178</b>	<b>34,5%</b>	<b>388.297</b>	<b>35,6%</b>	<b>23,2%</b>
SG&A Expenses	(219.149)	-24,0%	(236.258)	-21,7%	7,8%
<b>Operational Income</b>	<b>96.029</b>	<b>10,5%</b>	<b>152.039</b>	<b>13,9%</b>	<b>58,3%</b>
<b>EBITDA</b>	<b>126.572</b>	<b>13,9%</b>	<b>175.976</b>	<b>16,1%</b>	<b>39,0%</b>
Other Non- Operating Income / (Expenses)	3.180		(615)		-119,3%
Net Finacial Income / (Cost)	(12.316)		(16.885)		37,1%
Share of Profit in Associates	(3.291)		(83)		-97,5%
Exchange rate differences	(2.328)		(1.251)		-46,3%
Gain / (Loss) in inflation-index monetary units	(1.610)		(6.514)		304,6%
<b>Non- Operating Profit</b>	<b>(16.365)</b>	<b>-1,8%</b>	<b>(25.349)</b>	<b>-2,3%</b>	<b>54,9%</b>
<b>Profit Before Tax Expenses</b>	<b>79.664</b>	<b>8,7%</b>	<b>126.690</b>	<b>11,6%</b>	<b>59,0%</b>
Income Tax	(13.747)		(22.839)		66,1%
Minority Interest	(8.907)		(8.326)		-6,5%
<b>NET PROFIT / (LOSS)</b>	<b>57.010</b>	<b>6,2%</b>	<b>95.525</b>	<b>8,8%</b>	<b>67,6%</b>

<sup>1</sup> The Income Statement is presented in a format similar to that of Chilean GAAP to facilitate comprehension.

## 1. Operational Income

Operational income totaled MCLP\$152,039 (MUS\$277.9) in the second quarter, a growth of 58.3% compared to the same period in 2009. The operating margin in the quarter was 13.9%, 3.4 percentage points more than in the second quarter of the previous year. The cumulative consolidated operating margin totaled MCLP\$257,592 (MUS\$470.8) as of June, or 12.6% of all revenues, i.e. 2.8 percentage points higher than the cumulative operating margin in June 2009.

Consolidated revenues rose 19.5% in the second quarter and 12.5% on a cumulative basis as of June in comparison to the same period in the previous year. Both growths were driven by revenues from non-banking businesses that were positively impacted by the improvement in consumption in the region. Other elements that also contributed to this growth were the World Soccer Cup and mass availability of digital television in Chile, which created an increase in the demand for items that could support this technology in department stores. Also important were revenues in our Home Improvement Stores.

The consolidated gross margin grew 1.1 percentage points in the quarter and 1.2 percentage points on a cumulative basis as of June with respect to the same periods in 2009. These improvements were seen in the retail businesses because of the increase in sales thanks to the recovery in consumption, inventory management, and in the financial businesses because of the reduction in the loan portfolio risk, which is reflected by the drop in provisions.

Selling, general and administrative expenses fell 2.3 percentage points as a proportion of income in the quarter and 1.6 percentage points on a cumulative basis as of June. These improvements are the result of multiple measures implemented by the Company in 2009 that helped keep expenses under control.

## 2. Non-Operating Income

The non operating income reached a loss of MM\$ 25.349 (MUS\$46,3), 0,5 percentage points more than the same period of year 2009. This greater loss is mainly explained by majors losses by units of readjustment due to the greater inflation observed during the first semester of the 2010.

Accumulated to June, the non operating income reached a loss of MM\$42.278 (MMUS\$ 77.3) that represents a greater loss of 0.5 percentage points in comparison to equal period of year 2009. This greater loss are mainly driven by readjustment units, because to June of 2009 the accumulated inflation was -0.8% and to equal period of 2010 was 1.7%, and to the others gains/(losses) that accumulated to the month of June includes the provisions due to the earthquake, that reached MM\$9.000 approximately (MMUS\$16,4).

### III. MAIN EVENTS IN THE PERIOD

- The Falabella Santa Fe store was inaugurated in Medellin, Colombia in May. This store has a sales area of 8,318 m2.
- A new 2010 – 2014 investment plan was announced in May. The investment for this period will total US\$2.572 billion and will include the opening of 184 stores and 7 malls. As a result, at the close of 2014, the group would have a total of 401 stores and 20 malls in the region.

#### Recent Events

- In July, a Tottus was inaugurated in Padre Hurtado, in the Metropolitan Region, with a sales area of 2,100 m2.
- Also in July, Tottus Naciones Unidas and Tottus Isil, both in Lima, Peru, were inaugurated. The former has a sales area of 1,500 m2 and the latter one of 3,800 m2.
- In August, Prohumana and Qué Pasa magazine awarded 18 companies who stand out in Chile because of their entrepreneurial social responsibility. Falabella Retail was ranked fifth, Sodimac ninth, and Mall Plaza eleventh in this ranking.
- Sodimac's Sustainability Report, prepared under the international standard of the Global Reporting Initiative (GRI), obtained the A+ seal of approval (the highest in the elaboration of Sustainability Reports).
- On August 31st 2010, Controladora Casa Saba S.A. de C.V. published a tender offer to acquire 100% of the shares and the control of Farmacias Ahumada S.A., company in which our subsidiary Falabella Retail S.A., owns 20% of the shares.

## IV. Retail Indicators

### 1. Retail Business Revenues

Cumulative Retail Revenues in 2010 (MUS\$)<sup>1</sup>  
(nominal Chilean pesos converted to USD at the observed exchange rate for July 1, 2010)

	1H 2009	1H 2010	Var. 10/09	Var. Local Currency <sup>2</sup>
Department Stores Chile	647	758	17,0%	17,0%
Home Improvement Chile	976	1.120	14,8%	14,8%
Supermarkets Chile	276	295	6,8%	6,8%
Retail Perú (Saga, Sodimac & Tottus)	537	588	9,3%	13,3%
Retail Argentina (Falabella & Sodimac)	182	234	28,5%	51,9%
Retail Colombia (Falabella & Sodimac)	341	464	35,8%	19,2%

Retail Revenues 2Q 2010 (MUS\$)<sup>2</sup>  
(nominal Chilean pesos converted to USD at the observed exchange rate for July 1, 2010)

	2Q 2009	2Q 2010	Var. 10/09	Var. Local Currency <sup>2</sup>
Department Stores Chile	344	432	25,6%	25,6%
Home Improvement Chile	468	570	21,8%	21,8%
Supermarkets Chile	141	152	7,8%	7,8%
Retail Perú (Saga, Sodimac & Tottus)	278	314	13,0%	16,3%
Retail Argentina (Falabella & Sodimac)	99	136	37,2%	53,6%
Retail Colombia (Falabella & Sodimac)	165	235	42,6%	18,9%

### Same Store Sales (SSS) Growth

(All growth is nominal and has been calculated in the local currency of each country)

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	1H 2010
Department Stores Chile	-5,6%	-2,5%	7,2%	10,5%	5,6%	26,2%	16,5%
Home Improvement Chile	-5,9%	-10,7%	-9,1%	10,5%	8,1%	21,9%	14,7%
Supermarkets Chile	3,5%	-1,0%	-2,1%	1,8%	4,9%	6,6%	5,7%
Retail - Perú (Saga, Sodimac, Tottus)	-2,7%	-9,0%	-7,1%	-0,9%	10,6%	16,6%	13,8%
Retail - Argentina (Falabella & Sodimac)	-10,1%	6,4%	12,8%	22,6%	36,8%	38,7%	37,3%
Retail- Colombia (Falabella y Sodimac)	0,6%	0,9%	4,4%	10,0%	14,5%	9,2%	11,8%

### 2. Number of Stores and Net Floor Space<sup>3</sup>

Sales Area	June 2009		June 2010	
	Area (m <sup>2</sup> )	Stores	Area (m <sup>2</sup> )	Stores
Department Stores - Chile	232.242	35	238.137	35
Expos Falabella Retail - Chile	5.576	4	5.576	4
Home Improvement - Chile	533.031	65	533.031	65
Supermarkets - Chile	100.440	24	102.495	26
Department Stores - Peru	90.592	15	90.023	14
Home Improvement - Peru	98.219	13	98.219	13
Supermarkets - Peru	85.507	17	85.507	17
Department Stores - Argentina	59.569	10	59.569	10
Home Improvement - Argentina	46.168	4	56.332	5
Department Stores - Colombia	55.878	9	70.660	11
Home Improvement - Colombia	190.616	19	190.616	19
<b>Total Stores</b>	<b>1.497.838</b>	<b>215</b>	<b>1.530.165</b>	<b>219</b>
Mall Plaza - Chile	809.920	11	809.920	11
Soc. Rentas Falabella - Chile	88.084	5	126.898	5
Aventura Plaza - Perú	109.077	2	109.077	2
Malls Perú - Perú	117.300	5	117.300	5
<b>Total Real Estate</b>	<b>1.124.380</b>	<b>23</b>	<b>1.163.194</b>	<b>23</b>

<sup>1</sup> Does not include credit business income.

<sup>2</sup> The variation in sales in local currency provides insulation against the effects of the exchange rate in the translation of the financial statements.

<sup>3</sup> Soc. Rentas includes only powercenters. These are locations where there are two or more of our formats, in addition to smaller stores..

## V. Operating Income by Business Units

### 1. Chile

There was an increase in revenues in all businesses in the quarter and on a cumulative basis. Sales were driven by a more dynamic consumption. These increases were accompanied by a strict control of costs and spending, which led to better operating results.

#### Operating Results 2Q 2010 (MUS\$)

MMUS\$ & % Revenues	Department Stores			Home Improvement			Supermarkets		
	2Q 09	2Q 10	Var %	2Q 09	2Q 10	Var %	2Q 09	2Q 10	Var %
Revenues	344,3	432,4	25,6%	468,0	570,2	21,8%	140,8	151,8	7,8%
COGS	-71,1%	-68,6%	21,2%	-70,8%	-71,0%	22,2%	-77,3%	-76,7%	7,0%
Gross Margin	28,9%	31,4%	36,4%	29,2%	29,0%	20,9%	22,7%	23,3%	10,3%
SGA w/o Depreciation	-23,0%	-20,3%	10,5%	-20,5%	-19,3%	14,9%	-20,5%	-19,3%	1,7%
EBITDA	5,9%	11,2%	137,8%	8,7%	9,7%	35,2%	2,2%	3,9%	89,1%
Operating Profit (Loss)	4,0%	9,7%	203,5%	6,4%	8,7%	65,9%	-0,3%	1,4%	n/a

MMUS\$ & % Revenues	Promotora CMR			Plaza S.A.		
	2Q 09	2Q 10	Var %	2Q 09	2Q 10	Var %
Revenues	121,2	113,3	-6,5%	48,0	51,9	8,2%
COGS	-59,3%	-44,0%	-30,7%	-16,6%	-19,8%	28,6%
Gross Margin	40,7%	56,0%	28,9%	83,4%	80,2%	4,1%
SGA w/o Depreciation	-8,2%	-9,2%	5,5%	-9,8%	-8,3%	-8,2%
EBITDA	0,0%	0,0%	n/a	87,0%	84,6%	5,2%
Operating Profit (Loss)	32,5%	46,8%	34,8%	73,6%	71,9%	5,8%

#### Cumulative Operating Results 2010 (MUS\$)

MMUS\$ & % Revenues	Department Stores			Home Improvement			Supermarkets		
	1H 09	1H 10	Var %	1H 09	1H 10	Var %	1H 09	1H 10	Var %
Revenues	647,3	757,6	17,0%	975,5	1.119,8	14,8%	276,2	294,9	6,8%
COGS	-72,6%	-69,4%	11,8%	-72,4%	-71,6%	13,5%	-77,0%	-76,2%	5,8%
Gross Margin	27,4%	30,6%	30,8%	27,6%	28,4%	18,3%	23,0%	23,8%	10,2%
SGA w/o Depreciation	-24,8%	-21,6%	2,2%	-20,0%	-18,6%	6,7%	-20,5%	-19,4%	1,2%
EBITDA	2,6%	9,0%	299,2%	7,6%	9,8%	48,8%	2,6%	4,4%	82,9%
Operating Profit (Loss)	0,6%	7,3%	1351,8%	5,6%	8,3%	69,9%	-0,3%	1,6%	n/a

MMUS\$ & % Revenues	Promotora CMR			Plaza S.A.		
	1H 09	1H 10	Var %	1H 09	1H 10	Var %
Revenues	245,1	225,9	-7,8%	93,5	100,6	7,7%
COGS	-59,2%	-48,7%	-24,2%	-18,7%	-22,6%	30,0%
Gross Margin	40,8%	51,3%	15,8%	81,3%	77,4%	2,5%
SGA w/o Depreciation	-8,2%	-9,2%	4,0%	-9,4%	-10,3%	18,1%
EBITDA	0,0%	0,0%	n/a	84,8%	80,1%	1,8%
Operating Profit (Loss)	32,7%	42,1%	18,8%	71,9%	67,1%	0,5%



## 2. International Operations

During 2Q 2010, revenues from the International Operations totaled MUS\$53, more than twice the earnings in the same periods in the previous year and in the first quarter of this year.

The main reasons behind these results were the strong recovery in consumption in the region after the crisis, where there was a two-digit growth in all international operations, as well as a drop in expenses (as % of sales) of the company in all countries thanks to the continuing implementation of operating efficiency measures and the ongoing concern to keep actual costs low.

### Operating Results 2Q 2010 (MUS\$)<sup>1</sup>

MMUS\$ & % Revenues	Perú			Argentina			Colombia		
	2Q 09	2Q 10	Var %	2Q 09	2Q 10	Var %	2Q 09	2Q 10	Var %
Revenues	327,7	365,4	11,5%	108,2	139,5	29,0%	50,7	81,1	60,1%
COGS	-67,9%	-65,9%	8,2%	-66,2%	-62,8%	22,3%	-67,8%	-62,1%	46,7%
Gross Margin	32,1%	34,1%	18,6%	33,8%	37,2%	42,2%	32,2%	37,9%	88,4%
SGA w/o Depreciation	-19,6%	-17,7%	0,4%	-35,2%	-31,2%	14,2%	-33,3%	-32,1%	54,4%
EBITDA	12,4%	16,4%	47,3%	-1,5%	6,1%	n/a	-1,1%	5,8%	n/a
Operating Profit (Loss)	9,4%	12,5%	48,8%	-3,7%	4,3%	n/a	-5,4%	1,9%	n/a

### Cumulative Operating Results 2010 (MUS\$)<sup>1</sup>

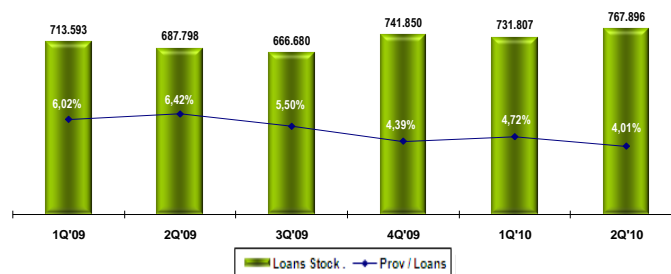
MMUS\$ & % Revenues	Perú			Argentina			Colombia		
	1H 09	1H 10	Var %	1H 09	1H 10	Var %	1H 09	1H 10	Var %
Revenues	640,0	689,4	7,7%	203,3	245,3	20,6%	97,9	144,6	47,8%
COGS	-68,9%	-67,0%	4,7%	-66,8%	-63,5%	14,7%	-65,7%	-61,7%	38,7%
Gross Margin	31,1%	33,0%	14,3%	33,2%	36,5%	32,6%	34,3%	38,3%	65,1%
SGA w/o Depreciation	-20,1%	-19,1%	2,3%	-35,9%	-32,8%	10,4%	-36,4%	-33,1%	34,6%
EBITDA	11,0%	13,9%	36,4%	-2,7%	3,6%	n/a	-2,1%	5,2%	n/a
Operating Profit (Loss)	8,0%	10,6%	43,0%	-5,4%	1,8%	n/a	-5,9%	1,2%	n/a

<sup>1</sup>Consolidated revenues include financial businesses. Sodimac does not consolidate in Colombia.

## VI. Credit Indicators

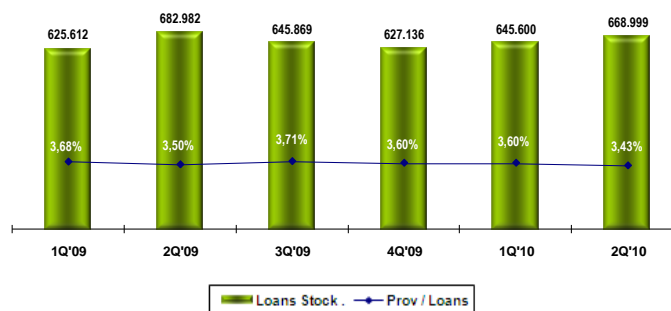
### 1. Loans and Provisions

#### CMR Chile



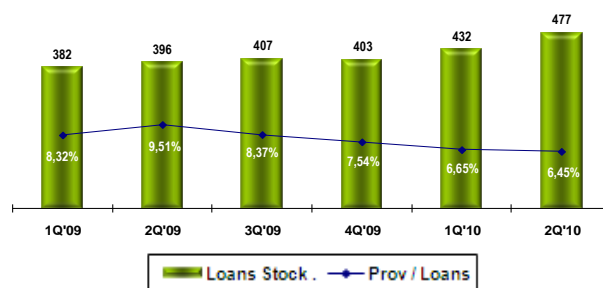
Note: Loans in MCLP\$ of each period

#### Banco Falabella Chile



Note: Loans in MCLP\$ of each period

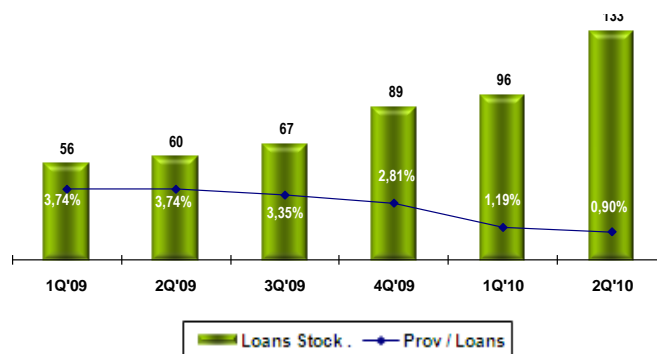
#### Banco Falabella Perú (Ex CMR Perú)<sup>2</sup>



Note: Loans in MCLP\$ of each period

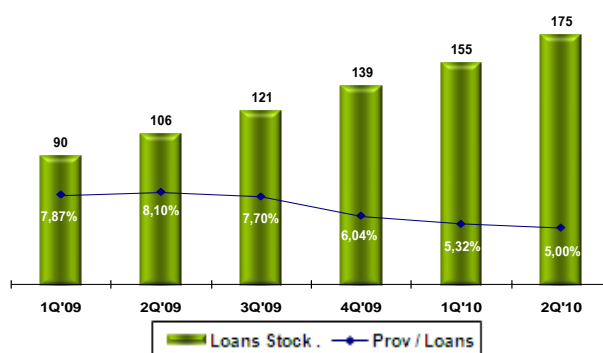
<sup>2</sup> Note: Banco Falabella Peru uses the provisions calendar issued by the Peruvian Banking and Insurance Commission. It has also maintained additional provisions required some time ago, even though the pro-cyclical rule is no longer in effect.

## CMR Argentina



Note: Loans in MCLP\$ of each period

## Financiera CMR Colombia



Note: Loans in MCLP\$ of each period

## 2. CMR Card Sales

### Percentage of Sales using CMR<sup>3</sup>

	1H 2009	2009	1Q 2010	1H 2010
Department Stores Chile	61,8%	61,8%	58,7%	60,2%
Home Improvement Chile	28,7%	28,7%	27,5%	30,5%
Supermarkets Chile	18,9%	19,5%	17,7%	19,1%
Retail Perú (Saga, Sodimac & Tottus)	48,7%	49,6%	47,7%	49,7%
Retail Argentina (Falabella & Sodimac)	30,5%	32,9%	39,5%	43,1%
Retail Colombia (Falabella & Sodimac)	14,0%	17,8%	21,1%	23,3%

As of June 2010, there were 2.1 million active CMR accounts in Chile, 947 thousand in Peru, 539 thousand in Argentina, and 579 thousand in Colombia.

<sup>3</sup> Percentage of sales using CMR: sales using the card as compared to all sales in each business.

## VII. Financial Structure

Liabilities as of June 30, 2010 totaled MCLP\$ 3.449.852 (MUS\$ 6.304). This meant that there was a leverage of 1.22.<sup>4</sup>

Total liabilities include Banco Falabella Chile, Banco Falabella Peru and CMR Colombia. Excluding these companies engaged in the banking business, total liabilities are MM\$ 2.408.288 (MUS\$ 4.401). The Leverage is 0.85 if liabilities of these finance companies are excluded.

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<sup>4</sup> Leverage= total liabilities divided by total shareholder's equity.

## VIII. FINANCIAL STATEMENTS OF S.A.C.I. FALABELLA ACCORDING IFRS

Income Statement	Cumulative	Cumulative	Quarterly	Quarterly
	January - June	January - June	March - June	March - June
	2010	2009	2010	2009
	M\$	M\$	M\$	M\$
<b>Non-Banking Operations</b>				
Revenues	1.917.387.478	1.701.117.848	1.028.472.359	855.944.909
Costs of sales	-1.275.992.560	-1.144.910.116	-678.976.562	-567.658.525
<b>Gross Margin</b>	<b>641.394.918</b>	<b>556.207.732</b>	<b>349.495.797</b>	<b>288.286.384</b>
Distribution Costs	-19.668.499	-19.334.713	-10.399.400	-10.189.558
Administrative Expenses	-350.809.256	-333.958.750	-187.994.535	-175.209.409
Other Non-Operating income	-40.828.313	-42.402.125	-14.026.281	-14.416.992
Other Non-Operating Expenses	-8.561.204	7.356.457	-615.306	3.179.967
Financial Income	8.768.611	6.608.516	2.362.166	5.992.893
Finance costs	-32.710.626	-68.180.731	-19.246.954	-18.308.424
Share of Profit in Associates	4.553.092	1.171.144	-166.450	-3.328.180
Exchange rate differences	-2.260.458	3.918.556	-1.251.172	-2.328.487
Gain (Loss) in inflation-index monetary units	-12.254.392	20.370.479	-6.514.464	-1.610.212
<b>Profit before tax income</b>	<b>187.623.873</b>	<b>131.756.565</b>	<b>111.643.401</b>	<b>72.067.982</b>
Income taxes	-31.277.964	-25.264.163	-18.908.330	-11.384.928
<b>Net Profit of Continuing Operations</b>	<b>156.345.909</b>	<b>106.492.402</b>	<b>92.735.071</b>	<b>60.683.054</b>
Gain/(Loss) of Non - Continuing Operations	0	0	0	0
<b>Net Profit of Non - Banking Operations</b>	<b>156.345.909</b>	<b>106.492.402</b>	<b>92.735.071</b>	<b>60.683.054</b>
<b>Banking Operations</b>				
Revenues from interest	90.231.948	81.408.117	47.194.949	42.697.090
Expenses for Interests	-22.440.516	-22.599.186	-12.286.908	-14.570.100
<b>Net Profit of Continuing Operations</b>	<b>67.791.432</b>	<b>58.808.931</b>	<b>34.908.041</b>	<b>28.126.990</b>
Revenues of Commissions	27.764.219	26.273.213	13.881.043	12.431.992
Cost of commissions	-3.356.942	-2.584.605	-1.764.572	-524.304
<b>Net Revenues of Commissions</b>	<b>24.407.277</b>	<b>23.688.608</b>	<b>12.116.471</b>	<b>11.907.688</b>
Net income of financial Operations	3.293.000	876.000	786.000	-695.000
Gain / (Loss) from exchange Operations	-306.326	2.049.424	-241.200	1.041.768
Other Operational Income	2.840.412	3.286.983	1.410.058	1.913.240
Provisions	-23.621.993	-30.112.806	-10.178.303	-15.402.999
<b>Total Net Operational Revenues</b>	<b>74.403.802</b>	<b>58.597.140</b>	<b>38.801.067</b>	<b>26.891.687</b>
Salaries and personnel expenses	-18.774.563	-15.154.567	-10.012.651	-7.338.653
SG&A Expenses	-13.349.091	-14.738.401	-6.380.375	-7.617.182
Depreciation and Amortization	-4.343.400	-3.997.274	-1.845.947	-1.920.894
Other Operational Expenses	-10.433.745	-7.319.762	-5.598.665	-2.456.130
<b>Total Operational Expenses</b>	<b>-46.900.799</b>	<b>-41.210.004</b>	<b>-23.837.638</b>	<b>-19.332.859</b>
<b>Operational Income</b>	<b>27.503.003</b>	<b>17.387.136</b>	<b>14.963.429</b>	<b>7.558.828</b>
Gain / (Loss) of Investment in Associates	186.525	44.851	83.333	37.470
<b>Net Profit Before Tax Expenses</b>	<b>27.689.528</b>	<b>17.431.987</b>	<b>15.046.762</b>	<b>7.596.298</b>
Tax Expenses	-7.172.778	-4.622.881	-3.930.765	-2.361.835
<b>Net Profit of Continuing Operations</b>	<b>20.516.750</b>	<b>12.809.106</b>	<b>11.115.997</b>	<b>5.234.463</b>
Gain/(Loss) of Non - Continuing Operations, after taxes				
<b>Net Profit of Banking Operations</b>	<b>20.516.750</b>	<b>12.809.106</b>	<b>11.115.997</b>	<b>5.234.463</b>
<b>Net Income / (Loss)</b>	<b>176.862.659</b>	<b>119.301.508</b>	<b>103.851.068</b>	<b>65.917.517</b>
<b>Net Profit attributable to:</b>				
Net Profit attributable to equity holders of the parent	162.372.666	106.118.112	95.524.694	57.010.199
Net Profit attributable to non-controlling interest	14.489.993	13.183.396	8.326.374	8.907.318
<b>Net Income / (Loss)</b>	<b>176.862.659</b>	<b>119.301.508</b>	<b>103.851.068</b>	<b>65.917.517</b>

	SACI Falabella 30-Jun-10 M\$	SACI Falabella 31-Dec-09 M\$	SACI Falabella 01-Jan-09 M\$
<b>Assets</b>			
<b>Non-Banking Operations</b>			
<b>Current Assets</b>			
Cash and cash equivalents	91.931.809	125.316.148	71.547.364
Other current Financial Assets	15.358.679	491.787	7.821.367
Other current Assets, non Financial	18.693.048	14.038.044	17.439.150
Current trade and other receivables	847.342.183	833.849.002	884.291.933
Notes and accounts receivable from related parties	3.477.661	3.216.972	6.590.893
Inventories	487.180.423	436.254.693	526.222.510
Recoverable taxes	36.694.750	33.828.360	67.581.474
<b>Total Current Assets</b>	<b>1.500.678.553</b>	<b>1.446.995.006</b>	<b>1.581.494.691</b>
<b>Non- Current Assets</b>			
Other non-current financial assets	3.215	3.215	2.765
Other non- current assets	16.005.607	15.583.987	10.468.741
Non-current trade and other receivables	183.288.318	150.917.087	128.693.451
Non-current notes and accounts receivable from related parties	672.335	821.641	964.884
Investments in other societies	98.342.096	89.292.119	116.247.638
Net Intangibles Assets	149.908.623	147.033.032	143.873.351
Goodwill	260.273.967	260.273.967	260.031.497
Property, Plant and Equipment	1.232.984.931	1.184.672.057	1.259.844.999
Investment Property	1.496.437.262	1.486.225.996	1.430.033.172
Deferred tax assets	69.051.102	75.775.009	87.184.332
<b>Total non - current assets</b>	<b>3.506.967.456</b>	<b>3.410.598.110</b>	<b>3.437.344.830</b>
<b>Total Non Banking Operations Assets</b>	<b>5.007.646.009</b>	<b>4.857.593.116</b>	<b>5.018.839.521</b>
<b>Assets from Banking Operations</b>			
Cash and bank deposits	91.346.459	71.001.816	64.632.449
Near Cash Items	38.272.111	4.844.425	10.419.223
Short term investments	112.599.889	89.160.575	128.122.777
Financial Derivatives	11.695.000	18.285.000	49.647.000
Other banks Receivables	5.000.000	-	31.707.000
Loans and Receivables	956.659.213	846.678.254	866.303.626
Investments in other societies	1.704.044	1.552.416	1.868.735
Intangibles Assets	9.569.910	9.087.286	6.612.009
Fixed Assets	18.186.946	18.618.338	21.796.432
Current taxes	268.524	1.804.158	3.387.870
Deferred taxes	7.714.406	6.526.747	6.064.287
Other Assets	8.520.018	8.544.124	7.634.625
<b>Total Assets of Banking operations</b>	<b>1.261.536.520</b>	<b>1.076.103.139</b>	<b>1.198.196.033</b>
<b>Total Assets</b>	<b>6.269.182.529</b>	<b>5.933.696.255</b>	<b>6.217.035.554</b>

	SACI Falabella 30-Jun-10 M\$	SACI Falabella 31-Dec-09 M\$	SACI Falabella 01-Jan-09 M\$
<b>Net Equity and Total Liabilities</b>			
<b>Non Banking Operations</b>			
<b>Current Liabilities</b>			
Other current financial liabilities	405.031.690	379.609.654	892.127.620
Current trade and other current accounts payable	492.472.234	527.634.702	602.049.721
Current notes and accounts payable to related companies	5.647.538	7.422.745	6.867.587
Other Current Provisions	15.365.036	15.285.730	5.310.732
Current tax payable	32.108.427	18.988.135	25.462.250
Employee Benefit Liabilities	529.945	486.655	569.958
Other current liabilities	50.081.283	56.669.675	51.487.841
<b>Total Current Liabilities</b>	<b>1.001.236.153</b>	<b>1.006.097.296</b>	<b>1.583.875.709</b>
<b>Non- Current Liabilities</b>			
Other non-current financial liabilities	1.139.314.355	1.162.565.253	912.665.579
Other non-current liabilities	598.838	154.812	3.566.707
Accounts payable to related companies, Non-Current	11.138	-	-
Long term Provisions	217.093	190.688	236.675
Deferred tax liabilities	238.728.173	249.686.247	247.741.602
Non-current employee benefit liabilities	8.161.623	7.563.285	7.015.344
Other Non-current Liabilities	20.020.452	19.118.621	19.272.210
<b>Total Non-current Liabilities</b>	<b>1.407.051.672</b>	<b>1.439.278.906</b>	<b>1.190.498.117</b>
<b>Total Non banking Operations Liabilities</b>	<b>2.408.287.825</b>	<b>2.445.376.202</b>	<b>2.774.373.826</b>
<b>Liabilities from banking Operations</b>			
Deposits and others	43.365.112	35.559.096	27.454.119
Near cash Liabilities	37.004.000	2.678.000	6.269.000
Deposit taken	516.941.222	504.014.094	590.564.358
Financial Derivatives	10.802.888	19.484.904	49.091.881
Liabilities with other banks	21.216.382	19.501.638	63.171.926
Debt instruments issued	299.602.299	208.660.234	189.835.462
Other Financial Liabilities	63.361.228	63.841.162	54.278.021
Current tax payable	3.569.573	761.791	1.096.215
Deferred tax liabilities	4.750.734	4.545.417	3.578.770
Provisions	2.805.205	1.590.395	905.605
Other Liabilities	38.145.772	21.311.338	22.295.105
<b>Total liabilities from banking Operations</b>	<b>1.041.564.415</b>	<b>881.948.069</b>	<b>1.008.540.462</b>
<b>Total Liabilities</b>	<b>3.449.852.240</b>	<b>3.327.324.271</b>	<b>3.782.914.288</b>
<b>Shareholder's Equity</b>			
Paid-in Capital	543.589.652	532.663.437	536.178.742
Retained earnings	1.776.266.554	1.633.478.446	1.450.312.360
Other Reserves	(10.097.243)	(50.028.574)	3.479.694
<b>Equity attributable to equity holders of the parent</b>	<b>2.309.758.963</b>	<b>2.116.113.309</b>	<b>1.989.970.796</b>
Non-controlling interest	509.571.326	490.258.675	444.150.470
<b>Total Shareholder's Equity</b>	<b>2.819.330.289</b>	<b>2.606.371.984</b>	<b>2.434.121.266</b>
<b>Total Shareholder's Equity and Total Liabilities</b>	<b>6.269.182.529</b>	<b>5.933.696.255</b>	<b>6.217.035.554</b>



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The information in this report was prepared on the basis of the Consolidated Financial Statements reported to the Securities and Insurance Commission (SVS).

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