



**EARNINGS
REPORT**
4th Quarter
2013

SACI
FALABELLA





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Notes:

- All dollar figures are calculated based on the observed exchange rate as of January 1st 2014: 524.6 \$/US\$.
- Symbols for quarters: 1Q, 2Q, 3Q and 4Q, accordingly.
- Other symbols for periods of the year: 1H for the first half of the year and 9M for the first nine months of the year.
- Currency symbols: CLP: Chilean pesos; US\$: U.S. dollars; M: million, TH: thousand.



I. Executive Summary

During the fourth quarter of 2013, consolidated revenues reached a total of MCLP 1,998,344 (MUS\$ 3,809), achieving a growth of 16.4% compared to the same period of 2012. Meanwhile, in cumulative terms as of December 2013, revenues reached MCLP 6,659,641 (MUS\$ 12,694), increasing by 12.3% compared to the same period of the previous year. Higher revenues are explained by the additional sales area added over the last twelve months, including the acquisition of Construdecor in Brazil, as well as positive same store sales (SSS) growth in the retail operations. The performance of the Colombian operations should be highlighted, as Falabella and Sodimac achieved positive SSS growth, reversing the negative trend observed since the end of 2012.

In turn, the consolidated loan portfolio reached a total of MCLP 3,201,646 (MUS\$ 6,103) as of December 31st, showing an increase of 8.9% in comparison to the same period of the previous year, explained mainly by our operations in Chile. In the case of Banco Falabella, the loan portfolio increased 11.4% in the quarter. While, on the other hand, CMR achieved an increase of 4.9%, showing a higher growth rate compared to recent quarters.

The gross profit showed an increase of 18.1% in the quarter, reaching MCLP 728,952 (MUS\$ 1,390), whereas the gross margin increased 0.5 percentage points compared to the same period in 2012. This was due to the positive performance obtained mainly by Tottus in Chile as well as in Peru, and our financial business, due to a lower risk, primarily in CMR Chile and Banco Falabella in Colombia.

The SG&A expenses of the quarter rose to MCLP 461,999 (MUS\$ 881), compared to the MCLP 389,923 (MUS\$ 743) obtained in the fourth quarter of 2012. Meanwhile, as a percentage of revenues, SG&A expenses showed an increase of 0.4 percentage points in comparison to 2012 mainly due to delays in store openings and shopping malls.

During the fourth quarter, consolidated EBITDA rose to MCLP 311,986 (MUS\$ 595), implying an increase of 17.3%, meanwhile, the EBITDA margin increased 0.1 percentage points compared to the same period of 2012.

The consolidated net profit achieved an increase of 14.7% in comparison to the same period of 2012, reaching MCLP 168,025 (MUS\$ 320) in the fourth quarter, while the accumulated net profit increased to MCLP 443,827 (MUS\$ 846). It is important to highlight that the net income does not include asset revaluation of our investment properties, as the company adopted the historic cost method in 2009.

In the fourth quarter, 4 shopping malls were opened, 3 in Chile (Mall Plaza Egaña in Santiago, Open Plaza Ovalle and Open Plaza Rancagua) and 1 in Peru (Open Plaza Pucallpa). Additionally, during the quarter 17 new stores were opened in the region. Falabella opened 4 department stores, 2 in Chile (Ovalle and Egaña) and 2 in Peru (Pucallpa and Ica). In turn, Sodimac opened 5 stores: 1 store in Chile (Ovalle), 2 in Peru (Sullana and Pucallpa) and 2 in Colombia (Rionegro and Chía). Finally, Tottus opened 8 stores, 4 of them in Chile (El Trébol, Egaña, Ovalle and Quilpué), and 4 in Peru (Pacasmayo, Arequipa Parra, Sullana and Pucallpa).



II. Consolidated Income Statement as of December 31st, 2013

Consolidated Income Statement 4Q 2013 (MCLP)

<i>MCLP</i>	4Q 2012	% Rev.	4Q 2013	% Rev.	Var. 13/12
Revenues of Non-Banking Operations	1,605,023		1,872,631		16.7%
Revenues of Banking Operations	111,898		125,713		12.3%
TOTAL REVENUES	1,716,921		1,998,344		16.4%
COGS of Non-Banking operations	(1,040,663)	-64.8%	(1,214,192)	-64.8%	16.7%
Cost of Banking Operations	(58,958)	-52.7%	(55,200)	-43.9%	-6.4%
GROSS PROFIT	617,300	36.0%	728,952	36.5%	18.1%
SG&A Expenses	(389,923)	-22.7%	(461,999)	-23.1%	18.5%
Operational Income	227,377	13.2%	266,953	13.4%	17.4%
Depreciation+Amortization	38,663	2.3%	45,033	2.3%	16.5%
EBITDA	266,040	15.5%	311,986	15.6%	17.3%
Other Non- Operating Income / (Expenses)	3,218		8,535		165.2%
Net Financial Income / (Cost)	(27,057)		(34,276)		26.7%
Profit / (loss) in Associates	5,612		5,869		4.6%
Exchange rate differences	(1,511)		(4,896)		224.0%
Non- Operating Profit	(19,738)	-1.1%	(24,768)	-1.2%	25.5%
Profit Before Tax Expenses	207,640	12.1%	242,185	12.1%	16.6%
Income Tax	(44,316)		(55,166)		24.5%
Minority Interest	(16,887)		(18,994)		12.5%
NET PROFIT / (LOSS)	146,437	8.5%	168,025	8.4%	14.7%

Consolidated Income Statement 2013 (MCLP)

<i>Millones de Pesos</i>	2012	% Ingresos	2013	% Ingresos	Var. 13/12
Ingresos de Negocios no bancarios	5,518,595		6,199,572		12.3%
Ingresos por Servicios bancarios	411,461		460,069		11.8%
Total Ingresos	5,930,056		6,659,641		12.3%
Costo de ventas no bancarios	(3,696,231)	-67.0%	(4,096,443)	-66.1%	10.8%
Costo de ventas bancarios	(215,603)	-52.4%	(209,999)	-45.6%	-2.6%
Ganancia Bruta	2,018,221	34.0%	2,353,199	35.3%	16.6%
GAV	(1,394,722)	-23.5%	(1,618,303)	-24.3%	16.0%
Resultado Operacional	623,499	10.5%	734,896	11.0%	17.9%
Depreciación+Amortización	142,845	2.4%	167,385	2.5%	17.2%
EBITDA	766,344	12.9%	902,281	13.5%	17.7%
Otras ganancias (pérdidas)	4,067		7,301		79.5%
Ingreso / (Costo) Financiero Neto	(94,774)		(107,159)		13.1%
Ganancia / (pérdida en asociadas)	20,449		18,294		-10.5%
Diferencias de cambio	(147)		(12,464)		8,368.6%
Resultado No Operacional	(70,405)	-1.2%	(94,028)	-1.4%	33.6%
Resultado antes de Impuestos	553,094	9.3%	640,868	9.6%	15.9%
Impuesto a la renta	(142,935)		(143,760)		0.6%
Interés minoritario	(38,293)		(53,280)		39.1%
Ganancia / (Pérdida) Neta	371,867	6.3%	443,827	6.7%	19.4%



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Summary of Consolidated Balance Sheet - December 2013 (MCLP)

<i>MCLP</i>	12/31/2012	12/31/2013	Var. 13/12
Current Assets - Non Banking Business	2,295,909	2,697,881	17.5%
Non Current Assets - Non Banking Business	4,044,665	4,479,917	10.8%
Total Assets - Non Banking Business	6,340,575	7,177,798	13.2%
Total Assets - Banking Business	2,300,551	2,717,515	18.1%
Total Assets	8,641,125	9,895,313	14.5%
Current Liabilities - Non Banking Business	1,523,373	1,752,340	15.0%
Non Current Liabilities - Non Banking Business	1,733,166	2,019,233	16.5%
Total Liabilities - Non Banking Business	3,256,538	3,771,573	15.8%
Total Liabilities - Banking Business	1,910,214	2,299,094	20.4%
Total Liabilities	5,166,752	6,070,667	17.5%
Total Equity	3,474,373	3,824,646	10.1%
Total Liabilities + Equity	8,641,125	9,895,313	14.5%

Summary of Consolidated Cash Flow – December 2013 (MCLP)

<i>MCLP</i>	12/31/2012	12/31/2013	Var. 13/12
Cash flow from operating activities - Non Banking Business	602,069	480,142	-20.3%
Cash flow from operating activities - Banking Operations	142,877	64,880	-54.6%
Cash flow from operating activities	744,945	545,022	-26.8%
Cash flow from investment activities - Non Banking Business	-457,416	-529,279	15.7%
Cash flow from investment activities - Banking Operations	-29,394	-58,416	98.7%
Cash flow from investment activities	-486,810	-587,695	20.7%
Cash flow from financing activities - Non Banking Business	-67,054	120,037	-279.0%
Cash flow from financing activities - Banking Operations	-24,977	-6,530	-73.9%
Cash flow from financing activities	-92,031	113,507	-223.3%
Impact of exchange rate differences on cash and cash equivalents	-5,721	8,551	-249.5%
Increase (decrease) in cash and cash equivalents	166,104	70,833	-57.4%
Cash and cash equivalents at the beginning of the period	407,923	568,306	39.3%
Cash and cash equivalents at the end of the period	568,306	647,690	14.0%



1. Operational Result

During the fourth quarter of 2013, revenues from non-banking business increased 16.7%, mainly due to the sales area growth, having added up to approximately 280,000 m² during the last twelve months, including the integration of Construdecor. Additionally, it is worth mentioning the positive performance of the retail operations, which was reflected in positive same store sales (SSS) growth, highlighting the operations in Colombia which achieved positive SSS after a period of deceleration, the solid growth in Brazil six months after the acquisition, as well as the growth observed in Tottus Chile and Peru, and Falabella Peru.

Regarding our banking operations, revenues grew by 12.3% compared to the fourth quarter of 2012, due to the loan portfolio growth in our banking operations in Chile, Peru and Colombia, given the increased dynamism observed in the different markets.

In turn, gross profit grew by 18.1%, rising to MCLP 728,952 (MUS\$ 1,390), increasing the gross margin by 0.5 percentage points. This higher margin is explained mainly by the growth in Tottus Peru and Chile due to the optimization of the commercial proposal, and in the case of the financial businesses, due to CMR Chile and Banco Colombia, due to lower write-offs and provisions.

The SG&A expenses, measured as a percentage of consolidated revenues, showed a 0.4 percentage point increase. This is explained by some delays in the openings and labor expenses. Nevertheless, this implies a smaller increase compared to what it had been observed in recent quarters as a response to expense control initiatives adopted by our business units.

As a result, consolidated EBITDA corresponding to the fourth quarter rose to MCLP 311,986 (MUS\$ 595), while in cumulative terms it reached MCLP 902,281 (MUS\$ 1,720).

Operating income during the period reached MCLP 266,953 (MUS\$ 509), implying an increase of 17.4% compared to the same quarter of 2012. In cumulative terms for the twelve months of 2013, operating income rose to MCLP 734,896 (MUS\$ 1,401).

2. Non-Operating Result

The non-operating result was a loss of MCLP 24,768 (MUS\$ 47), implying a further loss of 25.5% compared to the fourth quarter of 2012. This lower non-operating result was mainly due to a higher net financial cost given a higher level of debt in Mall Plaza over the previous year, and depreciation of the local currencies of the countries where the company operated, vis-à-vis the US dollar during this quarter.

As a result, net income during the quarter rose to MCLP 168,025 (MUS\$ 320), or 14.7% higher compared to the same period of the previous year. It should be noted that the net income does not include asset revaluation of our investment properties, as the company adopted the historic cost method in 2009.



3. Consolidated Balance

Non-banking business current assets increased by MCLP 401,972 compared to December 2012, mainly explained by the increase in inventory, the increase in current trade and other accounts receivable, and higher cash and cash equivalents. In turn, non-banking non-current assets grew by MCLP 435,252, explained by higher property, plant and equipment and investment properties. Meanwhile, total assets of banking operations increased by MCLP 416,964 compared to December 2012, given the rise on investment securities available for sale and loans and accounts receivable from clients, which more than compensate the decrease in financial assets held for trading. As a result, total assets increased by MCLP 1,254,188.

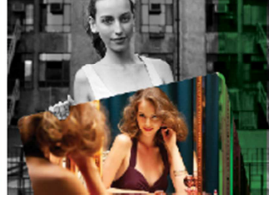
Non-banking business current liabilities increased by MCLP 228,967 compared to December 2012, explained by higher current trade and other accounts payable, and other financial liabilities; while non-banking operations non-current liabilities saw an increase of MCLP 286,068 mainly due to higher non-current financial liabilities. This is due to the issuance of a bond in the international markets and a debt refinancing that took place after that. On the other hand, the total liabilities of banking operations increased by MCLP 388,881 due to higher deposits and other time deposits. As a result, total liabilities increased by MCLP 903,915.

4. Consolidated Cash Flow

Non-banking business cash flow from operating activities decreased MCLP 121,927 as of December 2013 compared to the same period last year, given that the increase in proceeds to clients was lower than the increase in payments to suppliers and employees. Banking operations cash flow from operating activities decreased MCLP 77,997 due to a higher investment in instruments held for trading. As a result, consolidated cash flow from operating activities decreased by MCLP 199,924 in the period.

Non-banking business cash flow from investing activities was MCLP 71,863 greater (negative) when compared to 2012, due to the purchasing of subsidiaries like Construdecor and Mall Las Americas, and higher disbursements due to fixed asset purchases. Banking operations cash flow from investing activities was MCLP 29,022 greater (negative) compared to the same period of the previous year, due to an increased investment in financial instruments. As a result, cash flow from consolidated investing activities as of December 2013 was MCLP 100,885 greater (negative) compared to the same period in 2012.

Non-banking business cash flow from financing activities at December 2013 was MCLP 187,091 higher than the previous year, explained mainly by higher proceeds from long and short term loans. Banking operations cash flow from financing activities saw an increase of MCLP 18,447 as of December 2013, mainly due to obtained proceeds from loans. As a result, cash flow from financing activities was MCLP 205,538 higher than the same period in 2012.



III. Main Events during the Period

- During the fourth quarter 17 new stores were opened in the region:
 - Sodimac opened five new stores:
 - In Peru, in the cities of Sullana and Pucallpa, with a sales area of 6,900 m² and 6,000 m² respectively.
 - In Colombia, in the cities of Rionegro and Chia, with a sales area of 6,900 m² and 8,900 m² respectively.
 - In Chile, in the city of Ovalle, with a sales area of 9,200 m².
 - Falabella opened four new stores:
 - In Chile, in the cities of Ovalle and Santiago, with a sales area of 5,000 m² and 9,700 m² respectively.
 - In Peru, in the cities of Ica and Pucallpa, with a sales area of 5,000 m² and 3,000 m² respectively.
 - Tottus opened eight new stores:
 - In Chile, in the cities of Santiago, Ovalle, Talcahuano and Quilpué, with a sales area of 3,700 m², 3,600 m², 5,400 m² and 1,700 m² respectively.
 - In Peru, in the cities of Pacasmayo, Arequipa, Sullana and Pucallpa, with a sales area of 2,600 m², 1,600 m², 3,600 m² and 4,800 m² respectively.

- During the fourth quarter 4 shopping malls were opened in the region:
 - In Chile the following three shopping malls were opened:
 - Mall Plaza Egaña, in Santiago, with a GLA of 47,000 m² in its first stage, being the first sustainable shopping center in the country, with LEED Gold certification.
 - Open Plaza Rancagua, with a GLA of 24,000 m².
 - Open Plaza Ovalle, with a GLA of 37,000 m².
 - In Peru, the first stage of Open Plaza Pucallpa was opened, with a GLA of 22,000 m².

- Additionally, three new Americanino standalone stores were inaugurated, in Portal Temuco, Open Plaza Ovalle and Open Plaza Rancagua in Chile. In Mall Plaza Egaña, five new standalone stores were opened, including Aldo, Mango, Mango H.E., Call It Spring and La Martina.

- During the quarter, Falabella launched a new exclusive make up brand, Inglot, which is recognized for its innovative approach on colors and palettes. The brand is initially available in the Parque Arauco, Egaña and Manquehue stores, as well as in Falabella.com.

- In November, Móvil Falabella was launched in Chile as a Mobile Virtual Network Operator (MVNO), reaching full coverage across the country with 120 point of sales and over 60,000 new lines by the end of 2013.

- In November, the prepayment of the Series D Bond (BFALA-D) of SACI Falabella was announced. This bond was issued in June 2005 for an amount of UF 3.5 million and expiration date December 1st 2025. The prepayment corresponds for the payment of interest and amortization of December 1st, 2013.



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- On November 20th 2013, a new legislation which reduces the Maximum Cap Rate was approved in Chile. This regulation started to be implemented on December 13th, 2013, initially decreasing from approximately 54% to 48% the rate which affects loans for amounts below 200 UF.

Recent events

- Since the beginning of the year, five new stores were opened within the region:
 - In January, Tottus opened two new stores in the region: one in Peru, in the district of San Borja, in the city of Lima, with a sales area of approximately 3,300 m²; and another one in Chile, in the city of Concón, with a sales area of 2,500 m².
 - Additionally, in January the Dicico store located in the municipality of Teotônio Vilela in Brazil was reopened, with a surface area of 2,800 m².
 - In turn, in February Sodimac opened a new store in Colombia, in the city of Bogota, being the first store with the Sodimac Constructor format in that country, with a sales area of approximately 2,500 m². Additionally, in February Tottus opened a new store in Peru, in the district of Miraflores in Lima, with a sales area of approximately 1,000 m².
- In January, Falabella announced its organic growth plan for the period 2014-2017, which considers an investment of US\$ 4,100 million, in order to increase its regional coverage and strengthen its logistic and technological operations. This four year plan represents an increase of US\$ 1,100 million compared to the one announced in January 2013. 63% of the investment plan will go to open 157 new stores and 15 shopping malls. Additionally, around US\$ 550 million will be allocated to remodeling and expanding existing stores, seeking to improve the shopping experience of clients and keep quality and service standards.



IV. Retail Indicators

1. Retail Business Revenues

Retail Revenues 4Q 2013¹ (MUS\$)
(Nominal Chilean pesos, translated to USD at the observed Exchange rate of January 1st 2014)

RETAIL REVENUES	4Q '12	4Q '13	Var. 13/12	Var. Local Currency ²
CHILE				
Department Stores	659	725	10.1%	10.1%
Home Improvement	810	893	10.2%	10.2%
Supermarkets	252	291	15.3%	15.3%
PERU				
Department Stores	267	296	10.9%	9.8%
Home Improvement	130	153	18.1%	17.5%
Supermarkets	237	277	17.1%	16.2%
ARGENTINA				
Department Stores	160	197	22.7%	43.0%
Home Improvement	60	72	19.9%	39.9%
COLOMBIA				
Department Stores	197	232	18.1%	15.5%
Home Improvement	316	367	16.1%	13.3%
BRAZIL				
Home Improvement		97		

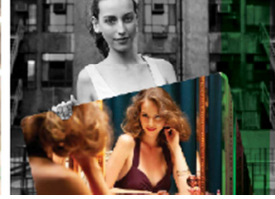
Retail Revenues 2013 (MUS\$)³
(Nominal Chilean pesos, translated to USD at the observed Exchange rate of January 1st 2014)

RETAIL REVENUES	2012	2013	Var. 13/12	Var. Local Currency ²
CHILE				
Department Stores	2,083	2,254	8.2%	8.2%
Home Improvement	3,034	3,301	8.8%	8.8%
Supermarkets	884	1,021	15.5%	15.5%
PERÚ				
Department Stores	850	932	9.6%	10.2%
Home Improvement	471	550	16.8%	17.5%
Supermarkets	792	907	14.5%	15.1%
ARGENTINA				
Department Stores	539	620	15.1%	35.9%
Home Improvement	202	245	21.0%	42.5%
COLOMBIA				
Department Stores	543	606	11.6%	13.3%
Home Improvement	1,180	1,302	10.3%	12.6%
BRAZIL				
Home Improvement		192		

¹ Excludes revenues from credit business.

² Sales variation in local currency does not reflect the effects of exchange rate in the translations of the financial statements.

³ Revenues for Home Improvement in Brazil are considered from July 1st 2013 onwards, date on which the operation started consolidating.



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Same Store Sales (SSS) Growth⁴

(All growths have been calculated in nominal terms and in local currency of each country)

SAME STORE SALES	2012				2012	2013				2013
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	
CHILE										
Department Stores	9.4%	1.6%	0.2%	2.0%	3.0%	-0.8%	4.7%	8.2%	7.4%	5.0%
Home Improvement	10.6%	11.8%	10.9%	5.7%	9.6%	3.4%	7.7%	6.4%	8.9%	6.6%
Supermarkets	9.5%	7.5%	9.0%	6.4%	8.0%	8.0%	8.5%	6.7%	8.4%	7.4%
PERU										
Department Stores	12.0%	5.8%	10.8%	7.3%	8.7%	4.6%	6.5%	1.5%	9.6%	5.9%
Home Improvement	15.7%	7.4%	14.1%	17.3%	13.8%	10.8%	10.9%	8.7%	0.1%	7.3%
Supermarkets	15.0%	10.9%	19.6%	12.8%	14.4%	8.5%	7.2%	2.7%	9.2%	6.9%
ARGENTINA										
Department Stores	20.5%	12.0%	15.6%	19.0%	16.7%	24.3%	31.1%	32.0%	36.1%	31.6%
Home Improvement	27.4%	36.0%	25.7%	17.9%	25.9%	31.1%	25.9%	21.8%	38.8%	29.7%
COLOMBIA										
Department Stores	19.9%	12.3%	7.6%	0.0%	8.1%	-0.4%	-3.2%	-7.4%	9.1%	0.8%
Home Improvement	8.8%	3.9%	1.7%	-0.9%	3.1%	-2.2%	0.5%	2.2%	6.5%	1.9%
BRAZIL										
Home Improvement								8.5%	13.3%	

⁴ From the first quarter of 2013 on, SSS include revenues generated by our online channel (applying to the businesses where this operation is implemented). Figures of the previous quarters were corrected in order to show this adjustment, and therefore differ from earlier published quarterly reports.



2. Number of Stores and Selling Area of Retail Businesses⁵

Sales Area	December 2012		December 2013	
	Area (m ²)	Stores	Area (m ²)	Stores
Chile				
Department Stores	266,228	38	282,358	40
Expos Falabella Retail	4,680	4	2,701	4
Home Improvement	652,237	80	675,744	82
Supermarkets	154,908	43	171,248	48
Peru				
Department Stores	132,072	19	148,881	23
Home Improvement	138,606	18	179,779	24
Supermarkets	140,392	33	160,073	40
Argentina				
Department Stores	59,449	11	59,449	11
Home Improvement	74,785	7	74,785	7
Colombia				
Department Stores	91,236	14	97,174	15
Home Improvement	296,280	29	318,486	32
Brazil				
Home Improvement	0	0	120,905	56
Total Stores	2,010,872	296	2,288,805	382

3. Number of Shopping Malls and GLA of Real Estate Operators⁶

GLA	December 2012		December 2013	
	Area (m ²)	Shopping Malls	Area (m ²)	Shopping Malls
Mall Plaza - Chile	980,000	12	1,093,000	14
Soc. Rentas Falabella - Chile	172,781	7	233,906	9
Aventura Plaza - Peru	224,000	4	239,000	4
Open Plaza - Peru	206,324	7	227,831	8
Mall Plaza - Colombia	26,000	1	26,000	1
Total Real Estate	1,609,105	31	1,819,737	36

Furthermore, the Group owns 708,000 m² of additional GLA in free standing locations of Falabella, Sodimac and Tottus.

⁵ During 2013 selling area was recounted, which may imply differences in the information published in December 2012.

⁶ Sociedad de Rentas Falabella includes Power Centers (locations where there are 2 formats of the group as anchors and smaller shops) and Shopping Centers (locations with 3 formats of the group as anchors as well as smaller shops) other than those operated by Mall Plaza.



4. Sales per Square Meter of Retail Businesses⁷

Sales per square meter – 4Q 2013 (US\$ / m²)

	4Q '12	4Q '13	Var. 13/12
CHILE			
Department Stores	2,696	2,742	1.7%
Home Improvement	1,353	1,362	0.7%
Supermarkets	1,820	1,866	2.6%
PERU			
Department Stores	2,138	2,201	2.9%
Home Improvement	961	1,009	5.0%
Supermarkets	1,916	1,997	4.2%
ARGENTINA			
Department Stores	2,720	3,336	22.7%
Home Improvement	854	958	12.2%
COLOMBIA			
Department Stores	2,532	2,470	-2.4%
Home Improvement	1,236	1,227	-0.7%
BRAZIL			
Home Improvement		805	
TOTAL	2,224	2,267	1.9%

Sales per square meter – 2013 (US\$ / m²)

	2012	2013	Var. 13/12
CHILE			
Department Stores	8,134	8,290	1.9%
Home Improvement	4,917	4,985	1.4%
Supermarkets	6,057	6,261	3.4%
PERU			
Department Stores	6,813	6,729	-1.2%
Home Improvement	3,486	3,472	-0.4%
Supermarkets	6,240	6,245	0.1%
ARGENTINA			
Department Stores	9,093	10,465	15.1%
Home Improvement	2,891	3,274	13.2%
COLOMBIA			
Department Stores	6,777	6,440	-5.0%
Home Improvement	4,404	4,239	-3.7%
TOTAL	5,617	5,662	0.8%

⁷ Revenues divided by average area of the period. Amounts in dollars in both periods were translated at observed exchange rate of 2013, and therefore, the observed variation corresponds to the variation in Chilean pesos and not in local currency. The "Total" sale per square meter corresponds to the sum of revenues from the retail business divided by the average total surface of stores for the period. Revenues of each business unit include all channels, including the online channel.



EARNINGS REPORT 4th Quarter 2013 **SACI FALABELLA**

V. Credit Indicators

1. Loans Portfolio^{8,9}

CREDIT INFORMATION			1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13
CHILE CMR (Card)	TOTAL GROSS LOANS	M CLP	1,062,622	1,047,342	998,000	1,014,272	953,839	935,829	950,348	1,064,208
	PROVISIONS	M CLP	-45,582	-51,105	-50,866	-46,972	-43,716	-41,265	-39,314	-38,389
	WRITE-OFFS	M CLP	16,040	34,454	56,555	76,925	18,978	31,410	43,263	53,458
	OPEN ACCOUNTS (with balance)	#	2,075,779	2,084,857	2,064,315	2,090,173	2,057,981	2,048,103	2,042,300	2,115,368
	DURATION	MONTHS	4.6	4.6	4.4	4.0	3.8	4.0	4.0	3.9
	AVERAGE LOAN	CLP	511,626	502,357	483,453	485,257	463,483	456,924	465,332	503,084
PERU BANK	TOTAL GROSS LOANS	MSOL	1,868	2,121	2,204	2,335	2,256	2,421	2,393	2,529
	PROVISIONS	MSOL	-138	-148	-152	-165	-169	-179	-178	-185
	WRITE-OFFS	MSOL	23	53	80	103	33	64	93	116
	OPEN ACCOUNTS (with balance)	#	913,705	950,534	921,032	949,012	949,032	948,672	928,817	939,214
	DURATION	MONTHS	9.1	9.2	9.5	9.0	9.3	9.2	9.5	9.3
	AVERAGE LOAN	SOL	2,044	2,231	2,393	2,460	2,377	2,552	2,576	2,693
COLOMBIA BANK	TOTAL GROSS LOANS	M COP	990,669	1,056,028	1,051,451	1,073,011	1,013,531	1,039,039	1,064,317	1,160,903
	PROVISIONS	M COP	-62,941	-76,592	-78,833	-80,174	-77,071	-77,995	-75,088	-75,050
	WRITE-OFFS	M COP	9,573	21,016	39,073	59,087	20,226	37,547	52,871	67,448
	OPEN ACCOUNTS (with balance)	#	588,484	609,767	614,514	650,425	649,450	669,422	692,658	730,740
	DURATION	MONTHS	7.6	7.4	7.1	6.6	6.6	6.7	6.8	6.9
	AVERAGE LOAN	COP	1,683,426	1,731,855	1,711,028	1,649,707	1,560,598	1,552,144	1,536,570	1,588,667
CMR ARGENTINA (Card)	TOTAL GROSS LOANS	M ARG	1,020.1	1,053.7	1,050.4	1,207.9	1,275.9	1,397.0	1,507.5	1,846.9
	PROVISIONS	M ARG	-23.7	-28.1	-26.7	-29.0	-31.0	-32.2	-27.7	-32.1
	WRITE-OFFS	M ARG	5.7	12.8	25.1	34.1	10.6	20.1	29.2	24.6
	OPEN ACCOUNTS (with balance)	#	524,596	515,349	504,812	515,785	515,364	519,358	519,748	546,385
	DURATION	MONTHS	3.4	3.4	3.3	3.3	3.6	3.4	3.6	3.6
	AVERAGE LOAN	ARG	1,945	2,045	2,081	2,342	2,476	2,690	2,900	3,380
CHILE BANK	TOTAL GROSS LOANS	M CLP	976,831	1,022,622	1,049,888	1,078,520	1,102,124	1,121,957	1,157,741	1,201,103
	PROVISIONS	M CLP	-31,811	-34,013	-37,558	-42,140	-42,905	-45,745	-48,779	-52,152
	WRITE-OFFS	M CLP	9,984	19,938	30,260	40,671	11,455	19,853	28,237	36,758

2. CMR Card Sales

% of Total Sales with CMR¹⁰

	1Q 2012	1H 2012	9M 2012	2012	1Q 2013	1H 2013	9M 2013	2013
Department Stores Chile	56.6%	57.5%	57.9%	57.5%	54.3%	55.6%	56.1%	56.1%
Home Improvement Chile	31.0%	31.2%	31.6%	32.1%	30.9%	30.8%	30.5%	30.9%
Supermarkets Chile	18.8%	19.3%	19.5%	19.7%	16.8%	17.6%	18.1%	18.5%
Retail Peru (Saga, Sodimac & Tottus)	44.8%	47.3%	47.0%	47.4%	42.7%	45.5%	44.9%	44.6%
Retail Argentina (Falabella & Sodimac)	38.6%	36.8%	35.7%	35.2%	36.6%	35.0%	34.0%	32.9%
Retail Colombia (Falabella & Sodimac)	25.1%	26.1%	25.5%	26.0%	23.7%	24.8%	24.6%	25.0%

⁸ a. Loan Portfolio of CMR Chile, considers auto loan balance. New auto loans are now part of Banco Falabella portfolio.

b. Provisions of Banco Falabella Chile include additional provisions suggested by SBIF (Superintendent of Banks and Financial Institutions of Chile) presented as liabilities.

⁹ From the first quarter of 2013 on, the indicator average duration is replaced by the indicator duration, calculated on a monthly basis according to the Macaulay duration, assuming a revolving term of 30 days.

¹⁰ Percentage of Sales using CMR corresponds to sales using CMR compared to total sales of each business.



VI. Other Indicators

Average Collection Period,¹¹ Average Payment Period and Inventory Turnover 4Q2013¹²

Chile

Days	Department Stores		Home Improvement		Supermarkets	
	4Q '12	4Q '13	4Q '12	4Q '13	4Q '12	4Q '13
Average Collection Period	2.5	3.5	29.2	26.0	2.8	4.9
Average Payment Period	45.6	43.3	59.3	51.5	51.3	52.5
Inventory Turnover	53.9	68.1	90.3	73.9	28.9	36.6

Days	Promotora CMR		Plaza S.A.	
	4Q '12	4Q '13	4Q '12	4Q '13
Average Collection Period	120.0	117.0	34.0	30.0
Average Payment Period	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Inventory Turnover	Not Applicable	Not Applicable	Not Applicable	Not Applicable

International Operations¹³

Days	Peru		Argentina		Colombia		Brazil
	4Q '12	4Q '13	4Q '12	4Q '13	4Q '12	4Q '13	4Q '13
Average Collection Period	1.9	2.0	9.2	13.1	2.7	3.5	6.3
Average Payment Period	46.7	45.0	55.1	45.5	55.2	47.9	91.1
Inventory Turnover	65.1	74.4	94.8	80.5	65.6	62.6	102.9

¹¹ Collection period does not include accounts receivable of our retail businesses (department stores, home improvement and supermarkets) with Promotora CMR S.A..

¹² Average Collection Period: Current trade and other receivable * 90 / Revenues

Average Payable Period: Current trade and other current accounts payable * 90 / Cost of sales

Inventory turnover: Inventories (net) * 90 / Cost of sales

¹³ Indicators include our retail operations only.



VII. Operating Results by Business Unit

1. Chile

During the fourth quarter, the operating profit for department stores in Chile decreased 21.3%, mainly as a result of higher expenses, driven by labor expenses and delays in the openings of Egaña and Ovalle. In turn, revenues increased 10.1% due to greater sales area together with positive SSS, highlighting the growth observed in our online business, in particular due to CyberMonday, which was extended to three days this year.

In turn, the home improvement business obtained an increase in its operating profit, being 31.3% higher compared to the same period of 2012, explained mainly by a decrease of 2.2 percentage points in the SG&A expenses, as a result of the maturity of control expense actions that have been implemented during the year focused primarily in improving labor productivity and the logistics operation, as well as the increase of 10.2% observed in the revenues of the fourth quarter. In turn, the gross margin showed a decrease of 0.5 percentage points due to a lower margin in imported products.

Regarding Tottus, the operating profit showed a strong growth in the fourth quarter, achieving a 149.7% increase as a result of improved gross margin, coupled with higher revenues. The larger sales area in the period, together with the positive same store sales growth, explains the 15.3% increase in revenues. In turn, gross margin expansion was observed during the quarter due to optimization of the commercial proposal, particularly in actions to promote the non-food area of the business. Additionally, the SG&A expenses, as a percentage of revenues, showed a decline of 0.8 percentage points due to the expense control politics adopted during the quarter, focusing on increasing the productivity of human resources, among others.

Meanwhile, CMR Chile showed a 21.9% increase in its operating profit in the fourth quarter, mainly due to a higher gross margin, which increased 4.9 percentage points compared to the same period of the previous year. This increase is mainly explained by lower funding costs together with lower cost of write-offs given an improvement in the risk scenario observed in the quarter. In turn, the increase in operating profit is also due to higher operating revenues, mainly explained by higher interest revenues driven by the increase in loans, managing to reverse the negative trend observed since late 2012.

Finally, in the fourth quarter of 2013, operating income for Plaza S.A. decreased 1.0%, mainly due to higher SG&A expenses and lower gross margin, which decreased 5.0 percentage points explained partly by the delay in the start-up of the Mall Plaza Egaña operation.



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Operating Income 4Q 2013 (MUS\$)

MUS\$ & % Revenues	Department Stores			Home Improvement			Supermarkets		
	4Q '12	4Q '13	Var %	4Q '12	4Q '13	Var %	4Q '12	4Q '13	Var %
Revenues	658.9	725.2	10.1%	810.1	893.1	10.2%	252.2	290.9	15.3%
Gross Margin	31.6%	31.2%	8.7%	32.0%	31.5%	8.6%	23.9%	24.5%	18.5%
SGA w/o Depreciation	-20.6%	-22.9%	22.8%	-23.5%	-21.3%	0.1%	-20.3%	-19.5%	11.0%
EBITDA	11.0%	8.2%	-17.7%	8.5%	10.2%	32.1%	3.6%	5.0%	60.4%
Operating Profit (Loss)	9.9%	7.1%	-21.3%	7.9%	9.4%	31.3%	1.1%	2.5%	149.7%

MUS\$ & % Revenues	Promotora CMR			Plaza S.A		
	4Q '12	4Q '13	Var %	4Q '12	4Q '13	Var %
Revenues	140.4	149.6	6.5%	90.3	100.1	10.8%
Gross Margin	43.6%	48.6%	18.5%	81.2%	76.2%	4.0%
SGA w/o Depreciation	-10.1%	-10.2%	7.4%	-11.6%	-14.0%	33.5%
EBITDA	33.5%	38.4%	21.9%	79.6%	72.6%	1.0%
Operating Profit (Loss)	33.5%	38.4%	21.9%	69.6%	62.3%	-1.0%

Operating Income 2013 (MUS\$)

MUS\$ & % Revenues	Department Stores			Home Improvement			Supermarkets		
	2012	2013	Var %	2012	2013	Var %	2012	2013	Var %
Revenues	2,083.0	2,253.6	8.2%	3,034.4	3,301.1	8.8%	883.8	1,021.1	15.5%
Gross Margin	29.0%	29.8%	11.0%	28.8%	29.6%	11.9%	23.6%	24.3%	19.0%
SGA w/o Depreciation	-22.9%	-24.2%	14.1%	-20.6%	-21.5%	13.6%	-20.7%	-20.7%	15.9%
EBITDA	6.1%	5.6%	-0.7%	8.2%	8.1%	7.4%	2.9%	3.5%	41.5%
Operating Profit (Loss)	4.8%	4.2%	-6.0%	6.8%	6.6%	4.5%	0.2%	0.7%	383.3%

MUS\$ & % Revenues	Promotora CMR			Plaza S.A		
	2012	2013	Var %	2012	2013	Var %
Revenues	576.2	565.6	-1.8%	315.3	366.8	16.3%
Gross Margin	39.8%	50.1%	23.6%	83.2%	81.2%	13.5%
SGA w/o Depreciation	-15.3%	-9.8%	-37.2%	-10.4%	-12.1%	35.1%
EBITDA	24.5%	40.3%	61.7%	83.3%	79.7%	11.4%
Operating Profit (Loss)	24.5%	40.3%	61.7%	72.8%	69.1%	10.4%



2. International Operations

Operating profit from our operations in Peru grew 6.7% during the fourth quarter, due to a higher level of revenues along with an expansion in gross margin, which managed to partially compensate the increase in SG&A expenses. The increase in revenues was observed in all business units, due to increased sales areas and positive SSS performance in the case of Tottus and Falabella. In turn, a higher gross margin is mainly explained by the performance obtained by Tottus, given better commercial terms with suppliers due to the new store openings during the quarter. The increase in SG&A expenses is explained by a higher number of openings, the leasing of warehouses in Tottus, as well as the development of the e-commerce business.

In the case of our operations in Argentina, operating profit was 29.1% higher in the fourth quarter compared to the same period of 2012, mainly due to higher revenues as a result of the response given by the commercial proposal for the season, as well as lower SG&A expenses as a percentage of revenues, which decreased 1.5 percentage points compared to the same period of the previous year due to lower advertising expenses in CMR Argentina, among others. In turn, the gross margin decreased 1.4 percentage points due to a higher share of electro in the total sales of December.

Operating profit in Colombia increased 9.5% during the period. A recovery in consumption was observed during November, generating an increase in store traffic, which, due to the correct implementation of campaigns, the negative trend that had been observed in previous quarter was reversed, increasing revenues by 15.6% and showing positive same store sales (SSS) in Falabella. The increase in gross margin is explained mainly by the Bank, due to lower funding costs and an improved risk scenario, compensating the increase in tariffs that affected the Falabella operation. The higher SG&A expenses are explained by a boost in the loyalty program as well as the increase of Bank branches.

Finally, Brazil increased its SSS by 13.3%, reaching to MCLP 51,044 (MUS\$ 97) in revenues in the fourth quarter of 2013. The closing of the transaction was finalized on July 1st 2013, date in which Sodimac Brazil, a SACI Falabella subsidiary, acquired 50.1% of Construdecor S.A..



EARNINGS REPORT 4th Quarter 2013 **SACI FALABELLA**

Operating Income 4Q 2013 (MUS\$)¹⁴

MUS\$ & % Revenues	Peru			Argentina			Colombia			Brazil
	4Q '12	4Q '13	Var %	4Q '12	4Q '13	Var %	4Q '12	4Q '13	Var %	4Q '13
Revenues	710.5	808.7	13.8%	240.5	294.1	22.3%	246.5	285.1	15.6%	97.3
Gross Margin	32.9%	33.4%	15.7%	43.0%	41.6%	18.4%	35.5%	36.1%	17.6%	32.3%
SGA w/o Depreciation	-18.3%	-19.6%	22.1%	-32.5%	-31.0%	16.6%	-21.1%	-22.3%	22.1%	-29.6%
EBITDA	14.6%	13.8%	7.6%	10.5%	10.6%	23.9%	14.4%	13.8%	11.1%	2.7%
Operating Profit (Loss)	12.4%	11.7%	6.7%	9.0%	9.5%	29.1%	11.9%	11.3%	9.5%	1.2%

Operating Income 2013 (MUS\$)^{15,16}

MUS\$ & % Revenues	Peru			Argentina			Colombia			Brazil
	2012	2013	Var %	2012	2013	Var %	2012	2013	Var %	2013
Revenues	2,380.6	2,669.1	12.1%	823.0	958.6	16.5%	737.4	811.5	10.0%	191.8
Gross Margin	30.9%	31.6%	14.8%	40.6%	40.8%	17.2%	34.9%	36.8%	16.2%	32.8%
SGA w/o Depreciation	-19.3%	-20.4%	18.5%	-34.6%	-34.4%	15.8%	-25.7%	-27.9%	19.4%	-27.5%
EBITDA	11.6%	11.2%	8.7%	6.0%	6.4%	25.1%	9.1%	8.9%	7.4%	5.3%
Operating Profit (Loss)	9.1%	8.8%	8.4%	4.4%	5.1%	35.2%	6.4%	6.0%	1.9%	3.8%

¹⁴ Operating income includes banking business in Peru and Colombia and credit business in Argentina.

¹⁵ Operating income includes banking business in Peru and Colombia and credit business in Argentina.

¹⁶ Operating income for Home Improvement in Brazil is considered from July 1st 2013 onwards, date on which the operation started consolidating.

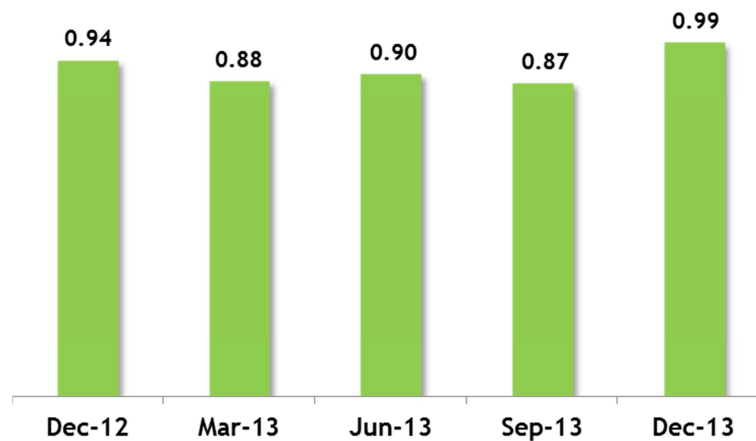


VIII. Financial Structure

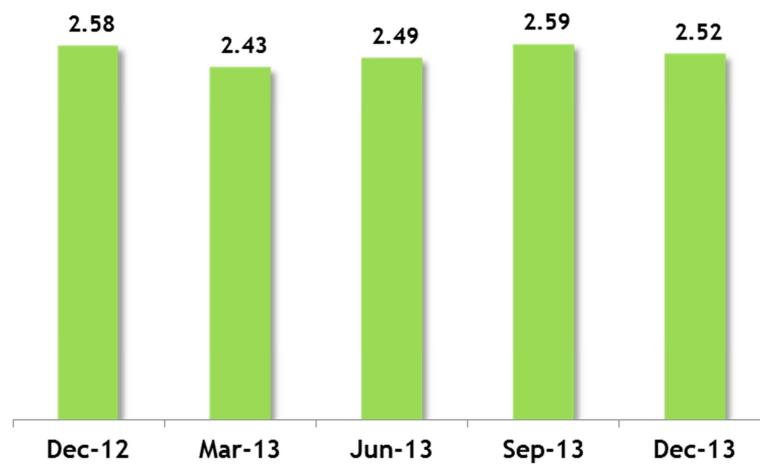
Total Liabilities as of December 31st, amounted to MCLP 6,070,667 (MUS\$11,572). This level of liabilities implies a Leverage¹⁷ of 1.59 times.

In turn, the Leverage of Non-Banking Businesses¹⁸ amounts to 0.99. Considering the financial debt¹⁹ of the non-banking business, the ratio of Net Financial Debt / EBITDA amounts to 2.52.

Leverage Non-Banking Operations



Net Financial Debt / EBITDA Non- Banking Operations



¹⁷ Consolidated Leverage = Total Consolidated Liabilities divided by Total Equity.

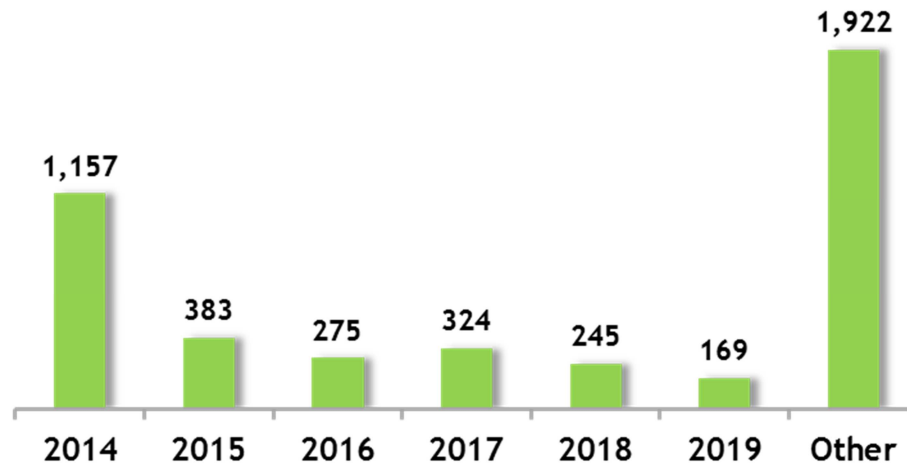
¹⁸ Non-Banking Operations Leverage = Total Non-Banking Operations Liabilities divided by Total Equity.

¹⁹ Non-Banking Business Financial Debt = Total Current Non-Bank Operations Liabilities + Total Non-Current Non-Banking Operations Liabilities.



Debt Maturity Profile^{20, 21}

Total Consolidated Financial Debt (excluding banking operations): MUS\$ 4,476
(Millions of US\$)



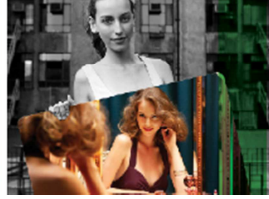
²⁰ Total Consolidated Financial Debt does not include the banking operations of the Group Falabella (Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia) or accrued interests, however it does include CMR in Chile and Argentina.

²¹ Data in US\$ converted at the closing exchange rate of 2013 for each country.



IX. Financial Statements of S.A.C.I. Falabella according to IFRS

	Cumulative Jan - Dec 2013	Cumulative Jan - Dec 2012
	M\$	M\$
Income Statement		
Non- Banking Business		
Revenues	6,199,572,167	5,518,594,831
Costs of sales	(4,096,442,787)	(3,696,230,983)
Gross Profit	2,103,129,380	1,822,363,848
Distribution Costs	(94,649,776)	(80,387,790)
Administrative expenses	(1,232,701,217)	(1,071,215,430)
Other expenses	(117,722,687)	(100,881,904)
Other profit (losses)	7,301,390	4,066,770
Financial income	15,196,811	7,852,797
Finance costs	(100,750,263)	(79,251,945)
Share of profit (loss) of associates accounted for using the equity method	17,988,643	20,085,694
Foreign currency exchange differences	(12,464,437)	(147,184)
Profit (Loss) from inflation-indexed assets and liabilities	(21,605,533)	(23,374,981)
Profit (loss) before taxes	563,722,311	499,109,875
Income tax expenses	(122,197,120)	(127,398,768)
Profit (loss) from Non-Banking Business	441,525,191	371,711,107
Banking Operations		
Interest revenues	366,314,280	328,536,082
Interest expenses	(112,945,337)	(107,443,944)
Net Interest Revenues	253,368,943	221,092,138
Fee income	90,937,323	79,540,035
Fee expenses	(22,513,884)	(17,742,719)
Net Fee Revenues	68,423,439	61,797,316
Net income of financial operations	5,002,324	8,616,781
Profit (loss) from exchange operations	8,591,990	1,505,204
Other operating income	2,817,267	3,384,858
Provisions for loan losses	(88,134,145)	(100,538,744)
Total Net Operating Income	250,069,818	195,857,553
Employee remunerations and expenses	(69,274,623)	(60,502,307)
Administrative expenses	(81,184,280)	(64,481,675)
Depreciation and amortization	(11,738,118)	(10,546,391)
Other operating expenses	(11,032,603)	(6,706,473)
Total Operating Expenses	(173,229,624)	(142,236,846)
Operating Income	76,840,194	53,620,707
Income attributable to investments in companies	305,005	363,445
Income before Income taxes	77,145,199	53,984,152
Income tax expenses	(21,562,991)	(15,536,037)
Net Income from Banking Operations	55,582,208	38,448,115
Profit (Loss)	497,107,399	410,159,222
Prprofit (Loss) attributable to:		
Owners of parent company	443,827,493	371,866,544
Non-controlling interests	53,279,906	38,292,678
Net Income	497,107,399	410,159,222
Earnings per share		
Earnings per share		
Earnings (loss) per share from continued operations	0.1833	0.1539
Earnings (loss) per share	0.1833	0.1539
Earnings per diluted share		
Earnings (loss) per diluted share from continued operations	0.1831	0.1534
Earnings (loss) per diluted share	0.1831	0.1534



EARNINGS REPORT 4th Quarter 2013 SACI FALABELLA

	12/31/2013	12/31/2012
	M\$	M\$
Assets		
Non-Banking Business		
Current Assets		
Cash and cash equivalents	275,536,508	196,689,992
Other current financial assets	31,092,383	28,215,182
Other current non financial assets	67,235,864	55,469,787
Current Trade and other accounts receivable	1,361,212,730	1,200,848,950
Current accounts receivable from related companies	3,608,843	2,139,583
Inventory	916,670,685	762,392,640
Tax Assets	42,523,671	45,250,885
Assets classified as not kept to be sold or to be distributed to owners	2,697,880,684	2,291,007,019
Non-current assets classified as held for sale	-	4,902,070
Total Current Assets	2,697,880,684	2,295,909,089
Non- Current Assets		
Other non-current financial assets	183,129	163,257
Other non- current assets	18,288,685	21,715,938
Non-current accounts receivables	178,064,620	184,880,079
Non-current accounts receivable from related parties	-	152,885
Investments accounted for using the equity method	148,775,246	135,636,671
Intangible assets other than goodwill	185,852,765	164,472,911
Goodwill	298,112,966	260,273,967
Property, Plant and Equipment	1,671,176,569	1,478,403,630
Investment properties	1,928,060,213	1,750,673,726
Deferred tax assets	51,403,041	48,292,370
Total Non-current Assets	4,479,917,234	4,044,665,434
Total Non-Banking Business Assets	7,177,797,918	6,340,574,523
Assets from Banking Operations		
Cash and bank deposits	342,345,059	212,885,466
Transactions with settlement in progress	47,396,787	8,345,725
Financial assets held for trading	83,084,118	278,007,831
Financial derivative contracts	6,607,804	1,993,650
Loans and accounts receivable from clients	1,886,630,217	1,712,831,227
Investment securities available for sale	260,038,309	11,408,395
Investments in other companies	1,621,617	1,900,837
Intangibles	19,978,641	12,446,034
Property, Plant and Equipment	36,175,090	34,932,237
Current taxes	288,608	1,747,961
Deferred taxes	16,752,822	11,552,465
Other assets	16,595,992	12,498,806
Total Banking Operations Assets	2,717,515,064	2,300,550,634
Total Assets	9,895,312,982	8,641,125,157



EARNINGS REPORT 4th Quarter 2013 **SACI FALABELLA**

	12/31/2013	12/31/2012
	M\$	M\$
Net Equity and Liabilities		
Non-Banking Business		
Current Liabilities		
Other current financial liabilities	641,297,879	554,708,618
Current trade and other accounts payable	878,178,136	763,078,386
Current accounts payable to related companies	3,089,892	3,146,561
Other current provisions	6,147,851	5,335,294
Current tax liabilities	18,891,851	15,236,455
Employee benefits provisions	93,750,401	78,973,542
Other current non-financial liabilities	110,983,691	102,893,947
Total Current Liabilities	1,752,339,701	1,523,372,803
Non-Current Liabilities		
Other non-current financial liabilities	1,720,465,349	1,448,357,175
Other non-current liabilities	2,300,188	1,291,587
Accounts payable to related companies, Non-Current	340,547	-
Other long term provisions	4,839,707	642,123
Deferred tax liabilities	252,608,535	246,097,663
Non-current employee benefits provisions	14,934,866	13,613,418
Other non-current non-financial liabilities	23,744,207	23,163,667
Total Non-Current Liabilities	2,019,233,399	1,733,165,633
Total Non-Banking Business Liabilities	3,771,573,100	3,256,538,436
Liabilities from Banking Operations		
Deposits and others	160,428,104	123,394,143
Transactions with settlement in progress	55,361,946	5,203,546
Time deposits and other term deposits	1,502,609,515	1,198,011,919
Financial derivative contracts	4,486,973	2,801,133
Liabilities with other banks	52,451,222	15,632,321
Debt instruments issued	277,114,232	310,076,707
Other financial liabilities	188,589,350	207,040,530
Current taxes	3,846,203	1,991,446
Deferred tax liabilities	6,650,643	4,994,054
Provisions	6,049,741	4,154,988
Other liabilities	41,506,288	36,912,889
Total Banking Business Liabilities	2,299,094,217	1,910,213,676
Total Liabilities	6,070,667,317	5,166,752,112
Equity		
Issued capital	530,806,267	529,966,655
Retained earnings	2,676,678,527	2,399,825,107
Share premium	67,679,807	59,607,170
Other reserves	(123,136,318)	(104,129,160)
Equity attributable to the owners of the parent company	3,152,028,283	2,885,269,772
Non-controlling interests	672,617,382	589,103,273
Total Equity	3,824,645,665	3,474,373,045
Total Equity and Liabilities	9,895,312,982	8,641,125,157



EARNINGS REPORT 4th Quarter 2013 **SACI FALABELLA**

SVS Statement of Cash Flows, Direct Method	Dec-31-2013	Dec-31-2012
	CLP '000	CLP '000
Statement of cash flows		
Cash flows provided by (used in) operating activities		
Non-banking Business		
Classes of proceeds from operating activities		
Proceeds from sale of goods and providing services	7,212,877,972	6,264,959,117
Classes of payments		
Payment to suppliers for supplying goods and services	(5,888,367,676)	(4,908,804,094)
Payments to and on account of employees	(721,226,024)	(619,080,206)
Income taxes refunded (paid)	(88,556,004)	(103,117,963)
Other cash inflows (outflows)	(34,586,360)	(31,888,191)
Subtotal net cash flows provided by (used in) Non-Banking Business operating activities	480,141,908	602,068,663
Banking Operations		
Consolidated net income (loss) for the period	55,582,208	38,448,115
Charges (credits) to income that do not involve cash movements:		
Depreciation and amortization	11,738,118	10,546,391
Credit risk provision	91,735,477	93,038,512
Net income due to investments in subsidiaries	(305,005)	(363,445)
Net income in sale of fixed assets	-	(149,329)
Other charges (credits) that do not involve significant cash flow movements	6,177,558	2,435,923
Net change in interest, readjustments and commissions accrued on assets and liabilities	(11,829)	2,489,491
Net (increase) decrease in owed from banks	-	16,002,266
Net (increase) decrease in loans and accounts receivable from clients	(263,491,511)	(305,859,763)
Net (increase) decrease in instruments held for trading	(172,932,166)	(59,686,166)
Increase (decrease) in deposits and other demand obligations	37,033,961	24,139,284
Increase (decrease) in repurchase agreements and securities lending	-	(3,799,092)
Increase (decrease) in deposits and other term deposits	306,558,654	342,477,083
Increase (decrease) in liabilities with banks	50,683	-
Other	(7,256,411)	(16,842,643)
Subtotal net cash flows provided by (used in) Banking Operations operating activities	64,879,737	142,876,627
Net cash flows provided by operating activities	545,021,645	744,945,290
Cash flows provided by (used in) investing activities		
Non-banking Business		
Cash flows used to obtain control in subsidiaries or other businesses	(31,880,694)	-
Cash flows used in the acquisition of non-controlling interests	(5,281,209)	-
Other receipts from equity sales or debt instruments sales of other entities	5,000,000	-
Loans to related entities	(1,032,497)	(371,336)
Proceeds from disposal of property, plant and equipment	20,668,743	12,073,267
Additions to property, plant and equipment	(334,752,039)	(281,046,064)
Amounts derived from the sale of intangible assets	26,504	-
Additions to intangible assets	(18,044,736)	(18,242,888)
Proceeds from other long-term assets	1,788,051	49,267
Additions to other long-term assets	(199,735,008)	(190,462,404)
Dividends received	6,332,666	4,021,958
Interest received	25,707,478	16,501,678
Other cash inflows (outflows)	1,923,311	60,118
Subtotal net cash flows used in investing activities in the Non-banking Business	(529,279,430)	(457,416,404)
Banking Operations		
Net (Increase) decrease in investment securities available for sale	(38,425,898)	(11,144,198)
Additions to property, plant and equipment	(19,303,844)	(19,338,308)
Disposal of property, plant and equipment	-	1,051,052
Dividends received from investments in associates	575,820	428,832
Other	(1,261,923)	(391,266)
Subtotal net cash flows provided by (used in) Banking Operations investing activities	(58,415,845)	(29,393,888)
Net cash flows provided by (used in) investing activities	(587,695,275)	(486,810,292)
Cash flows provided by (used in) financing activities		
Non-banking Business		
Proceeds from issuance of shares	22,000,432	52,065,273
Proceeds from long-term loans	824,308,835	493,108,178
Proceeds from short-term loans	1,303,207,432	1,105,553,599
Total proceeds from loans	2,127,516,267	1,598,661,777
Loan payments	(1,801,628,504)	(1,376,102,184)
Payment of financial lease liabilities	(10,620,408)	(10,166,756)
Dividends paid	(171,186,004)	(290,592,733)
Interest paid	(69,615,522)	(53,846,492)
Other cash inflows (outflows)	23,570,636	12,926,641
Subtotal net cash flows provided by (used in) Non-banking Business financing activities	120,036,897	(67,054,474)
Banking Operations		
Redemption of letters of credit	(12,266,273)	(3,080,639)
Other long term loans	40,837,546	21,079,249
Others	(35,101,326)	(42,975,502)
Subtotal net cash flows provided by (used in) Banking Operations financing activities	(6,530,053)	(24,976,892)
Net cash flows used in financing activities	113,506,844	(92,031,366)
Net increase in cash and cash equivalents, before the effect of changes in the exchange rate	70,833,214	166,103,632
Effects of changes in the exchange rate on cash and cash equivalents		
Effects of changes in the exchange rate on cash and cash equivalents	8,550,790	(5,720,996)
Net increase (decrease) in cash and cash equivalents	79,384,004	160,382,636
Cash and cash equivalents at beginning of period	568,305,938	407,923,302
Cash and cash equivalents at end of period	647,689,942	568,305,938



EARNINGS REPORT 4th Quarter 2013 SACI FALABELLA

Cash Flow – Chile

December 2013

<i>MCLP</i>	Department Stores	Home Improvement	Supermarkets	Promotora CMR	Plaza S.A.
Cash flow from operating activities	18,229	143,969	30,286	93,621	162,119
Cash flow from investment activities	-35,852	-38,359	-33,411	2,962	-222,169
Cash flow from financing activities	2,629	-106,440	-3,123	-100,049	117,845
Impact of exchange rate differences on cash and cash equivalents	51	342	-3	0	-19
Increase (decrease) in cash and cash equivalents	-14,942	-488	-6,251	-3,466	57,776
Cash and cash equivalents at the beginning of the period	45,558	21,505	15,907	7,749	44,152
Cash and cash equivalents at the end of the period	30,616	21,017	9,656	4,284	101,928

December 2012

<i>MCLP</i>	Department Stores	Home Improvement	Supermarkets	Promotora CMR	Plaza S.A.
Cash flow from operating activities	89,796	50,526	15,993	232,286	123,806
Cash flow from investment activities	14,043	-68,610	-23,225	-4,754	-196,396
Cash flow from financing activities	-84,020	26,985	12,943	-229,689	105,470
Impact of exchange rate differences on cash and cash equivalents	-65	-64	-9	0	-64
Increase (decrease) in cash and cash equivalents	19,754	8,837	5,701	-2,156	32,816
Cash and cash equivalents at the beginning of the period	25,803	12,668	10,205	9,906	11,336
Cash and cash equivalents at the end of the period	45,558	21,505	15,907	7,749	44,152

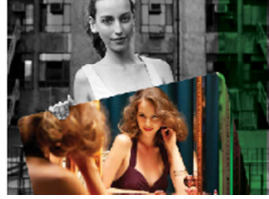
Cash Flow – International Operations

December 2013

<i>MCLP</i>	Peru	Colombia	Argentina	Brazil
Cash flow from operating activities	119,856	5,567	-18,293	-15,542
Cash flow from investment activities	-117,951	-43,998	-12,314	418
Cash flow from financing activities	49,154	42,462	24,692	37,679
Impact of exchange rate differences on cash and cash equivalents	-48	-1,526	-1,003	-251
Increase (decrease) in cash and cash equivalents	51,011	2,505	-6,917	22,304
Cash and cash equivalents at the beginning of the period	114,110	34,909	12,754	559
Cash and cash equivalents at the end of the period	165,121	37,414	5,837	22,863

December 2012

<i>MCLP</i>	Peru	Colombia	Argentina
Cash flow from operating activities	114,783	-6,822	27,425
Cash flow from investment activities	-62,843	-34,246	-18,853
Cash flow from financing activities	-43,648	57,724	76
Impact of exchange rate differences on cash and cash equivalents	-3,546	-1,027	-651
Increase (decrease) in cash and cash equivalents	4,746	15,630	7,998
Cash and cash equivalents at the beginning of the period	109,365	19,280	4,756
Cash and cash equivalents at the end of the period	114,110	34,909	12,754



EARNINGS REPORT 4th Quarter 2013 **SACI FALABELLA**



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