



2014
Annual Report

125
— AÑOS —





S.A.C.I. Falabella

www.falabella.com/inversionistas

Taxpayer I.D.: 90.749.000-9

Address:

Manuel Rodríguez Norte 730, Santiago, Chile.

Phone: +56 2 2380 2000

Mail: inversionistas@falabella.cl



Contents

04 Welcome

- 06** Letter from the Chairman
- 08** Letter from the CEO

10 The Company

- 12** Introduction - Business Divisions
 - 12** Department Stores
 - 13** Home Improvement
 - 13** Supermarkets
 - 14** Financial Services
 - 15** Real Estate
- 16** Regional Footprint
- 17** Economic Figures
- 18** Key Figures
 - 18** Customers
 - 19** Employees
 - 20** Suppliers
 - 20** Community
 - 21** Environment
 - 22** Corporate Governance
- 23** Investment Plan
- 24** History

36 Highlights of 2014

- 38** Strategic Pillars
 - 40** Growth
 - 42** Profitability
 - 44** Sustainability

46 Corporate Governance

- 48** Board of Directors
- 52** Board Committees
 - 52** Audit Committee
 - 54** Strategy Committee
 - 55** Compensation and Talent Committee
- 56** Management
 - 56** Main Executives
 - 57** Incentive Plans

58 Ownership and Control

- 58** Controlling Group
- 65** Equity
- 65** 12 Largest Shareholders
- 65** Changes in Ownership
- 65** Dividend Policy

66 Corporate Information

- 68** Identification of the Company
- 69** Insurance
- 70** Trademarks and Patents
- 71** Regulatory Framework
- 72** Risks
- 74** Associations and Organizations in Which We Participate
- 76** Awards and Recognitions
- 78** Summary of Material Facts During the Period
- 80** Shareholders' Comments and Proposals
- 81** Stock Market Information
- 82** Stores by Format and Country
- 98** Corporate Structure
- 99** Financial Information on Subsidiaries and Affiliated Companies

102 Financial Statements

- 104** Balance Sheet
- 106** Income Statement
- 107** Statement of Comprehensive Income
- 108** Statement of Changes in Equity
- 110** Statement of Cash Flows
- 112** Analysis of Results

113 Definition of Content and Guidelines

114 GRI Index

116 Declaration of Liability

118 Appendix

126 Consolidated Financial Statements

Welcome



Letter from the Chairman

Letter from the CEO



Letter from the Chairman



Carlo Solari Donaggio
Chairman S.A.C.I. Falabella

“ We celebrated our 125th anniversary. At Falabella we must always maintain the culture of austerity and humility that characterized the company’s founders, always remaining open to new ideas and new ways of doing things; we make mistakes, but we learn and we implement corrections. We must continue to grow with the commercial creativity that characterizes us, but, at the same time, with financial prudence.”

Dear Shareholders:

I would like to begin my first letter as Chairman of SACI Falabella by extending a special recognition to Mr. Juan Cúneo Solari, who presided as Chairman of Falabella until April, 2014, and who has worked at the company for over 40 years. The Board and Falabella’s thousands of employees are grateful for his invaluable contribution to our company. His drive, vision and example have left a profound impression on all of us who have had the privilege of working with him. The customer was always at the center of his decisions, and that principal, today, continues to be an essential trademark of our company.

This was a special year for Falabella: we celebrated our 125th anniversary! During these past 125 years, we have become one of the leading retail companies in Latin America. During our history we have served millions of customers, satisfying their diverse needs, helping them realize their dreams and accompanying them through the different moments of their lives. We have been consistent with our customer-centric vocation. This drive to serve our customer has led us to innovate: we have developed new formats, new brands, new services, and new channels. We own some of the most highly valued brands in the markets in which we participate. Our proposal to the customer is characterized by convenience, quality and transparency, with the long-term relationship always in mind. At Falabella we must always maintain the culture of austerity and humility that characterized the company’s founders, always remaining open to new ideas

and new ways of doing things; we make mistakes, but we learn and we implement corrections. We are proud of these achievements, but beyond that, we appreciate and value the team of people who have demonstrated their dedication to excellence, meritocracy, industry acumen, dependability and drive to continue growing. In an environment that is ever more complex, we strive to create teams that complement each other and that seek the best solutions for our customers.

We have had to intensify our efforts this year, as our region has been affected by the falling prices of oil and natural resources, which have resulted in a slowdown in consumption and have depreciated its currencies. As a counterpoint to these developments, we have seen signs of recovery in developed economies, which we hope that, along with the need for more retail and financial solutions in Latin America, will provide us with greater opportunities in the future.

During 2014 we continued to deliver healthy growth. We expanded into segments and cities where we were not present before, developed new formats, incorporated new brands, improved the proposals of our own brands, increased our efficiency and our productivity. We worked on logistics, expanded our customer base in financial services and perfected the corporate governance of the Falabella Group. We strive to achieve a balance, in which each of our operations, across the region, has a high level of commercial flexibility, while ensuring common standards of excellence and sustainability, under shared protocols and support from our headquarters.



Chile continues to be our company's main market, and we see many opportunities for growth and greater efficiency there. Nonetheless, our international businesses expanded significantly in 2014, and now represent 40% of our revenues. That percentage will grow over time as we continue to export our business model and invest in the region. In 2014, we acquired Maestro Homecenter in Peru, which will give us the scale to carry out important investments in our operation. The acquisition consolidates our leading position in the home improvement market, which continues to present huge growth opportunities given its low level of formal retail penetration.

During the last decade, the Internet has revolutionized retail: sales, operations, and distribution. This phenomenon, although in different stages of development, is gaining momentum across all of the businesses and countries in which we operate. Falabella's companies will continue to invest in this channel in order to adjust our service to our customers' needs. We will continue working arduously to improve our omnichannel commercial proposal by offering more products, better services, greater convenience and different options for delivery.

In terms of corporate responsibility, we have undertaken many events and activities. The *Haciendo Escuela* program began forty five years ago when we sponsored the program's first school. Today we support more than 81,000 students in 91 educational establishments across the region. We also develop training programs for our suppliers, financial education programs for our

clients, we have a "network of specialists" which provides training to construction workers, and we work on environment conservation, among other initiatives. We want to grow, but in a manner that is sustainable over time.

I wish to thank all of our employees for the work accomplished during 2014, and I thank the Board of SACI Falabella and its subsidiaries for its support and wise advice in guiding our company. I also wish to thank our clients, suppliers, advisors, and shareholders for accompanying us, providing support and for believing in our company. We have faced significant challenges, with important internal changes, but with the valuable and constructive help of everyone we have had a good year.

Each year presents greater challenges and more competition. We must continue to strive, every day, to do our work well, better than the day before, and thus offer the customer the best possible experience, which is the basis for permanent and long term relationships. We must continue to grow with the commercial creativity that characterizes us, but with financial prudence. I am confident that if we maintain an innovative spirit, this will be the beginning of Falabella's next 125 years.

Yours sincerely,
Carlo Solari Donaggio
Chairman S.A.C.I. Falabella

Letter from the CEO



Sandro Solari Donaggio
CEO S.A.C.I. Falabella

“The consumers of the 21st century are more technologically literate, knowledgeable and multichannel than ever before, which demands from us a greater capacity for innovation.”

In the letter that I directed to you in last year's annual report, I presented our SERVING TO GROW strategy, and I anticipated that we were prepared to face a leaner and more demanding year. Throughout all of 2014 we worked intensely on aligning our organization to these concepts, maintaining the discipline to continuing growing with responsibility.

RESPONSIBLE GROWTH

In a year marked by lower economic growth, depreciation of the local exchange rates and greater inflation, we continued expanding our operations, focusing on increasing our efficiency and controlling expenses. This strategy allowed us to reach revenues of US\$ 12,464 million, 13.6% greater than in 2013, with an increase in earnings of 4.7%. It is worth noting how much our operations outside of Chile have grown, as they now account for 40% of our total revenues, and reflect our multinational identity.

During 2014 we invested US\$ 896 million in organic growth. We fulfilled the plan we had announced at the beginning of the year, opening 31 stores and two shopping centers, which were complemented by the acquisition of the Maestro home improvement chain, which has 30 stores in Peru. Another great accomplishment was the opening of our first two Precio Uno stores in that same country, which allow us to reach a new customer segment in the grocery market, with huge growth potential. In order to support this growth, we inaugurated a new distribution center in Peru, which will also allow us to achieve greater operational efficiencies.

Falabella in 2014 opened its 50th store outside of Chile, included five new international brands into its sales mix and opened 21 specialist stores. Additionally, as part of our efforts to differentiate and position our private brands, this year we signed model Gisele Bündchen as the new face of Falabella. However, without a doubt, our greatest efforts revolved around our omnichannel strategy. Improving the online shopping experience is crucial to the future of our business.

The year 2014 was one of consolidation for our Plaza subsidiary. With more than 280 million visits, its shopping malls have become veritable urban centers with varied offerings in entertainment, culture, services and products, significantly contributing to the quality of life of those who reside in their vicinity.

In the financial business we made important achievements. Consumer loans increased by 14.5%, exceeding US\$6,000 million. This growth was accompanied by a 6% increase in the number of clients, leading us to end the year with 4.6 million CMR accounts with a balance. These results are supported by the CMR Points loyalty program, in which customers exchanged their points, for products or services, over one million times last year. At Banco Falabella, we have reached 1.4 million checking and deposit accounts, a network of 207 branches, 580 ATMs and more than 800 digital service centers. It was also the first year of operations for Falabella Móvil, which closed the period with over 200 thousand clients. Internally, we have worked diligently on implementing state-of-the-art software that will allow us to better adapt our financial business to the digital world.



DOING MORE WITH LESS

At Falabella, we have the imperative of doing more with less. This demands a culture of continuous improvement, the development of synergies between our businesses and dedication to professional training and education. In 2014, we implemented LEAN in order to simplify and standardize processes, focusing our energy and resources on satisfying our customers' needs. To varying degrees, we are seeing improvements across our subsidiaries, both on the sales floor and in the logistics areas. We will continue to build on this progress, as we focus on productivity and excellence.

THE FUTURE IS DIGITAL

Our 125th anniversary was an opportunity to reflect on the future of Falabella. The consumers of the 21st century are more technologically literate, knowledgeable and multichannel than ever before, which demands from us a greater capacity for innovation, more technology and better levels of coordination to provide them with a unique and efficient experience.

Along these lines, we have deepened our omnichannel strategy across all business divisions with new investments and projects that will allow clients to access our products and services from any place at any time. Creating positive consumer experiences are critical for growth and profitability.

PEOPLE AND SUSTAINABILITY

In order to continue growing responsibly, we must align our work with the expectations of

our customers. Fostering a transversal culture of service is one of the most important tasks that we have taken upon ourselves. Developing the people who form part of our company is one of the tenants of our future growth. We are investing to empower and enable them, we want to be the best workplace for them, where they can grow and develop professionally.

One can only grow with sustainability. These efforts resulted, in 2014, in a series of actions involving the environment, labor relations, corporate governance and corporate ethics, commitments with the community, responsible commerce and marketing, and responsible sourcing. We communicate our shortcomings, our advances and the detail of these initiatives through our sustainability reports.

I cannot possibly finish this letter without thanking the more than 100 thousand people that form part of the Falabella Group. Without their commitment and their effort we would not have achieved these results. I also thank all of our suppliers that accompany us in this path of growth. True to our origins, in 2015 we will intensify our efforts to continue to improve our level of service. We have the resources, the team and the strategic vision to make the most of these opportunities.

Sincerely,
Sandro Solari Donaggio
Corporate CEO
S.A.C.I. Falabella

The Company



Introduction - Business Divisions

- Department Stores
- Home Improvement
- Supermarkets
- Financial Services
- Real Estate

• Customers

• Employees

• Suppliers

• Community

• Environment

• Corporate Governance

Regional Footprint

Economic Figures

Key Figures

Investment Plan

History





Introduction – Business Divisions

With a history that spans 125 years and a trademark customer-centric culture, the Falabella Group has become one of the leading retail companies in Latin America, with operations in Chile, Peru, Colombia, Argentina, Brazil and, shortly, in Uruguay.

Based on a strategy that balances growth, profitability and sustainability, the Falabella Group is organized in five business divisions: Department Stores, Home Improvement, Supermarkets, Financial Services and Real Estate.

The Group has 440 stores, 38 shopping centers and 207 bank branches which reach millions of customers across the region, offering them a wide range of products and services in each of its business divisions. Falabella is also one of the leading e-commerce operators in Latin America, thanks to its online platform and "virtual stores".

Department Stores





falabella

Falabella operates department stores in Chile, Peru, Colombia and Argentina and is the leading player in the department store space in all four countries.

- Falabella's department stores offer a wide range of personal and home products, arranged into various categories such as apparel and footwear; cosmetics and fragrances; electronics and household appliances; furniture and home decor. Products include international, local, second generation, exclusive and private label brands.
- The Falabella department store business division also operates specialty stores for exclusive and second generation apparel and footwear brands, where a wider assortment of products from those brands may be found than in the department stores.

The Group faces various competitors in the retail industry in the countries in which it operates. Falabella's department stores compete with: department stores, multistores (which differ from department stores because they have a smaller range of products and target a different socioeconomic consumer segment) and specialty stores (which focus on a certain brand or a family of products geared towards a specific activity, concept or share common traits).

In order to estimate market share participation, the Group conducted market analysis based on information from Chile's National Statistics Institute (*Instituto Nacional de Estadísticas*) and the Chilean Casen Poll (*Encuesta Casen*); the Peruvian National Home Poll (*Encuesta Nacional de Hogares*); the Colombian National Administrative Department of Statistics (*Departamento Administrativo Nacional de Estadísticas*) and Euromonitor, among other sources. Based on this analysis, Falabella's department store division's market share in retail commerce according to the categories in which it participates is approximately 24% in Chile, 17% in Peru, 6% in Colombia and 2%, in Argentina.

	Stores	Sales Area
Chile 	45	305,000 m²
Peru 	25	155,000 m²
Colombia 	18	114,000 m²
Argentina 	11	58,000 m²



Home Improvement



The Group operates home improvement stores in Chile, Peru, Colombia, Argentina and Brazil, and shortly in Uruguay. Currently, the division has six different store formats: Sodimac Homecenter, Sodimac Constructor, Imperial, Homy, Dicico and Maestro.

- Sodimac Homecenter offers Chilean, Peruvian, Colombian and Argentine families a full range of home improvement products and services for equipping, renovating, remodeling and decorating their homes.
- Sodimac Constructor focuses on the needs of professionals in the construction and hardware segment, offering them the best materials at the best prices.
- Imperial, which only operates in Chile, offers specialized products in the carpentry and woods market.
- Homy offers Chilean customers various designs and styles of furniture and home décor at an accessible price.
- In Brazil, the division operates Dicico, which is mainly specialized in home finishings, including tiles, flooring, as well as bath and kitchen terminations.
- In 2014, the division acquired Maestro, a home improvement chain in Peru which provides an attractive product offering for customers that require home improvement and construction products.

In the home improvement segment, the Group faces a diverse group of competitors in the different countries in which it operates. Competitors include construction and home improvement big-box stores, as well as a large number of hardware stores, which either operate independently or as chains. Additionally, there are other competitors that offer home improvement products, such as hypermarkets, department stores, specialty stores and, lastly, whole sale suppliers that work directly with construction companies.

In order to estimate market share participation, the Group conducted market analysis based on information from Chile's National Statistics Institute (*Instituto Nacional de Estadísticas*), the Chilean Family Budget Poll (*Encuesta de Presupuestos Familiares*) and the Chilean Chamber of Construction (*Cámara Chilena de la Construcción*); Peru's National Institute of Statistics and Information Technology (*Instituto Nacional de Estadística e Informática*), the Colombian National Administrative Department of Statistics (*Departamento Administrativo Nacional de Estadísticas*), the National Institute of Statistics and Census of Argentina (*Instituto Nacional de Estadísticas y Censos de Argentina*) and the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografía e Estatística*), among other sources. According to this analysis, Falabella's market share in home improvement is approximately 27% in Chile, 13% in Peru, 13% in Colombia, 1% in Argentina and less than 1% in Brazil.

	Stores	Sales Area
Chile	84	689,000 m²
Peru	56	364,000 m²
Colombia	34	331,000 m²
Argentina	8	84,000 m²
Brazil	58	125,000 m²



Supermarkets



Falabella operates three supermarket store formats in Chile and Peru.

- Tottus Supermarkets, which primarily offer the traditional grocery, cleaning and personal care product categories.
- Tottus Hypermarkets, which additionally provide a wide variety of basic durable goods, large appliances, apparel, electronics and products for the home.
- Precio Uno Hiperbodega, which offers the Peruvian customer attractive prices and a higher mix of non-perishable products.

The supermarkets segment faces many competitors, including hypermarkets, supermarkets, and convenience stores and neighborhood, often family owned, grocery stores.

In order to estimate market share participation, the Group conducted market analysis based on information from Chile's National Statistics Institute (*Instituto Nacional de Estadísticas*), Euromonitor, Peru's National Institute of Statistics and Information Technology (*Instituto Nacional de Estadística e Informática*), and Apoyo Consultoría, among others. According to this analysis, the Group's market share in the supermarket industry is approximately 4% in Chile and 5% in Peru.

	Stores	Sales Area
Chile	52	183,000 m²
Peru	49	183,000 m²



Financial Services







Falabella Financiero offers a mix of integrated financial products and services, which responsibly provide customers access to credit, by combining the robustness of a traditional financial business with the proximity to customers that characterizes a retail company. Falabella operates its financial business in Chile, Peru, Colombia and Argentina through different business units.

- **CMR Falabella:** With more than 35 years in the Chilean market, CMR has become the largest credit card issuer in the domestic market, offering customers a convenient and flexible payment system. Today, CMR also operates in Argentina, and is also available in Peru and Colombia through Banco Falabella. In 2010, CMR Falabella established alliances with Visa and MasterCard, which allowed the credit card to be used in third party stores and businesses.
- **Banco Falabella:** By providing comprehensive banking services, Banco Falabella opened its doors to Chilean, Peruvian and Colombian customers who not only wanted access to consumer loans, but also required checking accounts, mortgage loans, time deposits and mutual funds. Easy, convenient and transparent banking services.
- **Seguros Falabella:** With the goal of providing customers with peace of mind, the Company offers a wide selection of insurance alternatives and specialized advisors to help each client find the best solution for his or her particular needs. The Company currently operates in Chile, Peru, Colombia and Argentina.
- **Viajes Falabella:** The fastest growing travel agency of the last few years, Viajes Falabella offers its Chilean, Peruvian, Colombian and Argentine customers a first rate service, with attractive prices and flexible methods of payment.
- **Móvil Falabella:** Seeing the opportunity to offer telecommunication services to its customers, Falabella entered the telephone industry as a mobile virtual network operator, providing prepaid phone customers benefits that are similar to those obtained with postpaid contracts from other mobile operators.

In the financial services market, the Company competes with commercial banks as well as with retailers with proprietary credit card operations. Additionally, the Company competes with other insurance brokers, travel agencies, airlines and mobile telephone operators.

According to information from the SBIF and SVS, as well as from cajasdechile.cl, the Company's market share in outstanding consumer loans as of December 2014 is 9.1% in Chile (including CMR's and Banco Falabella's loans). In the case of Peru, according to the Superintendencia de Banca, Seguros y AFP, Banco Falabella's market share of outstanding consumer loans as of December 2014 was 6.9%. In Colombia, according to the country's regulator SuperFinanciera, Banco Falabella's market share in outstanding consumer loans as of December 2014 was 1.6%. Finally, in according to the Banco Central de la República de Argentina, CMR's market share in credit card and consumer loans in Argentina was to 0.6%.

	#CMR Accounts with a balance	Banking Branches	Travellers of Viajes Falabella	Mobile Phone Lines
Chile 	2,247,183	95	207,000	+ 225,000
Peru 	1,017,653	59	52,000	-
Colombia 	803,984	53	102,000	-
Argentina 	504,244	-	39,000	-



Real Estate



Falabella operates and manages shopping centers in Chile, Peru and Colombia, through two different companies:

- Mall Plaza: With operations in Chile and Peru (through Aventura Plaza) and, as of recently, in Colombia, Mall Plaza is one of the largest shopping center chains in Latin America. Its comprehensive value proposition combines engagement with neighboring communities, concern for the environment and strong commitment to the promotion of cultural events.
- Open Plaza: With a presence in Chile and Peru, Open Plaza operates smaller shopping centers, featuring one or more of the Group's stores (Falabella, Sodimac, Tottus) as anchor stores, accompanied by smaller stores and entertainment options.

According to customer surveys carried out in residential areas and shopping centers, Falabella's main competition in the real estate business are other shopping centers, in various formats, such as malls, power centers and strip centers; as well as traditional neighborhood shops located near the Group's shopping centers.

According to information from the Chile's National Statistics Institute (*Instituto Nacional de Estadísticas*), Plaza S.A.'s market share in retail commerce in Chile is approximately 6.2%.

The Company has a portfolio of real estate projects, which include both land owned by the Group and properties leased from third parties. In Chile, through the Nuevos Desarrollos S.A. subsidiary, the Company owns the following projects: Mall Plaza Puerto Barón (on leased property) and Mall Plaza Los Domínicos, as well as real estate in the V Region, VI Region and XV Region for the development of future projects. Through its Mall Plaza Colombia subsidiary, the Company owns two lots in which to develop projects, one in Manizales and another in Barranquilla. Aventura Plaza in Peru has a portfolio of projects across several districts in Lima, where the Group has invested in property and surface rights. Open Plaza in Chile has the Marriott Courtyard Hotel construction project. Additionally, the subsidiary has properties in the Metropolitan Region and in the VI Region for future developments. In Peru, through Open Plaza, the subsidiary is developing the Open Plaza Huancayo project.

		Mall Plaza Shopping Centers	GLA	Open Plaza Shopping Centers	GLA
Chile		15	1,176,000 m ²	10	235,000 m ²
Peru ^(*)		4	274,000 m ²	8	234,000 m ²
Colombia		1	26,000 m ²	-	-

(*) Mall Plaza Aventura, in Peru

Regional Footprint

Colombia

15,018 employees
7% of revenues



Brazil

3,172 employees
3% of revenues



Peru

30,503 employees
24% of revenues



Chile

51,968 employees
60% of revenues



Argentina

5,392 employees
7% of revenues



Economic Figures

Revenues

(million Chilean pesos)

5,930,056



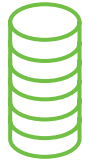
2012

6,655,569



2013

7,562,799



2014

Net Income

(million Chilean pesos)

371,867



2012

443,827



2013

464,729



2014

Loans

(million Chilean pesos)

3,098,560



2012

3,411,163



2013

3,847,436



2014

Selling Area

440

Stores

2,591,000 m²

SALES AREA



38

Shopping Centers

1,945,000 m²

LEASABLE AREA



Key Figures

Falabella is committed to sustainable development, which is why the definition and implementation of Social Responsibility policies and initiatives is a strategic pillar for the Company. The Falabella Group carries out its Sustainability policies according to the guidelines of ISO 26,000, the principles of the United Nations Global Compact and the Global Reporting Initiative (GRI)¹.

Falabella's goal is a responsible growth strategy that creates value for all stakeholders. Only by following this path will the Company continue to be respected, valued and preferred by its clients, employees suppliers and communities. In the following pages, the Falabella Group defines six areas considered the central pillars of this strategy.



CUSTOMERS

The Company has tailored customer satisfaction surveys for each one of its businesses, in order to better understand what the customer is looking for and to improve customer service.

As of this year, Falabella's retail and financial services businesses implemented the Net Promoter Score (NPS) tool, which aims to measure customer loyalty based on recommendations (promoter, passive, and detractor). The real estate business measures customer satisfaction with a survey carried out by IPSOS².

Additionally, the Company has used social networks to get closer to its customers and to manage complaints more efficiently.

- During 2014, the Group registered 0.1% complaints³ as a percentage of total transactions at the three retail business units, 11.2% less than in 2013. In the financial services businesses, the Company registered 0.4% complaints as a percentage of total customer requests in 2014, which was 19% less than in 2013.
- Adding up the accounts from all of Falabella's companies in every country in operation, the Group has a total of 9,145,980 followers on social networks (Twitter and Facebook), which represents a 44.2% increase from the previous year.
- Throughout the year, the Group's brands received 292,844 positive comments and 65,536 negative comments posted on social networks.

The following metrics are in regards to the Group's customer base:

- In 2014, Falabella's retail businesses generated 290,562,471 transactions, 7.1% more than in 2013.
- 347,538,168 people visited Open Plaza (Peru) and Mall Plaza (region) shopping centers, which represents a 7.8% increase compared to 2013.
- Banco Falabella ended the year with 1,434,396 checking and deposit accounts, which represents a 22.2% annual increase. CMR had 4,573,064 credit cards with a balance, 5.6% more than 2013.
- The financial services businesses had 1,994 points of service⁴ across the region, 16.8% more than 2013.
- The number of travelers that booked their trips through the Viajes Falabella travel agency reached 400,224 in 2014, 0.6% more than the previous year.

Given the nature of Falabella's different businesses, none of the Group's business units have any clients that, independently, represent more than 10% of that segment's revenues.

1. All of the Group's businesses report under the G4 GRI (Global Reporting Initiative) standards. In order to access more information on their Sustainability Policies, we encourage you to review their respective Sustainability Reports.

2. Independent company dedicated to survey based market research.

3. External complaints that reach customer service.

4. Branches, ATMs and saldomáticos (terminals where customers may check their balance).

Figures regarding direct staffing and collaborator turnover include all of the Group's companies, including affiliates Sodimac Colombia and Aventura Plaza, which the Company does not consolidate in its financial statements. Also, the following metrics do not include Imperial, Dicico, Maestro and Sodimac Uruguay, given that all of the relevant data was not available.



EMPLOYEES

In order to continue being a successful Company, it is essential that Falabella have committed employees. This is why the Company is focused on developing policies aimed at professional training and education, occupational health and safety, inclusion and mobility, among other issues.

An important accomplishment for Falabella is that the Company has become a major source of employment in the region, providing jobs to 106,094⁵ collaborators. Hiring policies place a special emphasis on the inclusion of people from vulnerable segments of society, as well as the importance of women in the business.

- At the end of 2014, women represented 45.9% of total employees.
- 88.1% of the staff is less than 50 years old.

The Falabella Group's 2014 employee summary⁶

Falabella's headquarters, which are located in Chile, employ 133 people.

	Managers and Main Executives	Professionals and Technicians	Other	Total 2014
SACI (Headquarters)	59	57	17	133
Subsidiaries	3,348	20,394	81,879	105,961

	Managers and Main Executives	Professionals and Technicians	Other	Total 2014
Chile	2,124	76,611	41,893	51,968
Peru (*)	740	8,481	21,282	30,503
Colombia (**)	302	2,672	12,044	15,018
Argentina	198	1,244	3,950	5,392
Brazil	41	424	2,707	3,172
Uruguay	2	19	20	41
Total	3,407	20,451	81,896	106,094

* Considers Aventura Plaza, which is not consolidated

** Considers Sodimac Colombia, which is not consolidated

For the Falabella Group it is important to closely monitor employee turnover.

- In 2014 employee turnover⁷ for the Group reached 48.2%.

One of the Falabella Group's main objectives is to be the best place to work, which is why it is essential to analyze the well-being of employees through workplace environment measurements (GPTW) and to have clear compensation and benefit policies.

It is worth highlight the results obtained by Falabella's retail companies in the Great Place to Work survey. Falabella Retail ranked 18th in the Latin America survey and, in the country specific surveys, it was ranked in the top 25 in each country in which it has operations. Sodimac was ranked 5th

in Argentina, 6th in Peru and 7th in Colombia. Meanwhile, Tottus Peru was ranked 15th for the second consecutive year.

A key factor in Falabella's success has been, and will continue to be, its solid group of leaders and professionals that know how to build teams and develop people. The 360° Evaluation, which is carried out annually to evaluate the Group's main executives, is an important tool for the management of internal talent. The objective of this program is to tailor career development plans for each individual, in order to help each employee improve his or her contribution to the Company's results and reach his or her full potential. Additionally, this initiative allows the Company to prepare for the future, by identifying promising talent and investing in the development of these individuals.

- 1,716 executives evaluated in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and China.

In addition to the 360° Evaluation, performance reviews are carried out at all levels of the organization.

- 75,789 employees, a coverage⁸ equal to approximately 77.4% of the Group's workforce, received a performance review in 2014, compared to 64.9% of the workforce in 2013.

When an employee joins the Company, he or she receives professional training and education through e-learning courses, internships or on-the-job training. Afterwards, employees are given access to more specific and technical courses, which allow them to remain informed and empowered to meet the demands faced by their business unit.

- In line with the Group's goal to constantly improve the skills of its employees, in 2014 the Company carried out 3.6 million hours of training, which implies an average of 36.6 hours of training per worker in the year.

In order to understand and meet the needs of its employees, it is necessary to maintain open and fluid channels of internal communication, where individuals and groups can express their concerns. The Falabella Group promotes dialogue and transparency with its employees, and the Group also has a policy of collaboration and participation within the workforce.

- As of December, 2014, 29.6% of the Group's employees were unionized (covered by collective agreements). In Chile, 52.8% were unionized.

It is important to establish policies that guarantee the health and safety of the Group's employees. With this goal in mind, the Group has formed joint committees composed of workers and managers that are tasked with looking out for the health and well-being of their colleagues in their respective workplaces. Regarding this point, accident rates⁹ are continually monitored across all businesses.

- During 2014, the Group registered a total of 4,432 workplace accidents and an accident rate of 4.5%, which was lower than the 4.7% rate observed in 2013.

5. As of December 31st, 2014. Includes data from Sodimac Colombia and Aventura Plaza, which are not consolidated by SACI.

6. Contracted employees (includes both permanent and fixed term contracts). Excludes fee contracts and subcontracted workers.

7. Total Departures (voluntary and involuntary) / Total Direct Staff.

8. Total employees evaluated in the period / Total direct staff, end of period.

9. Workplace accidents / Direct Staff at the end of the period. Accidents are considered to be events that cause worker absences.



SUPPLIERS

Suppliers play a fundamental role in the Falabella Group's businesses and are a key component in the Company's sustainability strategy. The Group's relationship with its suppliers is based on mutual collaboration, so that suppliers and the Company can help each other grow, together.

- By the end of 2014, the Group had a total 20,436 active suppliers.

Falabella and Sodimac have an alliance with Sedex, the world's largest collaborative platform for ethical and responsible business practices in global supply chains. Sedex helps companies improve their supply chain standards in key areas, including labor, environmental, health and safety and business ethics issues. Suppliers must make a commitment to comply with the ethical commerce norms of Sedex' members (SMETA).

- 1,667 suppliers of Falabella's retail businesses have Vendor Compliance clauses in their contracts, which aim to specify ethical and human rights conditions that they must comply with in their production process. We wish to highlight the progress made in this area, considering that, in 2013, only 421 contracts included social responsibility clauses.
- In 2014, a total of 2,895 suppliers were audited, a larger number than the 1,397 audits carried out in 2013.

The Group strives to pay its suppliers promptly, especially suppliers that are small and medium sized enterprises (SMEs), since these companies are the engines of development in the countries in which the Group operates.

- In 2014, the Group worked with 10,276 SMEs. Of these, 7,164 were paid in 30 days or less, which is twice as many SME suppliers paid in that timeframe than the year before.

Given the nature of Falabella's different businesses, none of its business units have a supplier that, independently, represents more than 10% of the business unit's total purchases during the period.



COMMUNITY

The Company is focused on generating social responsibility initiatives that have measurable results and that are related to each one of its business units. A number of projects have been implemented which aim to support community development in the different locations where the Group has operations. Some of the most emblematic programs include¹⁰:

- *Programa Hacienda Escuela* (School Sponsorship): Supports schools which are in the vicinity of Falabella's department stores by providing infrastructure, technology and classes. The Company sponsors one school per Falabella department store, in the municipality where the store is located. The Company sponsors 91 establishment across the region, which benefits over 81,000 students.
- *Programa Buen Vecino* (Good Neighbor): The Group's Home Improvement division's volunteer program, which consists in providing support and funds to construction, remodeling and quality of life projects that help the community. The projects compete for the program's funds. Projects have been undertaken in a variety of organizations, such as kindergartens, community centers, schools, foundations and fire departments, among others. In 2014, 73 projects were carried out, in which 1,973 employees participated, benefitting 10,130 people.
- *Programa de Educación en Alimentación Saludable* (Healthy Eating Educational Program): Promotes healthy eating habits among children, professors and parents who attend schools near the Group's supermarkets in lower income neighborhoods. The program began its "*Qué rico es crecer sano con Tottus*" ("It is delicious to grow in a healthy manner with Tottus") pilot project this year with 200 children.
- *Regional Alliance with América Solidaria*: Supported by the financial services division, this initiative supports projects that aim to improve the quality of life of the communities in the countries in which the Group operates.
- *Programa de Educación Financiera* (Financial Education Program): Aims to educate clients, employees and the community in general on how to properly manage their finances and budgets. In 2014, the Group taught 57 financial education courses in 17 schools that are part of the Hacienda Escuela Program. 2,100 students attended the classes and 134 employees volunteered.
- *Fondos Concursables Comuna Viva* (Live Municipality Competitive Funds): This program aims to support projects, created in conjunction with members of the community, which seek to improve the quality of life of the neighborhoods in which the Group's shopping centers are located. The group began a pilot program in 2014 that benefited approximately 1,380 people.

Corporate volunteer work constitutes one of the main tenets in building positive relationships with the communities with which the Group interacts, by impacting employees and the local environment.

- During 2014, the Group's employees carried out 52,750 hours of volunteer work, which represents a 35.0% increase with regards to the prior year.

10. Details of the activities of each business segment may be found in their respective Sustainability Reports.



THE ENVIRONMENT

With regards to environmental matters, the Group's strategy starts with being actively aware of the impact that the Company's activities have on its surroundings. Falabella's businesses units have implemented diverse initiatives, such as measuring the operation's Carbon Footprint in order to control and reduce direct and indirect emissions; constructing stores and buildings with ecologically friendly systems through LEED certification; and fostering recycling initiatives and recycling locations.

The Falabella Group is a member of the World Green Building Council, a nonprofit organization which aims to promote and encourage sustainable construction and development; the technological innovation and certification of sustainable buildings; the efficient use of energy and the use of renewable energies; the efficient use of water; the use of renewable, recyclable and non-toxic materials in construction; and the improvement of the quality of life and health of people and communities.

The metrics that the Company uses to manage its environmental impact are focused on the development of ecologically-friendly buildings and on increasing energy efficiency in order to decrease the use of electricity.

- As of December 2014, the Group had one LEED pre-certified Shopping Center, Mall Plaza Egaña, with a Gold rating. Also, Mall Plaza Copiapó, inaugurated in 2014, is in the process of certification, with a Silver rating. Additionally, 19 of the Group's shopping centers have eco-friendly features¹¹.
- By the end of the year, the Group had 18 LEED-certified stores and 30 eco-friendly stores, which reduce energy consumption, on average, by 20% to 25%.
- The Group's energy consumption in 2014 was of 185 KwH/m²¹², a 13% reduction with regards to the prior year.



11. Renovations and enhancements were carried out in 10 Shopping Centers in Chile and 2 in Peru, permitting a more efficient use of resources and greater care for the environment.

12. Considers energy use in stores, branches and shopping centers.



CORPORATE GOVERNANCE

The Group adheres to the norms and principles with regards to Human Rights of the Political Constitutions of each country in which it operates, as well as the Universal Declaration of Human Rights. Both Falabella and Sodimac adhere to the United Nations Global Compact, committing to promote and fulfill the ten universal principles in the areas of: human rights, labor standards, the environment and anti-corruption.

The Group fosters honesty, a vocation to service, impartiality, initiative, teamwork and respect. These values reflect the Group's commitment to conducting itself with transparency and loyalty towards people, with respect for their freedoms and rights. The Group rejects and publicly condemns any kind of abuse or violation of Human Rights, which is why employees have access to transparent procedures and channels of communication to directly report violations. These tools help the Company identify and monitor cases of corruption or discrimination, among other infractions, within the organization.

- In 2014 there was only one case of discrimination throughout all of the Group's companies.

The Group has a Code of Ethics that defines general guidelines for conduct with interest groups. The Group's businesses operate with an Ethics System that consists of established methods for management and prevention that require that all actions comply with standards of ethics, integrity and transparency.

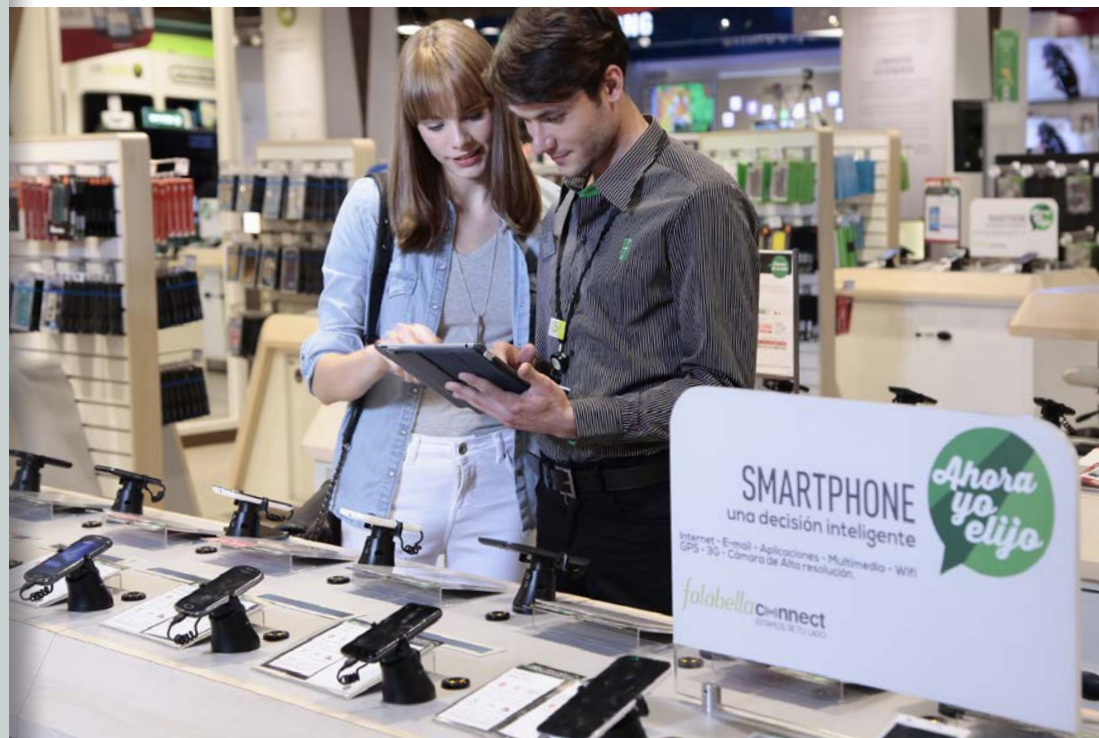
As a Group, it is important to continually train employees regarding the Company's policies and procedures to deal with issues of corruption and ethical behavior, among other related issues.

- During 2014, 126,338 e-learning courses were logged on the following subjects: Ethics, Asset Laundering, Money Laundering, Consumer Legislation, Free Competition, Crime and Fraud Prevention and Information Security, among others.

Investment Plan

Falabella is constantly looking for investment opportunities that will contribute to the growth of its businesses, generate synergies or that can leverage the Company's know-how. Each investment is studied and evaluated from the perspective of cash flow projections and strategic value. Financing policies are determined on a case by case basis, always following the guidelines approved by the Board.

In January 2015, Falabella announced a new organic growth plan for the next four years, until 2018, which estimates a total investment of US\$ 4,363 million. In this capex plan, 53% will be invested in the opening of 140 new stores and 11 new shopping centers across the six countries where the Company has operations. Additionally, the budget assigned to expansions and renovations will be US\$ 915 million over the next four years, which is double what was announced the previous year. This investment aims to develop the Company's existing points of sale to their maximum potential, offering customers the best possible experience. Finally, 26% of the capex plan will be invested in logistics and technology, in order to increase efficiency and productivity, as well as support the growth of the online operation.



125 YEARS WITH OUR CUSTOMERS

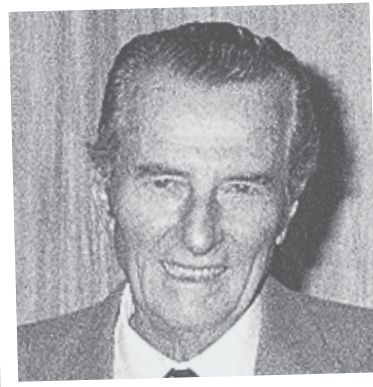
History

► From a tailor shop to department store



1889

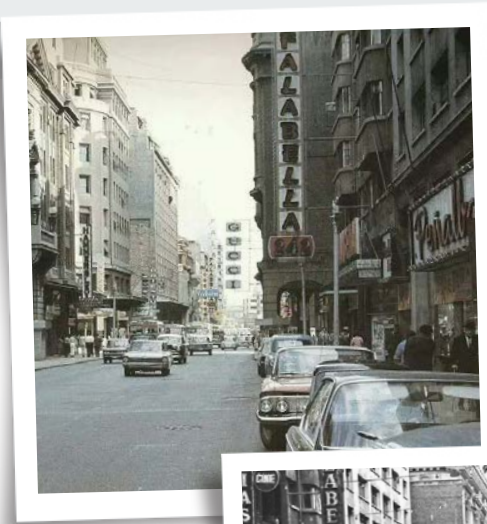
Salvatore Falabella opens the first large tailor shop in Chile on Ahumada Street.



1937

Alberto Solari joins the Company, bringing a renewed energy to the operation and transforming Falabella into a recognized apparel store.

Alberto Solari

**1958**

Household products are introduced, laying the foundation for the first department store in Chile. Ahumada Street comes to be known as Falabella Street.

1962

Falabella opens its first store outside of the Metropolitan Region, in Concepción.

1983

The Parque Arauco store opens for business.

Excellence and Austerity

Falabella's history has been forged with hard work and a great deal of austerity. "Doing things right" is the motto, with passion for the details.



125 YEARS WITH OUR CUSTOMERS

► CMR, trust in our customers and an offering of financial services

1980

Falabella launches CMR, its proprietary credit card, the first of its kind in Chile, responding to the needs of its customers and demonstrating trust in them.

1998

Launch of Banco Falabella, through the purchase of ING Bank Chile's banking license.

2007

Banco Falabella is launched in Peru.

2011

Banco Falabella begins operations in Colombia.

2013

Móvil Falabella begins operations in Chile.



1997

Expands its services to include travel and insurance.

2005

Banco Falabella completes the migration from consumer bank to a full-fledged commercial bank.



2010

CMR partners with Visa and MasterCard in Chile and Peru.





► Malls: the new square

The customer at the center

Making the customer our priority in all our decisions has been our trademark since day one. This drive to serve and respond to our customers translates, more than anything else, into our brand values: transparency, proximity and convenience.

1990

With the construction of Mall Plaza Vespucio in La Florida, Falabella becomes a pioneer in opening shopping centers in emerging middle-income neighborhoods in Chile, including health, cultural and entertainment services in these new urban centers.



1995

Mall Plaza Trébol is inaugurated, the first mall outside of the Metropolitan Region.



2007

Aventura Plaza is launched in Peru.

2013

Mall Plaza Egaña is opened, the first shopping center with a Gold LEED pre-certification in the Chile.

2012

Mall Plaza opens its first shopping center in Colombia, in the city of Cartagena de Indias.

125 YEARS WITH OUR CUSTOMERS

► Internationalization:
exporting the business model

1993

Falabella begins its internationalization process, exporting its business model and working with good partners in each country. Falabella opens its first store in Mendoza, Argentina, and enters Colombia with Sodimac.

2004

Sodimac Peru is launched, thus consolidating the presence of the Group in Peru, with all business units operational there.



1995

Falabella enters Peru with the acquisition of Saga, a Company that had two department stores in Lima. Today, the department stores are known as SagaFalabella.





2006

By launching Falabella department stores and CMR in Colombia, the Group extends its presence in the country.



Team work

Retail is a team effort, in which our 106 thousand employees have the opportunity to grow, on both the personal and professional level, with training and internal mobility, creating a positive work environment.

2013



Falabella enters Brazil with the acquisition of Dicico, a home improvement chain. The Company also announces the construction of two Homecenter stores in Montevideo, Uruguay, adding a new Latin American market in 2015.

125 YEARS WITH OUR CUSTOMERS

► Adding new brands and channels



1999

Committed to innovation, the Group launches its ecommerce operation in Chile, with Falabella.com.



2013

Launch of Falabella Connect, a digital platform that centralizes information from all the mobile operators regarding plans, prices and phone models.

1990

Launch of Basement and Sybilla, private labels for the apparel category, which offer customers fashion at affordable prices.

Sybilla

BASEMENT



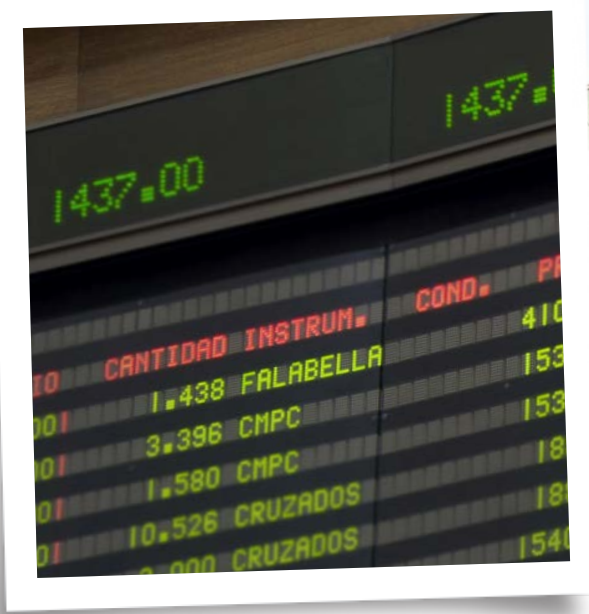
► From family business
to publicly traded company

**Innovating,
always innovating**

The drive to respond to the constantly changing needs of our customers has made innovation part of Falabella's DNA. We aim to reinvent ourselves again and again, offering our customers the latest technology in our products and services.

1996

Falabella goes public, and the newly incorporated company's shares begin trade on the Santiago Stock Exchange.



125 YEARS WITH OUR CUSTOMERS

► Alliance with Sodimac: leadership in home improvement



José Luis del Río

1997

Falabella takes its first steps in the home improvement and construction markets, through a partnership with Home Depot in Chile. Four years later, the Group acquires the operation. Meanwhile, Sodimac, which was founded in 1952, was looking for a partner to further consolidate its leadership in the segment.

2007

Sodimac acquires 60% of Imperial, a Chilean home improvement chain, which allows it to serve the carpentry and furnishings specialist markets.

2014

Falabella acquires Maestro, a home improvement chain in Peru, expanding its presence in the construction segment in that country.

2003

Falabella merges with Sodimac, keeping its culture of teamwork, which creates the first home improvement chain in Latin America.

2009

Falabella launches Homy in Chile, a new store concept which aims to mass market design and home decor.





► **The Supermarkets
could not be left out**

**Our suppliers,
good partners**

We view our suppliers as strategic partners and, side by side, we have helped each other grow. Trust and respect are key commitments in this partnership.

2002

Falabella ventures into the supermarket industry, opening the first Tottus store in Lima, Peru.

2005

The first Tottus hypermarket is opened in Chile.



2004



Falabella acquires the San Francisco supermarket chain in Chile, complementing the knowledge gained with Tottus in Peru.

2014

Hiperbodega Precio Uno is launched in Peru.

125 YEARS WITH OUR CUSTOMERS

► Contributing to communities

1969

Inauguration of the "Arnaldo Falabella" school, which Falabella sponsored by donating resources for its construction. This marked the beginning of the *Haciendo Escuela* program, which now sponsors 91 educational establishments and benefits over 81 thousand students in Latin America.



2003

Mall Plaza launches *Biblioteca Viva* inside its shopping centers. Subsequently, Mall Plaza has continued to contribute to the community through Microenterprise Fairs and Mall Plaza Kiosks, among other projects.



2005

Launch of *Círculo de Especialistas* in Sodimac, which provides training to specialized handymen and contractors. The *Buen Vecino* Program was then launched, providing resources to develop neighborhood improvement projects submitted by the local community.



Respecting the environment

Build sustainable stores and shopping centers with mitigation plans and new technologies. The efficient use of water and energy, use of renewable energy (NCRE) and the implementation of waste recycling are part of our culture.



2014

Tottus begins its Healthy Eating Educational Program in two schools in the municipality of Melipilla.

2013

Falabella Financiero signs an agreement with América Solidaria in Chile, Peru, Colombia and Argentina, in order to support educational and social inclusion projects.

SONRÍE

América Solidaria es una ONG que trabaja para superar la pobreza infantil en América, a través de proyectos de integración continental en las áreas de salud, educación y desarrollo productivo.

TU TAMBIÉN PUEDES AYUDAR, HAZTE SOCIO DE AMÉRICA SOLIDARIA

YO CHILE

Highlights of 2014



Strategic Pillars

- Growth

- Profitability

- Sustainability



Strategic Pillars

The Falabella Group aims to grow with discipline and responsibility in each one of its businesses, generating value, strengthening its leadership role in the region and concentrating its efforts in order to achieve continued improvement in the Company's three strategic pillars.

Growth

To responsibly grow in the region, organic and inorganically, consolidating our position and our ability to serve the customer, entering new markets and innovating with formats and channels.



Profitability

Increase profitability in each of the Group's divisions, by improving operating efficiency and identifying synergies among the businesses.



Sustainability

To be a Company that is respected, valued and preferred by all stakeholders: clients, employees, suppliers, communities and shareholders.



Growth

Since it began operations, the Falabella Group has always been characterized by its responsible growth strategy, and 2014 was no exception. Although the year presented a challenging environment, with slower economic growth in several of the markets in which it operates, the Group nonetheless reported US\$12,464 million in revenues, a 13.6% increase year over year, thanks to the balance achieved between organic and inorganic growth.

The Company's most important milestone in the year took place in the home improvement division, with the acquisition of the Maestro chain in Peru, which added 30 stores, significantly expanding the Company's presence in that country and contributing to the market's development. With this step, Sodimac continued to strengthen its regional leadership.

In 2014, the Group opened 31 stores in the region, thus slightly exceeding the growth plan presented at the beginning of the year. Falabella opened eight department stores in the region, marking a milestone in its international expansion now that it has 50 stores outside of Chile. In 2014, three stores were opened in Colombia, in the cities of Ibagué, Cali and Bucaramanga. Three stores were opened in Peru, in the city of Iquitos with the Expo format, in the Real Plaza Salverry shopping center in Lima and in the city of Huánuco. Lastly, two stores were opened in Chile, one in San Fernando, which replaced the expo that operated in that same city, and another in Mall Plaza Copiapo, in the northern part of the country.

The Group opened nine home improvement stores, in different formats, across the region. In Chile, the Company opened a new Homecenter in Quillota and a Homy in Mall Plaza Egaña. In Peru, the Group opened a Homecenter in the Villa El



Salvador district in Lima and another in the Open Plaza shopping center in Cajamarca. In Colombia, the first Sodimac Constructor in the country was opened in Bogotá and a Homecenter was opened in the Tintal neighborhood in Bogotá. In Argentina, Sodimac inaugurated a store in the city of La Plata that, in a few months, became one of the chain's top stores in terms of revenues in the country. Lastly, two Dicico stores were opened in Brazil, in the cities of Sumaré and São Paulo.

On the supermarket front, the Group opened 14 new stores in the region in 2014. In Chile, four supermarkets were opened in Concon, Santiago, Reñaca and the Chamisero neighborhood in the city of Colina, and one hypermarket in Mall Plaza Copiapo. In Peru, five supermarkets were opened in the districts of San Luis and Miraflores in Lima, and in the cities of Ica, Chepén and Huanuco. There were also two hypermarkets opened in Peru, one in the Open Plaza Cajamara shopping center and another in the San Hilarión district in Lima. Additionally, the new Hiperbodega Precio Uno format began operations in 2014, with two store openings in Lima, in the districts of Puente Piedra and Huaycan. This new format will help accelerate the Company's growth in Peru, as this supermarket format is well suited to emerging

“The Company's most important milestone in the year took place in the home improvement division, with the acquisition of the Maestro chain in Peru, which added 30 stores, significantly expanding the Company's presence in that country and contributing to the market's development.”

middle-class consumer neighborhoods where formal retail penetration is low. The new format also helps position the Group's Precio Uno brand.

While the Group works to incorporate new stores and formats, it is equally important to continue to develop the online channel in order to adapt to new consumer habits. In 2014, the Group launched the e-commerce sites for Sodimac and Tottus in Peru. In addition, Falabella stores in Chile implemented a new delivery system for online sales, in which customers can retrieve their purchases from lockers. The locker system expands the coverage of online delivery and provides the customer with greater convenience.

The specialty stores allow the Group to continue diversifying the way it reaches its customers. During 2014, the Group opened 21 specialty stores in Chile, Peru and Colombia. These stores represented the following exclusive brands: Call it Spring, Mango, MAC Cosmetics, La Martina, Aldo, Americanino, Mossimo, Clarks, Desigual and HE by Mango. This last brand is one of the international brands represented exclusively by Falabella, which the Group added to its portfolio in 2014, together with Etam, Mango Kids and Aristocrazy.



Falabella Financiero continued demonstrating sustained growth across its different business areas. The division reported an important increase in revenues, especially in financial products associated to the CMR card, which grew 15% year over year, and in the use of the CMR card for third-party purchases, which increased by 12% compared to 2013. Meanwhile, consumer loans exceeded US\$ 6 billion in 2014, a 14.5% annual increase. This achievement was partially due to the growth in new customers, which increased 6% during the year, further supporting CMR's leadership in the region in credit cards, as its card with a balance reached 4.6 million. The CMR Points loyalty program should also be recognized, as customers realized over one million point exchanges in the year.

Banco Falabella's passive products also exhibited sustained growth. Checking and deposit account openings increased by 23% and 38%, respectively, reaching a total of 1.4 million passive accounts. Sales associated to the debit card, meanwhile, grew by 69% in comparison to the previous year, once again leading the region in growth. Additionally, new points of service were established with customers, responding to their interest for improvements in the level of service, focusing on transparency, convenience and simplicity. The Group's client service network increased, to include over 580 ATMs in the countries where Banco Falabella is present, 270 bank branches across the region and 800 electronic customer service centers.

Regarding Viajes Falabella, more than 400 thousand passengers in the region booked their travel plans through the agency and revenues increased by 6% year over year. Contributing to the comprehensive offering of Financial Services, this was the first year of operations for Móvil Falabella, which was preferred by more than 225,000 customers through its Prepaid and Controlled Charging services.

Regarding the Real Estate division, Mall Plaza Copiapo was inaugurated in Chile, becoming the first shopping center in the Atacama Region, which allowed the Group to introduce new stores and brands to the residents of that region. Additionally, Open Plaza opened a new shopping center in Puente Alto. These openings are in addition to the inauguration of new *Aires* and *Laguna* spaces in Mall Plaza Oeste, which revitalized this important shopping center in Santiago, creating a new social and entertainment center for the families in that neighborhood. These projects widen the mix of brands available in these areas, thanks to the arrival of new fashion and international culinary trends. Another novelty was the expansion of the Food Court of Mall Plaza Trébol in Concepcion, which increased its leasable square meters by 21%. Finally, Mall Plaza Egaña consolidated its presence this year with a wide range of products and services, including the new area dedicated to sports called Pro Sport, the Casa Maroto culinary and cultural center and a diverse offering of specialty stores.



“ Falabella Financiero continued demonstrating sustained growth across its different business areas. The division reported an important increase in revenues, especially in financial products associated to the CMR card, which grew 15% year over year. ”

In Peru, Mall Aventura Plaza Bellavista and Mall Aventura Plaza Trujillo also underwent expansions, which increased leasable square meters by 14% and 21%, respectively. Additionally, Medicentro-Clinica Internacional medical attention centers were incorporated in all Aventura Plaza shopping centers, thus taking a significant step in transforming them into genuine urban centers, with services and new entertainment options that improve the customer experience. Important steps were also taken in consolidating the Open Plaza brand, which defined a single logo for Chile and Peru this year.

Profitability



For the Falabella Group, it is not enough to simply grow. Growth must go hand in hand with the continual improvement of the Company's operations in each of its business divisions. In 2014, the Company reported US\$4,394 million in gross profits, a 13.7% year over year increase, while EBITDA reached US\$1,674 million.

The Group is implementing a series of initiatives that aim to provide its customers with a consistent level of service, no matter the time or place, through its various sales channels. These initiatives will be rolled out across the region. For example, in 2014, Falabella, provided sales people in Chilean stores with tablets connected to the internet, allowing in-store access to the full range of products available on the Company's websites, complementing the product mix available on the sales floor. Additionally, the Click & Connect service is available at every department store in Chile, Colombia, Argentina, and Peru, which allows the customer to make purchases online and retrieve those products from the store of his or her choice. This service was also implemented in some Sodimac and Tottus stores in Chile. The Click & Collect service not only improves the customer's shopping experience and reduces delivery times, but it also simplifies the logistics of ecommerce since products are dispatched to the store from

the distribution center or, when possible, the order is simply fulfilled using in-store inventory.

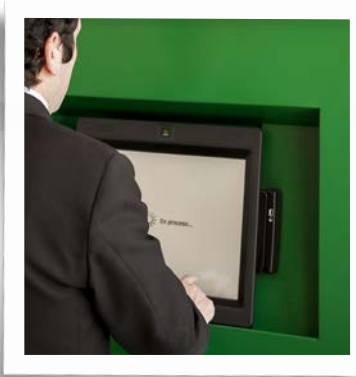
Regarding productivity, the Group continues implementing the LEAN management model. Throughout the business, focus is placed on increasing production efficiency, reducing operational tasks, reducing processing times in distribution centers and increasing efficiency in in-store reception and restocking tasks, as well as in optimizing the distribution of the Company's staff. Several department stores were remodeled in order to optimize the use of space, centralize check-out counters and renovate the look of different departments. In Sodimac self-service check-outs are being implemented, with the roll out complete already in several stores. In Tottus, in the production center of confectionary and prepared foods, processes were standardized in order to reduce production times. Additionally, 11 stores in Chile and two in Peru were remodeled in order to optimize the sales floor, in order to introduce new categories and improve the existing product mix.

Given the growth that the Group has experienced over the past years, the Company is developing several infrastructure projects that will allow it to leverage its future growth in the region. In 2014,

“ The Click & Connect service is available at every department store in Chile, Colombia, Argentina, and Peru, which allows the customer to make purchases online and retrieve those products from the store of his or her choice. ”



“ In 2014, Tottus' new dry goods distribution center in Lima began operations. This first stage of the distribution center has a total surface area of 34,000 m². ”



Tottus' new dry goods distribution center in Lima began operations. This first stage of the distribution center has a total surface area of 34,000 m².

Special attention is being placed on the systematic technological advances that are revolutionizing the consumer habits of the region's population. In this context, Falabella Financiero began in 2014 a series of technological projects that seek to innovate payment methods, develop omnichannel customer service, optimize risk engines and adapt centralized systems for credit cards and other banking products. The implementation of these projects should generate operational efficiencies and improve the customer's satisfaction and experience through better service. Additionally, special emphasis has been placed on capturing new customers in order to reduce funding costs, by promoting the direct salary deposit program. Accounts with direct salary deposits increased by 58% in the region, thanks to this initiative. Meanwhile, the Group continued to incentivize customers to migrate to remote service options. As a result, in 2014, 82% of all customer services were handled through self-service channels and 47% of all customers received their account statements by e-mail. For its part, Banco Falabella Colombia began installing its own network of ATMs, with 46 points of service operational by year end.

The development of private label brands is crucial, both because this strategy enables the Group to offer customers product options with a better price/quality balance and because it increases profitability. During 2014, the Group launched two new private label brands. Wurden, a small home appliances brand, characterized by its high level of efficiency, performance and technology, with a wide range of products suited for today's lifestyle, with innovative and quality designs. This brand will be available across the Group's three retail formats, optimizing its production and distribution. In the same year, Sodimac launched the Ozom brand, a new home automation technology. Ozom's product line is comprised of twelve products that allow customers to remotely control their homes through a mobile app. Functions include turning lights on and off, as well as operating cameras, locks and sensors, among others.

In the real estate business, the concern for achieving greater profitability was reflected in a greater efficiency in the use and maintenance of equipment, a greater centralization of the services shared among shopping centers across three countries and in the optimization of marketing expenses.



Sustainability

For the Group, economic growth must go hand in hand with the creation of social and environmental value, and with a profound commitment to the community. In 2014, the Falabella Group received several acknowledgements with regards to this commitment, both at the consolidated level and at each one of its companies. In addition, each business unit participates in programs and projects that benefit the communities located near its stores and shopping centers, with the goal of contributing to their development and quality of life.

During 2014, the PROhumana Corporate Sustainability Ranking commended several of the Group's companies in Chile on this matter. Falabella Retail attained the ranking's highest distinction, the Platinum seal, which was granted for the first time and which was only granted to four companies in the country. Mall Plaza and Sodimac were also acknowledged, ranking sixth – improving by two positions since 2013 – and tenth, respectively.

As the Group continues to grow in the region, special consideration needs to be taken in order for the construction, design, maintenance and operation of its stores and shopping centers to be ecologically friendly. In 2014, the US Green Building Council acknowledged the new Tottus in Miraflores, in Peru, with a LEED certification. Falabella also received its second LEED certification for the volume of its commercial interiors. Sodimac, meanwhile, obtained the Platinum LEED certification for its Homecenter Tintal store in Colombia – the first certification of this kind for a store in Latin America, and only the seventh worldwide. Furthermore, Mall Plaza Copiapó was inaugurated in Chile and is in the LEED certification process; this shopping center is considered a pioneer in



“As part of its 125th anniversary, Falabella Retail celebrated through a series of events with its customers, employees and suppliers, as well as government authorities, trade guilds, business leaders and local communities. Among the most notable events, the Group held a music competition in which all of the schools participating in the *Haciendo Escuela* program were invited to participate. The finale of this music contest took place in Santiago's historic Municipal Theater.”

sustainable construction in the north of Chile, as the project adopted specific measures for the efficient use of water. This year, all of Mall Plaza's shopping centers in Chile obtained the ISO 50001 Energy Efficiency Certification and the ISO 14001 Environmental Management Recertification. Open Plaza built in Pucallpa the first emissions-neutral shopping center in Peru, through the acquisition of carbon credits to neutralize the impact on the environment of the emissions produced during construction.

With regards to the Company's waste management, Sodimac Chile implemented a National Network of *Puntos Limpios*, which consists in 15 centers where clients can drop off waste for recycling.

In order to maintain a close and trustworthy relationship with customers, the Group must listen and respond to their needs. In 2014 the Group implemented, across all of its companies, a new customer loyalty management system, which is

based on recommendations and called Net Promoting Score (NPS). The objective of this tool is to improve customer satisfaction, prioritizing the implementation of the changes and improvements that our customers themselves request.

As part of its 125th anniversary, Falabella Retail celebrated through a series of events with its customers, employees and suppliers, as well as government authorities, trade guilds, business leaders and local communities. Among the most notable events, the Group held a music competition in which all of the schools participating in the *Haciendo Escuela* program were invited to participate. The finale of this music contest took place in Santiago's historic Municipal Theater. The events also included an opera and a ballet in the same theater and a Ricky Martin concert held at the National Stadium. Finally, the Group held a special event to honor the suppliers of the department store division and to acknowledge their contribution to Falabella's growth and development.



Within Sodimac's community programs, the Sodimac Specialist Network (CES) is an emblematic project which brings together 354 thousand specialized handymen and contractors. One of the more notable events of 2014 was the realization of the second CES Training Fair. This event took place in the Mapocho Station in Santiago. Over 20,000 handymen and contractors attended the event, which offered 210 free courses and had 120 participating companies.

During 2014, Tottus initiated its Healthy Eating Educational Program, with the support of the 5 al Día Corporation and the backing of the Food Nutrition and Technology Institute (INTA) of the University of Chile. The first pilot program project took place in two schools in the municipality of Melipilla. The initiative included various workshops and lectures promoting the development of healthy eating habits, in addition to athletic activities such as trekking and running. The school children's families are a fundamental part of the program, participating in theoretical, practical and cooking workshops, and encouraged to participate in all additional events.

The Falabella Financiero division continued developing its financial education program during 2014. Further progress was made promoting the *Juntos Aprendemos* website at the regional level,

incorporating financial educational advice in its products and client channels. The second version of the e-learning program was also launched, which provided training for 800 employees throughout the region, and the second financial education tournament was launched in the *Hacienda Escuela* program, with the participation of 400 students in Chile and 3,000 in Argentina. A pilot program for digital classes on financial education was implemented in the curricula of the schools participating in the *Hacienda Escuela* Program. The alliance with America Solidaria also made important strides in 2014, given that employee volunteer efforts and a communications campaign helped increase the number of partners to 27,509 from 1,600 the year before.

Lastly, the real estate division worked on various development initiatives in its shopping centers, receiving eight distinctions in the Energy Efficiency Seal from Chile's Ministry of Energy. Additionally, ANDA Sustainable Brands Awards acknowledged Mall Plaza in the category "Communication that creates conscientiousness regarding sustainability" with regards to its "I am 0% Plastic" campaign, which promoted the use of reusable cloth bags. On the cultural front, Aventura Plaza premiered the musical *Snow White* in Peru, open to the public free of charge in four shopping centers in the country.



“ Within Sodimac's community programs, the Sodimac Specialist Network (CES) is an emblematic project which brings together 354 thousand specialized handymen and contractors. ”

Corporate Governance



Board of Directors

Board Committees

- Audit Committee
 - Strategy Committee
 - Compensation and Talent Committee
-

Management

- Main Executives
 - Incentive Plans
-

Ownership and Control

- Controlling Group
 - Equity
 - 12 Largest Shareholders
 - Changes in Ownership
 - Dividend Policy
-



Board of Directors

S.A.C.I. Falabella's Board of Directors is composed by nine members that serve three year tenures, beginning from the date of their designation, and eligible indefinitely for reelection. The Board does not contemplate alternate directors.

During the Ordinary Shareholders Meeting held on April 29th, 2014, board members were elected for a new period. Carlo Solari Donaggio assumed the chairmanship of the board, replacing Juan Cúneo Solari, who did not present himself for reelection as director. Additionally, Juan Carlos Cortés Solari assumed the vice-chairmanship of the board, and Paola Cúneo Queirola joined the board as a director.

As of December 31st, 2014, S.A.C.I. Falabella's board was composed by the following members:



Taxpayer I.D.	Name	Title	Occupation	Member since	2014 Attendance
9.585.749-3	Carlo Solari Donaggio	Chairman	Civil Engineer	2014	15
7.017.522-3	Juan Carlos Cortés Solari	Vice Chairman	Business Administration	2014	15
5.718.666-6	Hernán Büchi Buc	Director (Independent)	Civil Engineer	1996	14
5.082.229-K	Sergio Cardone Solari	Director	Business Administration	1986	15
6.888.500-0	Carolina del Río Goudie	Director	Business Administration	2011	14
4.773.832-6	José Luis del Río Goudie	Director	Civil Engineer	2003	12
8.717.000-4	Carlos Heller Solari	Director	Agricultural Engineer	2002	13
7.005.097-8	María Cecilia Karlezi Solari	Director	Entrepreneur	2003	14
8.506.868-7	Paola Cúneo Queirolo	Director	Business Administration	2014	11

In 2014 the Board met 15 times.

Carlo Solari Donaggio is a board member since 2011.

Juan Carlos Cortés is a board member since 2002.

Paola Cúneo Queirolo is a board member since abril 2014.

Compensation of SACI Falabella Board, 2014 (Th CLP):

Taxpayer I.D.	Director	Fix Portion of Per Diem	Variable Portion of Per Diem	Total 2014
3.066.418-3	Juan Cuneo Solari	64,430	310,679	375,109
9.585.749-3	Carlo Solari Donaggio	137,592	155,340	292,932
5.082.229-K	Sergio Cardone Solari	15,999	155,340	171,338
5.718.666-6	Hernan Büchi Buc	15,999	155,340	171,338
8.717.000-4	Carlos Heller Solari	15,999	155,340	171,338
7.017.522-3	Juan Carlos Cortés Solari	15,999	155,340	171,338
4.773.832-6	Jose Luis del Río Goudie	15,999	155,340	171,338
6.888.500-0	Carolina del Río Goudie	15,999	155,340	171,338
7.005.097-8	María Cecilia Karlezi Solari	15,999	155,340	171,338
8.506.868-7	Paola Cuneo Queirolo	12,122	0	12,122
Total		326,135	1,553,396	1,879,531

Compensation of SACI Falabella Board, 2013 (Th CLP):

Taxpayer I.D.	Director	Fix Portion of Per Diem	Variable Portion of Per Diem	Total 2013
3.066.418-3	Juan Cuneo Solari	188,582	259,742	448,324
9.585.749-3	Carlo Solari Donaggio	15,332	129,871	145,203
5.082.229-K	Sergio Cardone Solari	15,332	129,871	145,203
5.718.666-6	Hernan Büchi Buc	15,332	129,871	145,203
8.717.000-4	Carlos Heller Solari	15,332	129,871	145,203
7.017.522-3	Juan Carlos Cortés Solari	15,332	129,871	145,203
4.773.832-6	Jose Luis del Río Goudie	15,332	129,871	145,203
6.888.500-0	Carolina del Río Goudie	15,332	129,871	145,203
7.005.097-8	María Cecilia Karlezi Solari	15,332	129,871	145,203
8.506.868-7	Paola Cuneo Queirolo	0	0	- -
Total		311,238	1,298,710	1,609,948

Compensation of SACI Falabella Board members in Subsidiaries, 2014 (Th CLP):

Taxpayer I.D.	Director	Dinalsa	Malls	Sodimac	CMR	FIF	Retail	Banco	Total 2014
3.066.418-3	Juan Cuneo Solari	-	9,432	5,280	3,136	5,226	-	-	23,074
5.082.229-K	Sergio Cardone Solari	-	86,436	-	-	13,346	15,967	-	115,749
8.717.000-4	Carlos Heller Solari	-	-	16,126	-	-	48,212	-	64,338
7.017.522-3	Juan Carlos Cortés Solari	35,434	-	18,872	-	-	16,671	-	70,977
4.773.832-6	Jose Luis del Río Goudie	-	-	16,126	-	14,661	15,967	-	46,755
6.888.500-0	Carolina del Río Goudie	-	-	-	-	-	17,875	-	17,875
9.585.749-3	Carlo Solari Donaggio	13,905	28,812	16,126	3,136	15,967	-	32,703	110,649
7.005.097-8	María Cecilia Karlezi Solari	13,124	-	16,127	-	-	15,967	-	45,219
8.506.868-7	Paola Cuneo Queirolo	-	-	10,847	-	-	5,930	-	16,777
Total		62,464	124,681	99,505	6,272	49,200	136,590	32,703	511,414

Compensation of SACI Falabella Board members in Subsidiaries, 2013 (Th CLP):

Taxpayer I.D.	Director	Dinalsa	Malls	Sodimac	CMR	FIF	Retail	Banco	Total 2013
3.066.418-3	Juan Cuneo Solari	-	27,601	13,651	9,192	15,320	-	-	65,764
5.082.229-K	Sergio Cardone Solari	-	82,802	-	-	14,050	12,782	-	109,634
8.717.000-4	Carlos Heller Solari	-	-	13,651	-	-	14,052	-	27,703
7.017.522-3	Juan Carlos Cortés Solari	8,439	-	15,933	-	-	11,515	-	35,886
4.773.832-6	Jose Luis del Río Goudie	-	-	13,651	-	11,504	12,782	-	37,937
6.888.500-0	Carolina del Río Goudie	-	-	-	-	-	12,779	-	12,779
9.585.749-3	Carlo Solari Donaggio	6,893	27,601	13,651	8,430	14,050	150,640	68,897	290,163
7.005.097-8	María Cecilia Karlezi Solari	7,677	-	13,651	-	-	12,777	-	34,105
Total		23,009	138,003	84,188	17,622	54,925	227,326	68,897	613,972

During 2014, the Board hired the advisory services of Jose Pablo Arellano and Cristián Lewin for the sum of CLP 62,564,373. Beyond this, there were no other advisors directly retained by the board.

Board Committees

AUDIT COMMITTEE

In the Ordinary Shareholders Meeting held on April 29th, 2014, and in accordance to that which is established in article 50 bis of Statute 18,046, on Corporations, the Independent Director Hernán Büchi Buc appointed Messrs. Sergio Cardone Solari and José Luis del Río Goudie as members of the Audit Committee. Thus, the Committee is composed of the aforementioned directors and is chaired by Mr. Hernán Büchi Buc, in his role as Independent Director.

The Audit Committee's expense budget and the compensation of its members was determined by the Ordinary Shareholders Meeting of the Company held on April 29th, 2014. The expense budget was set at a minimum of UF 750 and a maximum equal to the annual compensation of the committee members. The per diem was set at a net UF 17 per meeting attended, plus one-third of the variable compensation stipulated for the Company's Directors in 2014, which is allocated according to the same criteria used in director compensation. The Committee was also empowered to retain professional advisories for carrying out its duties. During 2014, there were no expenses allocated towards this budget.

During 2014, the Audit Committee met on March 3rd, May 12th, August 25th, November 10th, and extraordinarily on December 15th, in order to discuss matters within its purview. Among other matters contemplated under article 50 bis of Statute 18,046, on Corporations, and mandated by the board, the committee examined the Company's quarterly and annual balances and other financial statements, including reports presented by the Company's executives and those presented by external auditors, stating their opinion on these; examined all transactions contemplated under Title XVI of the Corporations Law, in accordance with the Company's Habitual Transactions Policy and other exceptions adopted by resolution of the Board pursuant to article 147 of the Corporations Law, reporting that no transactions with related parties were not for low amounts, or that were ordinary considering their line of business according to the Company's general policies on habitual



practices determined by the Board and communicated to the Securities and Insurance Superintendence, nor were there any transactions between legal entities in which the Company owns, directly or indirectly, at least 95% of the counterparty's ownership, and reporting these conclusions to the Board; proposed external auditors and private rating agencies to the Board, in accordance to numeral 2) of the eighth subsection of article 50 bis of Statute 18.046 on Corporations; informed the board on the convenience of retaining an external auditing firm for services unrelated to the external audit, under the terms contemplated by numeral 6) of the eighth subsection of article 50 bis of Statute 18,406 on Corporations; took note of the progress on the audit plans and processes for the Company and its subsidiaries, the report on internal controls presented by the Company's external auditors, the risk management model and current state of the Company and subsidiaries with regards to risk management and internal audit, and of the diagnosis of the same by corporate controller, supported also by the report prepared by Deloitte, as well as the proposals to strengthen internal controls; and analyzed the remuneration systems and compensation plans of the Company's managers, main executives and employees.

Members and Meeting Attendance:

Director	2013 Attendance	2014 Attendance
Hernán Büchi Buc (Chairman)*	5	5
Sergio Cardone Solari	5	5
José Luis del Río Goudie	3	3

* Independent Director

The Audit Committee held five meetings in 2014.

Audit Committee Compensation (Th CLP)

Taxpayer I.D.	Director	Fix Portion of Per Diem	Variable Portion of Per Diem	Total 2014	Total 2013
5.082.229-K	Sergio Cardone Solari	1,806	51,780	53,586	45,462
5.718.666-6	Hernan Büchi Buc	1,806	51,780	53,586	45,462
4.773.832-6	Jose Luis del Río Goudie	1,362	51,780	53,141	45,462
Total		4,973	155,340	160,312	136,387

STRATEGY COMMITTEE

This Committee aims to evaluate and make proposals to the Board on industry trends and their implications for the Falabella Group, as well as strategic opportunities that the business faces in the medium and long term.

The Strategic Committee also explores the guidelines of the corporate strategic plan and of each business unit's strategic plan. Along these lines, it proposes improvements to the proposals of the strategic plans presented by the CEO.

In addition, the Committee has the role of further analyzing investments and divestments, and makes proposals regarding the Company's investment and risk management policies. Thus, the Committee is responsible for leading the analysis and developing proposals on critical matters at the request of the Board.

The Strategic Committee held four meetings during 2014.



Members and Meeting Attendance:

Director	2013 Attendance	2014 Attendance
Carlo Solari Donaggio (Chairman)	4	4
Sergio Cardone Solari	4	4
Juan Carlos Cortés Solari	4	4
Juan Cuneo Solari	4	1
José Luis del Río Goudie	4	3
Hernan Büchi Buc	-	3
Paola Cúneo Queirolo	-	3



COMPENSATION AND TALENT COMMITTEE

This committee analyzes the policies on compensation, evaluations and the management of talent and, when relevant, reviews the nominations of directors across the Group's different companies.

The committee analyzes and proposes compensation policies for the directors of the Company and its relevant subsidiaries, advisors to the board and main executives.

As to evaluations, the committee designs evaluation policies for directors and ensures the correct implementation of the performance evaluation of the CEO.

In addition, the committee is periodically informed on the key issues of talent management and nomination within the organization. The Committee proposes policies and procedures in relation to succession plans for the corporate CEO and senior executives and it monitors the performance of key executives in the succession to the corporate CEO and senior officers.

The Compensation and Talent Committee held three meetings in 2014.

Members and Meeting Attendance

Director	2013 Attendance	2014 Attendance
Juan Carlos Cortés Solari (Chairman)	2	3
Juan Cuneo Solari	2	-
Carolina del Río Goudie	2	3
Carlo Solari Donaggio	2	3
José Pablo Arellano	-	3

Management

MAIN EXECUTIVES

- ▶ **Sandro Solari Donaggio**
 9.585.729-9
 Chief Executive Officer SACI Falabella
 Civil Engineer
 20 years with the Group
 Position since: November 2012
- ▶ **Alejandro González Dale**
 10.054.917-4
 Chief Financial Officer SACI Falabella
 Business Administration
 8 years with the Group
 Position since: November 2006
- ▶ **Jordi Gaju Nicolau**
 13.660.520-8
 Chief Development Officer SACI Falabella
 Business Administration
 5 years with the Group
 Position since: July 2009
- ▶ **Paola Bruzzone Goldsmith**
 9.948.298-2
 Counsel SACI Falabella
 Lawyer
 20 years with the Group
 Position since: June 2014
- ▶ **Ricardo Zimmerman Heller**
 O-E (Extranjero)
 Country Manager Argentina
 Business Administration
 16 years with the Group
 Position since: June 2014
- ▶ **Rodrigo Fajardo Zilleruelo**
 7.649.739-7
 Country Manager Colombia
 Business Administration
 20 years with the Group
 Position since: February 2010
- ▶ **Juan Xavier Roca Mendenhall**
 O-E (Extranjero)
 Country Manager Peru
 Economist
 26 years with the Group
 Position since: September 2013
- ▶ **Gonzalo Somoza García**
 22.051.269-K
 Corporate CEO Falabella
 Civil Engineer
 15 years with the Group
 Position since: April 2014
- ▶ **Enrique Gundermann Wylie**
 9.900.567-K
 Corporate CEO Sodimac
 Civil Engineer
 13 years with the Group
 Position since: October 2012
- ▶ **Cristóbal Irrazabal Philippi**
 10.216.082-7
 Corporate CEO Tottus
 Civil Engineer
 13 years with the Group
 Position since: January 2011
- ▶ **Pablo Meza Martínez**
 6.699.659-K
 CEO TI Corp. SACI Falabella
 Civil Engineer
 23 years with the Group
 Position since: April 1992
- ▶ **Jorge Joannon Errázuriz**
 7.003.348-8
 Corporate Controller SACI Falabella
 Civil Engineer
 1 year with the Group
 Position since: August 2014
- ▶ **Gastón Bottazzini**
 22.923.569-9
 Corporate CEO Falabella Financiero
 Economist
 6 years with the Group
 Position since: October 2008
- ▶ **Fernando de Peña Iver**
 7.556.207-1
 CEO Mall Plaza
 Civil Engineer
 25 years with the Group
 Position since: January 1990
- ▶ **Ricardo Hepp de Los Ríos**
 7.617.431-8
 CEO Open Plaza Chile
 Business Administration
 20 years with the Group
 Position since: April 2009

As of December 31st, 2014, no single executive or board member, excluding those who are members of the Controlling Group (which is described in the following pages), owned more 0.5% of the Company's shares. The executives and board members (excluding the Controlling Group), together, do not own more than 0.5% of the Company.

For information regarding compensation of the Company's main executives, please refer to Note 7 d) of the Company's December 2014 Financial Statements.

INCENTIVE PLANS

The Company provides its employees with additional incentives to their salaries, in the form of bonuses. These awards are calculated as a function of the goals set at the beginning of each period and the results achieved. Additionally, compensation plans that award stock options to executives have been implemented. For more information on stock based compensation, please refer to Note 21 d) of the Company's December 2014 Financial Statements.



Ownership and Control

CONTROLLING GROUP

The Company is controlled by the following groups of shareholders. As of December 31st, 2014, the controlling group owns 80.51% of the Company's shares. These controlling shareholders have a joint action agreement, pursuant to the Shareholders Agreement that was signed on September 24th, 2013. This Agreement contains restrictions on the free use of shares.



AUGURI GROUP	Taxpayer I.D.	No. of Shares	%
SOLARI FALABELLA MARIA LUISA	4.284.209-5	19,478,080	0.80%
KARLEZI SOLARI MARIA CECILIA	7.005.097-8	1,808,143	0.07%
INVERSIONES AUGURI LTDA	78.907.330-9	36,954,684	1.52%
This company is controlled, through different companies, by the individuals listed below:			
MARIA CECILIA KARLEZI SOLARI	7.005.097-8		
SEBASTIAN ARISPE KARLEZI	15.636.728-1		
LUCEC TRES S A	99.556.440-8	258,913,368	10.64%
This company is controlled, through different companies, by the individuals listed below:			
MARIA LUISA SOLARI FALABELLA	4.284.209-5		
MARIA CECILIA KARLEZI SOLARI	7.005.097-8		
SEBASTIAN ARISPE KARLEZI	15.636.728-1		

BETHIA GROUP	Taxpayer I.D.	No. of Shares	%
BETHIA S A	78.591.370-1	243,517,941	10.00%
This company is controlled, through different companies, by the individuals listed below:			
LILIANA SOLARI FALABELLA	4.284.210-9		
CARLOS ALBERTO HELLER SOLARI	8.717.000-4		
ANDREA HELLER SOLARI	8.717.078-0		
PEDRO HELLER ANCAROLA	17.082.751-1		
ALBERTO HELLER ANCAROLA	18.637.628-5		
PAOLA BARRERA HELLER	15.960.799-2		
FELIPE ROSSI HELLER	18.637.490-8		
VIALAT S.A	85.487.000-9	2,678,697	0.11%
This company is controlled, through different companies, by the individuals listed below:			
LILIANA SOLARI FALABELLA	4.284.210-9		
CARLOS ALBERTO HELLER SOLARI	8.717.000-4		
ANDREA HELLER SOLARI	8.717.078-0		
PEDRO HELLER ANCAROLA	17.082.751-1		
ALBERTO HELLER ANCAROLA	18.637.628-5		
PAOLA BARRERA HELLER	15.960.799-2		
FELIPE ROSSI HELLER	18.637.490-8		
ADMINISTRADORA DE FONDOS DE INVERSIÓN SINERGY S.A	99.577.500-K	64,484	0.00%
This company is controlled, through different companies, by the individuals listed below:			
LILIANA SOLARI FALABELLA	4.284.210-9		
CARLOS ALBERTO HELLER SOLARI	8.717.000-4		
ANDREA HELLER SOLARI	8.717.078-0		
PEDRO HELLER ANCAROLA	17.082.751-1		
ALBERTO HELLER ANCAROLA	18.637.628-5		
PAOLA BARRERA HELLER	15.960.799-2		
FELIPE ROSSI HELLER	18.637.490-8		

CORSO GROUP	Taxpayer I.D.	No. of Shares	%
CORTES SOLARI JUAN CARLOS	7.017.522-3	2,081,442	0.09%
SOLARI FALABELLA TERESA MATILDE	4.661.725-8	2,229,487	0.09%
CORTES SOLARI MARIA FRANCISCA	7.017.523-1	2,082,186	0.09%
INVERSIONES MAPTER UNO S A	76.839.420-2	13,954,363	0.57%
This company is controlled, through different companies, by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARIA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INVERSIONES MAPTER DOS S A	76.839.460-1	4,196,649	0.17%
This company is controlled, through different companies, by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARIA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INVERSIONES QUITAFAL LIMITADA	76.038.402-K	18,300,200	0.75%
This company is controlled, through different companies, by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARIA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INVERSIONES QS S.A.	99.536.400-K	413,472	0.02%
This company is controlled, through different companies, by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARIA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INV Y RENTAS DON ALBERTO CUATRO S A	99.552.470-8	150,666,022	6.19%
This company is controlled, through different companies, by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARIA FRANCISCA CORTÉS SOLARI	7.017.523-1		
MAPCOR CUATRO S A	99.556.480-7	108,247,346	4.45%
This company is controlled, through different companies, by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARIA FRANCISCA CORTÉS SOLARI	7.017.523-1		

SAN VITTO GROUP	Taxpayer I.D.	No. of Shares	%
INVERSIONES SAN VITTO LTDA	77.945.970-5	243,698,146	10.01%
This company is controlled, through different companies, by the individuals listed below:			
PIERO SOLARI DONAGGIO	9.585.725-6		
SANDRO SOLARI DONAGGIO	9.585.729-9		
CARLO SOLARI DONAGGIO	9.585.749-3		
ASESORIAS E INVERSIONES BRUNELLO LIMITADA	78.907.380-5	8,235,709	0.34%
This company is controlled, through different companies, by the individuals listed below:			
PIERO SOLARI DONAGGIO	9.585.725-6		
SANDRO SOLARI DONAGGIO	9.585.729-9		
CARLO SOLARI DONAGGIO	9.585.749-3		

SAN VITTO GROUP (continuation)	Taxpayer I.D.	No. of Shares	%
ASESORIAS E INV BAROLO LTDA	78.907.350-3	8,235,729	0.34%
This company is controlled, through different companies, by the individuals listed below:			
PIERO SOLARI DONAGGIO	9.585.725-6		
SANDRO SOLARI DONAGGIO	9.585.729-9		
CARLO SOLARI DONAGGIO	9.585.749-3		
ASESORIAS E INV SANGIOVESE LTDA	78.907.390-2	8,235,690	0.34%
This company is controlled, through different companies, by the individuals listed below:			
PIERO SOLARI DONAGGIO	9.585.725-6		
SANDRO SOLARI DONAGGIO	9.585.729-9		
CARLO SOLARI DONAGGIO	9.585.749-3		

LIGURIA GROUP	Taxpayer I.D.	No. of Shares	%
INVERSIONES LOS OLIVOS SA	76.360.576-0	291,569,988	11.98%
This company is controlled, through different companies, by the individuals listed below:			
JUAN CUNEO SOLARI	3.066.418-3		
PAOLA CUNEO QUEIROLO	8.506.868-7		
GIORGIANNA CUNEO QUEIROLO	9.667.948-3		

AMALFI GROUP	Taxpayer I.D.	No. of Shares	%
IMPORTADORA Y COMERCIALIZADORA AMALFI SPA	87.743.700-0	45,224,102	1.86%
INVERSIONES VIETRI S.A.	76.182.636-0	10,831,258	0.44%
Esta sociedad es controlada por las personas naturales que se indican a continuación:			
SERGIO CARDONE SOLARI	5.082.229-K		

DERSA GROUP	Taxpayer I.D.	No. of Shares	%
DERSA SA	95.999.000-K	138,024,501	5.67%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
DT CARRERA SA	76.338.127-7	34,012,040	1.40%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		

DERSA GROUP (continuation)	Taxpayer I.D.	No. of Shares	%
QUILICURA SA	76.338.077-7	31,827,793	1.31%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
EL ROQUERIO SA	76.338.125-0	31,827,793	1.31%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
DT D Y D SA	76.338.126-9	31,827,793	1.31%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
BFD SA	76.338.129-3	31,827,793	1.31%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
DT PENUELAS SA	76.338.177-3	31,827,793	1.31%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		

DERSA GROUP (continuation)	Taxpayer I.D.	No. of Shares	%
LAS MARIPOSAS SA	76.338.144-7	25,275,010	1.04%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
INDER Spa	76.075.989-9	41,114,421	1.69%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
INVITACURA SA	88.494.700-6	5,376,695	0.22%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
INVERSIONES AUSTRAL LIMITADA	94.309.000-9	14,255,119	0.59%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		
INPESCA S A	79.933.960-9	49,343,681	2.03%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
FELIPE DEL RIO GOUDIE	5.851.869-7		
IGNACIO DEL RIO GOUDIE	6.921.717-6		
SEBASTIAN DEL RIO GOUDIE	6.921.716-8		
CAROLINA DEL RIO GOUDIE	6.888.500-0		

DERSA GROUP (continuation)	Taxpayer I.D.	No. of Shares	%
AGER SA	76.142.164-6	11,847,169	0.49%
This company is controlled, through different companies, by the individuals listed below:			
JOSE LUIS DEL RIO GOUDIE	4.773.832-6		
BARBARA DEL RIO GOUDIE	4.778.798-K		
IGNACIO DEL RIO GOUDIE	5.898.685-2		
SEBASTIAN DEL RIO GOUDIE	5.851.869-7		
INVERSIONES D Y D CUATRO SPA	76.156.657-1	668,606	0.03%
This company is controlled, through different companies, by the individuals listed below:			
JUAN PABLO DEL RIO GOUDIE	5.898.685-2		
PATRICIA EDWARDS BRAUN	5.711.271-9		
ELISA DEL RÍO EDWARDS	12.628.617-1		
DIEGO DEL RÍO EDWARDS	13.234.004-8		
ANA DEL RÍO EDWARDS	13.435.488-7		
PEDRO DEL RÍO EDWARDS	15.382.612-9		
SARA DEL RÍO EDWARDS	15.641.769-6		
PAULA DEL RÍO EDWARDS	16.371.405-1		
INVERSIONES ALCOHUAZ SPA	76.156.962-7	909,090	0.04%
This company is controlled, through different companies, by the individuals listed below:			
FELIPE DEL RIO GOUDIE	5.851.869-7		
MARIANA DE JESÚS ARTEAGA VIAL	6.695.852-3		
LUIS FELIPE DEL RÍO ARTEAGA	13.234.925-8		
ANDRÉS ANTONIO DEL RIO ARTEAGA	14.118.360-5		
MARTIN DEL RÍO ARTEGA	15.642.668-7		
JAVIER DEL RÍO ARTEAGA	16.605.546-6		
JOSÉ PABLO DEL RÍO ARTEAGA	17.703.172-0		
MARIANA TERESITA CARMEN DEL RÍO ARTEAGA	18.641.820-4		
INVERSIONES GUEIMEN SPA	76.156.978-3	486,788	0.02%
This company is controlled, through different companies, by the individuals listed below:			
CAROLINA DEL RIO GOUDIE	6.888.500-0		
VICTOR HORACIO PUCCI LABATUT	6.474.224-8		
VICTOR JOSÉ PUCCI DEL RÍO	15.643.671-2		
PABLO PUCCI DEL RÍO	15.637.474-1		
RODRIGO PUCCI DEL RÍO	16.371.133-8		
FELIPE PUCCI DEL RÍO	18.392.648-9		
Total Controllers		1,962,069,271	80.60%

EQUITY

As of December 31st, 2014, the Company's equity was divided into 2,434,465,103 shares of equal value and belonging to a single series, with 1,529 registered shareholders.

12 LARGEST SHAREHOLDERS

Name	Taxpayer I.D.	Shares	%
INVERSIONES LOS OLIVOS	76.360.576-0	291,569,988	11.98%
LUCEC TRES S A	99.556.440-8	258,913,368	10.64%
BETHIA S A	78.591.370-1	243,517,941	10.00%
INVERSIONES SAN VITTO LTDA	77.945.970-5	243,698,146	10.01%
INV Y RENTAS DON ALBERTO CUATRO S A	99.552.470-8	150,666,022	6.19%
DERSA SA	95.999.000-K	138,024,501	5.67%
MAPCOR CUATRO S A	99.556.480-7	108,247,346	4.45%
BANCO DE CHILE POR CUENTA DE TERCEROS NO RESIDENTES	97.004.000-5	96,743,123	3.97%
BANCO ITAU POR CUENTA DE INVERSIONISTAS	76.645.030-K	88,728,580	3.64%
BANCO SANTANDER POR CUENTA DE INV EXTRANJEROS	97.036.000-K	64,839,897	2.66%
INPESCA S A	79.933.960-9	49,343,681	2.03%
IMPORTADORA Y COMERCIALIZADORA AMALFI SPA	87.743.700-0	45,224,102	1.86%

CHANGES IN OWNERSHIP

During the fiscal year there were no changes that represented more than 1% of the controlling group's ownership.

DIVIDEND POLICY

The ordinary shareholders meeting established a dividend policy in which at least 30% of the Company's profit in each fiscal year is distributed, with the payment of at least one interim dividend if the course of the Company's business allows for it.

Thus, the dividends paid during the 2012, 2013 and 2014 fiscal years are detailed below:

	CLP/share
Final dividend No. 30	
Paid in May, 2012	40
Final dividend No. 31	
Paid in November, 2012	30
Final dividend No. 32	
Paid in May, 2013	30
Final dividend No. 33	
Paid in November, 2013	32
Final dividend No. 34	
Paid in May, 2014	40
Interim dividend No. 35	
Paid in December, 2014	25

Corporate Information



Identification of the Company

Insurance

Trademarks and Patents

Regulatory Framework

Risks

Associations and Organizations in Which We Participate

Awards and Recognitions

Summary of Material Facts During the Period

Shareholders' Comments and Proposals

Stock Market Information

Stores by Format and Country

Corporate Structure

Financial Information on Subsidiaries and

Affiliated Companies



Identification of the Company



S.A.C.I. Falabella is a publicly held corporation registered under No 582 in the Securities Registry of the Securities and Insurance Superintendence. Its main offices are located at: Manuel Rodríguez Norte 730, Santiago, Chile; Phone: +56 2 2380 2000; Fax: 23802077; P.O. Box 1737; web site: www.falabella.cl/inversionistas; e-mail address: inversionistas@falabella.cl. Its taxpayer identification number (R.U.T) is 90,749,000-9.

S.A.C.I. Falabella was originally incorporated under the name "*Sociedad Anónima Comercial Industrial Falabella S.A.C.I.F.*" by public deed executed on March 19th, 1937, before Mr. Jorge Gaete Rojas, Notary of Santiago. The Company was authorized to do business and declared legally installed by Supreme Decree 1,424 on April 14th, 1937. This Supreme Decree and the by-laws were registered on pages 1,181 and 1,200, under numbers 400 and 401 of the 1937 Commercial Registry of the Santiago Property Registrar.

The aforementioned by-laws and decree were published in the *Diario Oficial* (Chile's official publisher of legal notices) on April 27th, 1937, and in the *La Nación* newspaper of Santiago on April 27th, 29th and 30th and May 3rd of the same year.

Since its incorporation, the by-laws have been subject to several modifications, the most recent amendment having been approved by the Extraordinary Shareholders Meeting held on April 28th, 2009. The minutes of that meeting were executed to public deed on May 11th, 2009, before Mr. Guillermo Le-Fort Campos, alternate notary in the second Notary Office of Santiago. An abstract of that deed was published in edition No. 39,375 of the *Diario Oficial* on June 1st, 2009, and was registered on page 24,182, under number 16,490 of the 2009 Commercial Registry of the Santiago Property Registrar. This abstract was rectified and published in edition No. 39,406 of the *Diario Oficial* on July 8th, 2009. It was registered on page 30,826, number 21,157 of the 2009 Commercial Registry of the Santiago Property Registrar.

Insurance

S.A.C.I. Falabella and its subsidiaries maintain insurance contracts with world-class insurance companies, which adequately protect its assets against the risks of loss or damage. The assets under coverage include buildings, inventories, facilities, vehicles, machinery, and the storage and freight of products for sale. Insured risks expressly include fire and acts of nature such as earthquakes. The property insurance policy also contemplates damages for business interruption. Other policies provide adequate coverage for the Company's third-party civil liabilities and other insurance coverages that are standard for the industry.



Trademarks and Patents

The Company has trademarked a large number of brands of products that it sells in Chile and abroad. In order to protect its brands, the Company is counseled by Silva & Cia. Additionally, Falabella's related Company, Sodimac S.A., has retained the counsel of Johansson & Langlois Ltda., and Plaza S.A. is counseled by Porzio, Ríos, & Associates.

S.A.C.I. Falabella's main proprietary and exclusive brands are listed below:

Falabella, Mall Plaza, CMR, Banco Falabella, Viajes Falabella, Seguros Falabella, Tottus, Open Plaza, Basement, Newport, Sybilla, Apology, Mica, University Club, Yamp, Fratta, Recco, Americanino, Doo, Mountain Gear, Roberta Allen, Textil Viña, Florencia, Sodimac, Homecenter, Homecenter Sodimac, Home Kids, HUM, Así de Fácil, Así se Hace, Do It, Eco Light, Ecole and Mr Beef, among others.



Regulatory Framework

S.A.C.I. Falabella is a publicly held corporation and is, therefore, governed by Statute No 18,046 on Corporations, Statute No 18,045 of Securities Markets and the regulations of the Securities and Insurance Superintendence, among others.

Meanwhile, the subsidiaries of S.A.C.I. Falabella, depending on their lines of business, are subject to the Consumer Protection Law, the General Banking Law, the regulations of the Securities and Insurance Superintendence and the Banking and Financial Institutions Superintendence, among others.

Lastly, it should be noted that the activities of subsidiaries outside of Chile are regulated by the laws of the jurisdictions in which they operate.



Risks



A. EXCHANGE RATE RISK

The Company is exposed to three types of currency risk. The first risk arises from accounts payable in foreign currency, the second from financial debt in currencies other than the functional currency of each business, and the third from investments abroad.

A portion of the products acquired for sale are imported and, therefore, are denominated in a foreign currency. This generates an exposure to the variation between the different local currencies of the countries in which the Group operates and foreign currencies, mainly the U.S. Dollar. The Company hedges accounts payable and future obligations in foreign currencies, which reduces its exposure to less than 2% of its liabilities in foreign currencies.

In order to minimize the Group's exposure to exchange rate fluctuations, most of the debt is

raised in the local currencies in which the Company operates. As of December 31st, 2014, 74.2% of the consolidated financial debt was expressed in Chilean Pesos (including debt in UF), 17.4% in Peruvian Soles, 2.2% in Colombian Pesos and 4.3% in Argentine Pesos, all net of hedges. As of this date, the company also had CLP 30,275 million of financial debt denominated in dollars, net of hedges (excluding letters of credit, which is explained in the preceding paragraph), which represents 1.0% of the Group's consolidated financial debt. The Company raised this dollar denominated debt because market conditions were favorable at the time and this debt is partially hedged with derivatives.

The Company has business investments in Peru, Argentina, Colombia and Brazil. These foreign investments are managed in the functional currencies of each country.



B. INTEREST RATE RISK

Most of the Group's debt carries fixed interest rates, thus avoiding any exposure to fluctuations that may take place with variable interest rates that may cause financial expenses to increase. As of December 31st, 2014, at a consolidated level and after derivatives, 87.2% of the Company's financial debt had fixed interest rates, 7.8% had floating interest rates and 5.0% corresponded to overdraft facilities and letters of credit that, given their term, can be considered to have floating interest rates.

C. RISK OF FOREIGN INVESTMENTS

Investments in countries such as Argentina, Peru, Colombia and Brazil, which have risk ratings that are inferior to Chile's, represent a greater weighted average risk than if the Group only had domestic investments. At the same time, however, there is a higher probability of receiving higher returns in each one of the international markets where the Company has invested. This consideration is contained in the risk rating reports issued by the two private rating agencies that rated the solvency of S.A.C.I. Falabella as "AA".

D. GENERAL ECONOMIC RISKS

The Company, which is dedicated to providing retail services to its customers and to granting convenient loans, is correlated to the realities and expectations that impact consumption. The growth rate of revenues and profits should fall when demand is restrained, and the opposite should occur when demand expands.

E. SPECIFIC TRADE RISK

The Company does not depend exclusively on any one particular supplier as it has a diversified and global procurement operation. The Company also does not depend on a small set of customers, as it serves millions of customers across a wide socio-economic spectrum. The Company sells several thousands of different products, and thus is not subject to any particular pricing cycle. As a result, the Group does not face any specific or distinctive trade risks beyond what is faced by retail in general and department stores in particular.

F. ASSET RISK

The Company's fixed assets in buildings, infrastructure, facilities and equipment, are amply covered from all types of operational risks by pertinent insurance policies.

Associations and organizations in which we participate

The main entities in which each business unit participates are listed below:



DEPARTMENT STORES:

- US Green Building Council
- Chile Green Building Council
- National Chamber of Commerce, Services and Tourism
- Santiago Chamber of Commerce
- Laborum Inclusivo (inclusion of disabled individuals)
- International Association of Department Stores
- ProChile
- Acción RSE
- Argentine Institute of Corporate Social Responsibility (IARSE)
- Argentine Chamber of Commerce (CAC)
- Argentine Association of Human Resources (ADRHA)
- Argentine Chamber of E-Commerce (CACE)
- Lima Chamber of Commerce
- American Chamber of Commerce (AMCHAM)
- Peruvian-Chilean Chamber of Commerce
- Bogotá Chamber of Commerce (CCB)
- National Confederation of Merchants (CONACO)
- Banking and Commerce Club
- Colombian Chilean Chamber of Commerce and Industry
- National Chilean Association of Advertisers (ANDA)
- Green Building Peru
- Peruvian Chamber of Construction (CAPECO)
- Colombian National Federation of Merchants (FENALCO)
- Federación Nacional de Comerciante (FENALCO) Colombia
- United Nations Global Compact
- UNICEF Perú
- Fé y Alegría Perú (educational and social inclusion)
- Ann Sullivan Perú Organization (nonprofit educational organization)
- PROhumana Entrepreneurial Network
- Sedex



HOME IMPROVEMENT:

- National Chamber of Commerce (CNC)
- Santiago Chamber of Commerce (CCS)
- Chilean Chamber of Construction (CChC)
- National Association of Advertisers (ANDA)
- United Nations Global Compact
- ISO 26000
- Acción RSE (Entrepreneurial Action on Social Responsibility)
- PROhumana Foundation
- Chile Transparente
- Generación Empresarial (Entrepreneurial Creation)
- Council on Advertising Self-regulation and Ethics (Conar)
- Chilean Safety Association (ACHS)
- Great Place to Work Institute Chile (GPTW)
- National Women's Service (SERNAM)
- Ministry of Health (MINSAL)
- The Chile Foundation
- Chilean Agency of Energy Efficiency
- Chile Green Building Council
- National Initiative of Water Efficiency
- Environmental Declaration of Construction Products (DAPCO)
- Un Techo para Chile
- Chilean Telethon
- Our Children Foundation
- Junto al Barrio Foundation (social neighborhood work)
- Sedex



SUPERMARKETS:

- Chilean Supermarket Trade Association
- Special Commission on Safety, Crime-Fighting and Defense of Formal Commerce of the National Chamber of Commerce, Services and Tourism of Chilean
- Foreign Trade Society of Peru (Comex), of the Spanish Chamber of Commerce in Peru and the Lima Chamber of Commerce
- Lima Chamber of Commerce
- Governing Board of GS1 Peru
- Peruvian National Association of Advertisers (ANDA)
- Peruvian Marketing Society
- Peruvian Committee of Electrical Appliance Merchants



FINANCIAL SERVICES:

- The Retail Finance Committee of the Santiago Chamber of Commerce (CCS) – CMR Falabella
- Chile Transparente
- Association of Banks and Financial Institutions (ABIF) – Banco Falabella Chile
- Acción RSE (Entrepreneurial Action on Social Responsibility)
- Chilean Association of Tourism Companies (ACHET) – Viajes Falabella Chile
- Peruvian Association of Banks (ASBANC) – Banco Falabella Perú
- Peruvian Association of Insurance Brokers (APECOSE) – Seguros Falabella Perú
- Peruvian Association of Travel Agencies (APAVIT) – Viajes Falabella Perú
- Association of Financing Companies (AFIC) – Banco Falabella Colombia
- ASOBANCARIA (trade group representing the Colombian financial sector)
- Colombian Association of Tourism and Travel Agencies (ANATO) – Viajes Falabella Colombia
- Chamber of Credit and Purchase Cards (ATA-CYC) – CMR Argentina
- Argentine Institute of Social Responsibility (IARSE)
- Buenos Aires Association of Travel Agencies (AVIABUE)
- Argentine Federation of Tourism and Travel Companies (FAEVYT)



REAL ESTATE:

- Chilean Chamber of Shopping Centers (CCHCC)
- Chilean Chamber of Construction (CChC)
- Chile Green Building Council
- Santiago Chamber of Commerce (CCS)
- Development Corporation of the Loa Province (ProLoa)
- Loa Province Development Corporation (ProLoa)
- Acción RSE (Entrepreneurial Action on Social Responsibility)
- Prohumana Foundation
- International Council of Shopping Centers (ICSC)
- Chilean Institution of Business Management (ICARE)
- Public – Private Consortium Calama Plus
- Industrial Corporation for the Development of the Bío Bío Region (CIDERE)

Awards and Recognitions



DEPARTMENT STORES:

- Falabella is the 3rd most valuable brand in Latin America, as recognized by the North American firm Millward Brown Optimor.
- 4th place in the national ranking on Social Responsibility (Chile). Platinum Seal (maximum distinction)
- 18th place amongst the 20 best companies in which to work in Latin America, according to the Great Place to Work ranking.
- Second LEED certification for volume of commercial interiors, granted by the US Green Building Council.
- Consumer Loyalty Award, for big box stores category, given by *Diario Estrategia* and *ALCO Consultores*.
- Falabella entered the ranking of the ten Ibero-american companies most mentioned by the international press, according to the study Chile monitor conducted by *Fundación Imagen Chile*.
- 2014 Effie Awards acknowledged Falabella with the Silver Award in the "Shops" category.
- For a second consecutive time, Falabella.com was recognized as the leader in the Retail category of the Colombia eCommerce Awards, within the framework of the Bogotá eCommerce Day.
- Falabella was amongst the best evaluated brands in the "Chile 3D-2014" study, conducted by GFK Adimark.
- The Falabella.com site was recognized as the "leading eCommerce site in the Retail category in Latin America" by the Latin American Institute of Electronic Commerce.
- The AIEP apparel design school awarded Falabella as a fashion icon in the "Fashion Industry" category.



HOME IMPROVEMENT:

- Recognized by the Environmental Product Declaration (DAPCO) program, of the Idiem of the University of Chile and the CDT of the Chilean Chamber of Construction, for supporting and developing sustainable construction in the country.
- Ranked 3rd place in the Most Valued Brands by Chileans ranking, developed by Brand Asset Valuator (BAV) and *Revista Capital* magazine.
- 4th place in the Chile 3D, brands and lifestyle ranking of *La Tercera* and *Collect GKF*.
- 6th place in the Corporate Reputation ranking developed by Hill & Knowlton Captiva and *Diario Financiero* newspaper.
- 7th place in the Corporate Sustainability Index of *Revista Capital* magazine and ActionAbility Institute.
- 8th place in the Responsible and Best Corporate Governance Companies ranking of Merco.
- Named the best home improvement store in a survey of top executives in Peru.
- Best Corporate Reputation in 2014 in Peru – 1st place in the Retail Segment.
- Distinction for being one of the 20 most sustainable companies in Colombia, according to a study by *Revista Semana* magazine.
- Special mention for Model of Workplace Inclusion, Corona 2014 League of Champions in Innovation and Organization.
- Special distinction from the Council of Bogotá for the Company's commitment with developing sustainable practices.



SUPERMARKETS:

- GFK Adimark recognized Ingrid Cruz with the "Value of a face" award, validating the proximity and identification with the customers.
- Recognized for 12 consecutive years as one of the companies with the best workplace environments in Peru, according to the rankings of the Great Place to Work Institute, obtaining the 15th place.
- According to the studies of Laborum and Arellano Marketing, Tottus is the Best Employment Brand in Supermarkets and Hypermarkets in Peru. The prize was awarded in October, 2014, during the XXII People Management Summit.
- "Workplace Risk Prevention Excellence Award" in Peru. The Successful Experience Award recognizes the companies that demonstrate successful and innovative management in prevention, operational health and control of occupational hazards.
- 7th place amongst the best Peruvian companies and institutions at gathering the largest quantity of paper for Kimberly-Clark Peru's "Recycle me, do your part" program. This program aims to support the boys and girls of the SOS Aldeas Infantiles Perú NGO.



FINANCIAL SERVICES:

- 1st place in Service Satisfaction 2014 in Chile according to Servitest.
- Acknowledged as one of the 50 most innovative companies in 2014 in Chile, according to the "Ranking of the Perception of the InnovAction 2014" conducted by Best Place to Innovate.
- 1st place in the credit card category in Chile according to Procalidad.
- 5th place in the ALCO loyalty to the customer award.



REAL ESTATE:

- 6th place in the RSE PROhumana 2014 National Ranking, Gold Seal.
- First in in the Shopping Center category in the 2013 and 2014 Corporate Reputation Rankings of Hill & Knowlton + GF.
- Mall Plaza Egaña's "0% Plastic" campaign won first place in the ANDA Sustainable Brands Awards in 2014, in the category of "communication that creates conscientiousness regarding sustainability".
- The "2014 Culture" campaign won the Silver Effie Award in the 2014 Effie Awards in Chile, in the "Social Marketing, Brands – Companies" category.
- Once again, awarded the "Seal of Energy Efficiency" in Chile in 2014, granted by the Ministry of Energy in Chile.
- In Peru, the Silver Award from the International Council of Shopping Centers for "Marketing Excellence, Sales Promotion and Events 2014".
- Mall Plaza El Castillo won the FIABCI 2014 award for real estate excellence in Colombia. The project will participate in the Prix D'Excellence, the most important acknowledgement of real estate excellence worldwide.



Summary of Material Facts During the Period

MATERIAL FACT N°1 – APRIL 4th, 2014

Today, the President of the Company Mr. Juan Cuneo Solari, informed to the Board of Directors, his decision to not be candidate for the position of Director of the Company on the next election of Directors, which will be held in the Ordinary Shareholders Meeting, convened for April 29th, 2014. This implies that once the new Board of Directors is elected, Mr. Juan Cuneo Solari will no longer be President of the Company, a position he held for the past 3 years. On this same date, Mr. Cuneo Solari also informed to the Board of Directors his decision to resign, or not be candidate, for fulfilling the position of director in any of the subsidiaries or affiliates of SACI Falabella in which he at the time performs such duty.

MATERIAL FACT N°2 – APRIL 4th, 2014

In the Board of Directors meeting held today, the following was agreed:

1. To convene to the Annual Shareholders Meeting for April 29th, 2014 at 16:00, venue Hotel Galerías, Salon del Inca, San Antonio Street No 65, 13th floor, Santiago to discuss the following issues:
 - a. Approval of the Annual Report, Balance Sheet, Income Statement and External Auditors Report for the year ended on December 31st, 2013.
 - b. Distribution of year 2013 profits.
 - c. Dividends policy.
 - d. Appointment of the Directors of the Company.
 - e. Compensation to the Board of Directors for their duties.
 - f. Election of the newspaper where publications of the Company will be made.
 - g. Report of transactions referred to in Title XVI of N° 18,046 Act.
 - h. Report of the Directors Committee, budget, expenditures and salary determination.
 - i. Such other matters considered in the Annual Shareholders Meeting faculties.
2. Regarding dividends distribution policy, it was agreed to propose to the Annual Shareholders' Meeting the distribution of a dividend of \$40 per share, from profits of year ended December 31st, 2013.

MATERIAL FACT N°3 – APRIL 29th, 2014

In the Annual Shareholders Meeting that took place today, the following agreements were taken:

1. It was approved the Annual Report, Balance Sheet, Income Statement, and External Auditor Report for the year ending on December 31st of 2013.
2. The distribution of a final dividend of \$40 per share, drawn from the earnings obtained in 2013 was approved. The quoted dividend will be paid on May 8th, 2014, to all shareholders registered in the Shareholders Registry by the fifth business day prior to that date.
3. A dividends policy consisting in the annual distribution of, at least, 30% of the year's net profits was approved.
4. The following individuals were appointed as Directors of the Company for a new statutory period: Carlo Solari Donaggio, Juan Carlos Cortés So-

lari, Carlos Alberto Heller Solari, María Cecilia Karlezi Solari, Paola Cúneo Queirolo, Carolina Del Río Goudie, José Luis del Río Goudie, Sergio Cardone Solari, and Hernán Büchi Buc.

5. Lastly, other matters of interest and competence of the Shareholders' Meeting were reviewed.

MATERIAL FACT N°4 – APRIL 29th, 2014

In the Board of Director's Ordinary meeting that took place today, the following agreements were taken:

1. To appoint Mr. Carlo Solari Donaggio as Chairman of the Board, and therefore of the Company.
2. To appoint Mr. Juan Carlos Cortés Solari as Vice Chairman of the Board.
3. The independent director Mr. Hernán Büchi Buc appointed as members of the Committee of Directors, pursuant Law 18,045, to the directors Messrs. Sergio Cardone Solari and José Luis del Río Goudie.

MATERIAL FACT N°5 – SEPTEMBER 17th, 2014

The subsidiary Company Sodimac Perú S.A. acquired in Lima's Stock Exchange 100% of the shares of Maestro Perú S.A., in the amount of NS\$1.404 million, which will be completely financed through an international bank loan. Furthermore, a meeting of shareholders will be convoked in Falabella Perú S.A.A., parent Company of Sodimac Perú S.A., in order to approve a capital increase in soles equivalent to US\$420 million.

MATERIAL FACT N°6 – OCTOBER 14th, 2014*

As of September 29th, it was published in the Official Journal ("Diario Oficial") the Law No 20,780, which introduces several modifications to the tax regulation ("Tax Reform").

The Tax Reform considers progressive Firsts Category Income Tax rate increases ("Impuesto a la Renta de primera categoría") increases for years 2014, 2015, 2016, 2017, 2018 and onwards, reaching 21.0%, 22.5%, 24.0%, 25.5% and 27.0%, respectively, in the event the partially integrated system ("Sistema parcialmente integrado") is applied. Or increasing the tax rate to 21.0%, 22.5%, 24.0% and 25.0%, respectively, for the commercials years 2014, 2015, 2016 and 2017 onwards in the event the allocated income system is applied ("Sistema de Renta atribuida").

As establish by the Tax Reform, the partially integrated system, will be applied as the general rule, unless the Shareholders Meeting approve the adoption of the allocated income system.

As a consequence of the progressive increase of the tax rate applied to First Category Income, and according to the International Financial Reporting Standard (IFRS), the Company should recognize immediately in its results the impact that those modifications may produce on assets and liabilities due to deferred taxes. Therefore, the Financial Statements of the Company

as of September 30th 2014, shall reflect a one-time impact only, generated by the increase of net deferred liabilities, for approximately 46 billion Chilean pesos, with the consequent impact on the distributable net profit of fiscal year 2014. It should be noted that the effects mentioned above are caused by the corresponding increase of deferred net liabilities in our subsidiary Plaza S.A.

It is worth pointing out that given the nature of the Company's business, such effect is from an accounting perspective only and does not involve cash flow tax payment effects.

Notwithstanding the foregoing, if the Shareholders Meeting adopts the allocated system, the corresponding account adjustments shall be applied in order to reflect this change.

* On October 17th, 2014, the Securities and Insurance Superintendence, through Official Notice No 856, exceptionally established the accounting for changes in deferred tax assets and liabilities generated by Law 20,780, instructing that, notwithstanding that which is established by International Accounting Standards No 12 and its respective interpretation, differences in deferred tax assets and liabilities created by said law, will have to be accounted for during their respective periods against shareholders equity, and that the instructions contained in said Official Notice will be applicable from the financial statements as of September 30th, 2014, and onwards.

MATERIAL FACT N°7 – OCTOBER 22nd, 2014

S.A.C.I. Falabella agreed to the terms and conditions for the issuance and placement of bonds in the international markets for a total sum of USD 400 million, maturing January 27th, 2025, and at a 4.38% interest rate.

MATERIAL FACT N°8 – OCTOBER 27th, 2014

In accordance with what was informed through material fact dated October 22nd this year, S.A.C.I., on this day Falabella materialized and proceeded with the placement of bonds in the international markets for a total sum of USD 400 million, maturing January 27th, 2025, and at a 4.38% interest rate.

MATERIAL FACT N°9 – NOVEMBER 25th, 2014

The Ordinary Board Meeting held on November 25th, 2014 approved the distribution of a provisional \$25 per share dividend, drawn from the earnings obtained in 2014. Said dividend will be paid on December 10th, 2014 to those shareholders that are registered in the Shareholders Registry by December 3rd, 2014.

Shareholders' Comments and Proposals

During the Ordinary Shareholders Meeting held on April 29th, 2014, AFP Habitat reaffirmed its opinion that the Company's external auditing firm should be replaced after a maximum five year period. AFP Cuprum manifested its agreement on this point.



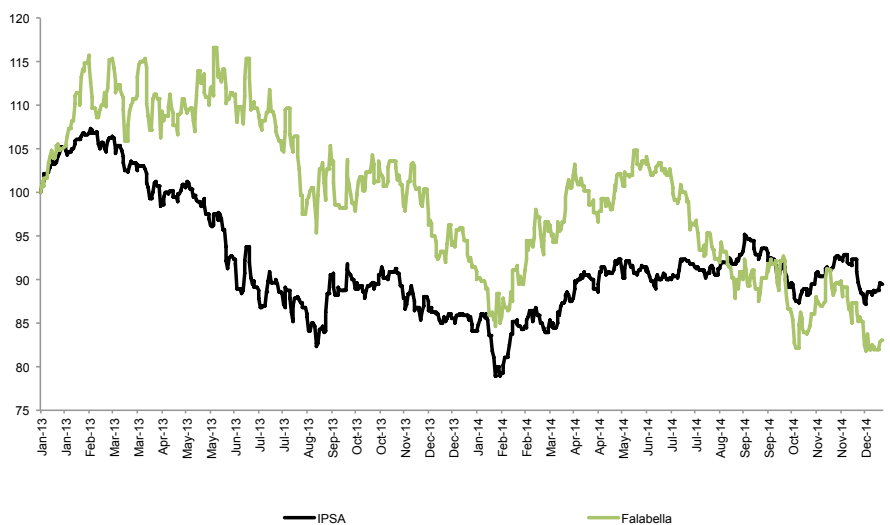
Stock Market Information

The shares of S.A.C.I. Falabella are listed on the Santiago Stock Exchange, Electronic Stock Exchange of Chile and the Valparaiso Stock Exchange of Chile.

SACI Falabella Statistics 2013 - 2014

Period	No. of Shares	Volume	Average Price
1T 2013	62,009,079	\$333,738,001,781	\$5,382
2T 2013	121,164,148	\$669,529,019,182	\$5,526
3T 2013	83,198,000	\$425,994,500,810	\$5,120
4T 2013	77,171,639	\$371,792,315,002	\$4,818
1T 2014	68,475,768	\$308,450,494,136	\$4,505
2T 2014	92,508,776	\$464,139,156,731	\$5,017
3T 2014	77,159,902	\$354,896,769,590	\$4,599
4T 2014	58,545,715	\$248,163,414,257	\$4,239

SACI Falabella Performance vs IPSA 2013 -2014



Stores by Format and Country

The Company owns approximately 50% of its stores in the region, through its subsidiaries. The rest of the stores are leased from different real estate developers. The Company's subsidiaries own 100% of its shopping centers.




DEPARTMENT STORES CHILE

N°	Stores	Address	City
1	Ahumada	Ahumada 25, 112, 165, 242, 303, 312, 346, 366, Santiago	Santiago
2	Concepción	Barros Arana 802	Concepción
3	Parque Arauco	Av. Presidente Kennedy 5413, Las Condes	Santiago
4	Temuco	Arturo Prat 570	Temuco
5	Viña del Mar	Sucre 250	Viña del Mar
6	Plaza Vespucio	Av. Vicuña Mackenna 7110, Santiago	Santiago
7	Lyon	Avenida Providencia 2188, Providencia	Santiago
8	Rancagua	Sargento Cuevas 405	Rancagua
9	Plaza Calama	Av. Balmaceda 3242, local 268	Calama
10	Alto Las Condes	Av. Kennedy 9001, Local 1001, Las Condes	Santiago
11	Plaza Oeste	Av. Américo Vespucio 1501, Maipú	Santiago
12	Plaza El Trebol	Av. José Alessandri 3177 Acceso Carriel Sur	Concepción
13	Osorno	Eleuterio Ramírez 840	Osorno
14	Chillán	El Roble 770, Local A	Chillán
15	Talca	1 Norte 1485	Talca
16	Copiapó	O´ HIGGINS N°734	Copiapó
17	Plaza Tobalaba	Av. Camilo Henríquez 3296, Puente Alto	Santiago
18	Plaza La Serena	Alberto Solari 1400 Mall Plaza La Serena	La Serena
19	Valparaíso	Independencia 1806	Valparaíso
20	Curicó	Peña 615	Curicó
21	Iquique	Héroes de la Concepción 2555	Iquique
22	Puerto Montt	Av. Juan Soler Manfredini 101	Puerto Montt
23	Quilpué	Diego Portales 822	Quilpué
24	Expo Castro	Esmeralda 270	Castro
25	Plaza Los Angeles	Valdivia 472	Los Ángeles
26	Plaza Norte	Av. Americo Vespucio #1737, Santiago	Santiago
27	Expo Pucón	O´ HIGGINS 11 LOCAL 9/10/11 N°1477	Pucón
28	Puente	Puente 530, Santiago	Santiago
29	Portal La Dehesa	La Dehesa 1445 local 1, Lo Barnechea	Santiago
30	Plaza Antofagasta	Balmaceda 2355 Mall Plaza	Antofagasta
31	La Calera	Prolongación J.J. Perez 12010	La Calera
32	Valdivia	Arauco 561	Valdivia
33	Melipilla	Vargas 457, Melipilla	Melipilla
34	Punta Arenas	Avenida Frei 01110	Punta Arenas
35	Manquehue	Avenida Manquehue Sur N° 329, Las Condes	Santiago
36	Plaza Alameda	Av. Libertador Bernardo O Higgins 3470 Local A-2, Estación Central	Santiago
37	San Bernardo	Av. Jorge Alessandri 20040, Local 1, San Bernardo	Santiago
38	San Felipe	Av. Bernardo O´Higgins 1150	San Felipe
39	Costanera Center	Avenida Andrés Bello 2461, Providencia	Santiago
40	Arauco Maipu	Av. Américo Vespucio 399. Local 500, Maipú	Santiago
41	Expo Puente Alto	AV. CONCHA y TORO N° 1477	Santiago
42	Ovalle	Prolongación Benavente 1075	Ovalle
43	Plaza Egaña	Larrain 5862, La Reina	Santiago
44	San Fernando	Avenida Bernardo O´ higgins # 701 (Cardenal Caro esquina Chillán)	San Fernando
45	Plaza Copiapo	Maipú 110	Copiapó



DEPARTMENT STORES PERU

N°	Stores	Address	City
1	San Isidro	Av. Paseo de la República 3220, San Isidro	Lima
2	San Miguel	Av. La Marina 2100 (Plaza San Miguel), San Miguel	Lima
3	Jockey Plaza	Av. Javier Prado Este 4200 (Jockey Plaza), Santiago de Surco	Lima
4	Lima Centro	Jr. de la Unión 517, Lima Cercado	Lima
5	Piura	Esquina Jr. Arequipa 802 y Jr. Huancavelica 551, Piura Cercado	Piura
6	Arequipa	Av. Ejército 793, Cayma	Arequipa
7	Miraflores	Av. Arequipa 5280, Miraflores	Lima
8	Chiclayo Mall	Calle Miguel de Cervantes 300 (Real Plaza), P.J. Diego Ferré	Chiclayo
9	MegaPlaza	Av. Industrial 3515 (MegaPlaza), Independencia	Lima
10	Cajamarca	Jr. Sor Manuela Gil N° 151 Urb. San Carlos	Cajamarca
11	Trujillo CC	Av. Mansiche s/n (Mall Aventura Plaza), Caserío El Cortijo	Trujillo
12	Bellavista	Av. Óscar R. Benavides 3866 (Mall Aventura Plaza), Bellavista	Lima
13	Atocongo	Av. Circunvalación (Atocongo Open Plaza), San Juan de Miraflores	Lima
14	Angamos	Av. Angamos Este 1803 (Angamos Open Plaza), Surquillo	Lima
15	Piura Mall Open Plaza	Av. Andres Avelino Caceres 147 (Piura Open Plaza), Castilla	Piura
16	Arequipa Porongoche	Av. Porongoche 502 (Mall Aventura Plaza), Paucarpata	Arequipa
17	Chimbote	Avenida Víctor Raúl Haya de la Torre 4694, Nuevo Chimbote	Chimbote
18	Santa Anita	Av. Carretera central Nro. 111 (Tienda TD-1) Santa Anita - Lima	Lima
19	Lima Norte	Av. Alfredo Mendiola 1400, Ancla 6 (C.C. Plaza Norte) - Independencia	Lima
20	Cañete MegaPlaza Expo	Av. Mariscal Benavides 1000 – San Vicente de Cañete – Cañete	Lima
21	Ica Mall	Calle Lima 433, Ica Cercado	Ica
22	Pucallpa OP	Av. Centenario 2086 – Ancla 2 - Yarinacocha	Pucallpa
23	Iquitos Expo	Jr. Prospero 560 – Maynas	Iquitos
24	Salaverry	Av. General Felipe Salaverry 2370 – Jesus Maria	Lima
25	Huanuco	Jr. Dos De Mayo 125 – Huanuco.	Huánuco



DEPARTMENT STORES COLOMBIA

N°	Stores	Address	City
1	Santafe	Calle 185 No. 45 - 03, Centro Comercial Santafé	Bogotá
2	Suba	Avenida Carrera 104 No. 148 - 07, Centro Comercial Plaza Imperial	Bogotá
3	San Diego	Carrera 43 No. 36 - 04, Centro Comercial Sandiego	Medellín
4	Hayuelos	Callen 20 No. 82 - 52, Centro Comercial Hayuelos	Bogotá
5	Unicentro Bogota	Avenida 15 No. 123 - 30, Centro Comercial Unicentro	Bogotá
6	Galerías	Calle 53 No. 25 - 35, Centro Comercial Galerías	Bogotá
7	Unicentro Cali	Calle 5 Cruce Paso Ancho, Centro Comercial Unicentro	Cali
8	Chipichape	38 N No.6N - 35 Local 406 CC Chipichape, Cali	Cali
9	Centro Mayor	Autopista Sur No. 38 A Sur, Centro Comercial Centro Mayor	Bogotá
10	Santafe Medellin	Carrera 43a No 7 Sur - 170, Centro Comercial Santafé Medellín	Medellín
11	Pereira	Av. Circunvalar # 5 - 20, Local 214, Parque Arboleda Centro Comercial	Pereira
12	Villa Country	Calle 78 No. 53 - 70 local 100, Centro Comercial Villa Country	Pereira
13	Titan	Av. Cr. 72 # 80-94 Local 130-350, Centro comercial Titán Plaza	Bogotá
14	El Castillo	Cra. 13 No. 31-45 Chambacu, Centro Comercial Mall Plaza	Cartagena
15	Floridablanca	Centro Comercial Parque Caracolí, Cra 23 N 29-145 Local 101	Bucaramanga
16	Ibague	Calle 57 No. 60K - 8E Avenida Guabinal, Centro Comercial Acqua	Ibague
17	WTC Cali	Av 6ª norte entre calles 35an y 36an, World Trade Center	Cali
18	Cacique	Transversal Oriental # 90-182, Centro Comercial Cacique	Bucaramanga



DEPARTMENT STORES ARGENTINA

N°	Stores	Address	City
1	Mendoza	Acc. E. Lateral Norte 3280 - Guaymallén	Mendoza
2	Rosario	Córdoba 1101	Rosario
3	Cordoba	Duarte Quiroz 1400	Córdoba
4	San Juan	Peatonal Tucumán 163 Sur	San Juan
5	Unicenter	Paraná 3745, Martínez	Buenos Aires
6-8	Florida	Florida 202 / 343 / 665, Capital Federal	Buenos Aires
9	Avellaneda	Güemes 897, Avellaneda	Buenos Aires
10	Dot	Vedia 3626, Capital Federal	Buenos Aires
11	Tortuguitas	Panamericana Ramal Pilar Km 36,5	Buenos Aires



HOME IMPROVEMENT CHILE

N°	Stores	Address	City
1	Imperial Santa Rosa	Santa Rosa N° 7850 La Granja	Santiago
2	HC Concepción	Los Carrera N° 1175, Concepción	Concepción
3	Co Viña del Mar	Limache N° 3119, Viña del Mar	Viña del Mar
4	Co Cantagallo	Av. Las Condes N° 12422, Lo Barnechea, Santiago	Santiago
5	Co Vic. Mackenna	Vicuña Mackenna N° 680, Ñuñoa, Santiago	Santiago
6	Co Valparaíso	Yungay N° 2516, Valparaíso	Valparaíso
7	Co Talcahuano	Colón N°1891, Talcahuano	Talcahuano
8	Co Maipú	Av. Pajaritos N° 2418, Maipú, Santiago	Santiago
9	HC Las Condes	Av. Las Condes N° 11049, Las Condes, Santiago	Santiago
10	Co Antofagasta	Av. Antonio Rendic N° 6852, Antofagasta	Antofagasta
11	HC Viña del Mar	15 Norte N° 961, Viña del Mar	Viña del Mar
12	HC Ñuñoa	Av. Américo Vespucio Sur N° 925, Ñuñoa, Santiago	Santiago
13	HC Rancagua	Av. Albert Einstein N° 297, Rancagua	Rancagua
14	HC Puente Alto	Av. Concha y Toro N° 1315, Puente Alto, Santiago	Santiago
15	Co La Florida	Av. Vicuña Mackenna N° 9101, La Florida, Santiago	Santiago
16	HC Maipú	Av. Pajaritos N° 4444, Maipú, Santiago	Santiago
17	HC El Trébol	Autopista Concep-Talcahuano N° 9200, comuna Hualpén, Talcahuano	Talcahuano
18	HC La Serena	Av. Fco. de Aguirre N° 02, La Serena	La Serena
19	Imperial Mapocho	Mapocho N° 5906 Quinta Normal	Santiago
20	HC Parque Arauco	Av. Pdte. Kennedy N° 5601, Las Condes, Santiago	Santiago
21	Imperial Maipú	Alberto Llonca N° 1153 Maipú	Santiago
22	Imperial Vespucio	Av. Américo Vespucio N° 1030 Peñalolén	Santiago
23	HC San Miguel	Gran Avda. José Miguel Carrera N° 5508, San Miguel, Santiago	Santiago
24	Imperial La Florida	Av. Vicuña Mackenna N° 7901 La Florida	Santiago
25	HC La Reina	Av. Pdte. Jorge Alessandri N° 1347, La Reina, Santiago	Santiago
26	Co Vallenar	Merced N° 501, Vallenar	Co Vallenar
27	HC Ñuble	Av. Vicuña Mackenna N° 1700, Ñuñoa, Santiago	Santiago
28	HC Valdivia	Av. Picarte N° 3349, Valdivia	Valdivia
29	HC Nueva La Florida	Av. José Pedro Alessandri N° 6402, La Florida, Santiago	Santiago
30	Imperial Valparaíso	Av. Independencia N° 3033 Valparaíso	Valparaíso
31	HC SS Temuco	Caupolicán N° 0457, Temuco	Temuco
32	HC Huechuraba	Av. Américo Vespucio N° 1737, Huechuraba, Santiago	Santiago
33	HC Villarrica	Saturnino Epulef N° 1580, Villarrica	Villarrica
34	HC Osorno	René Soriano N° 2619, Osorno	Osorno
35	HC Angol	Av. Bdo O' Higgins N° 1744, Angol	Angol
36	HC Chillan	Av. Ecuador N° 599, Chillán	Chillan
37	HC Curico	Av. Carlos Condell N°1192, Curicó	Curico
38	HC Coquimbo	Ruta 5 Norte N° 849, Coquimbo	Coquimbo
39	HC Plaza Oeste	Américo Vespucio N° 1501, Cerrillos, Santiago	Santiago
40	HC La Calera	Prolongación JJ Pérez N° 12.010, La Calera	La Calera
41	HC Pto.Montt	Av. Presidente Ibañez N° 650, Puerto Montt	Puerto Montt
42	Co Fontova	Pedro Fontova N° 5810, Huechuraba, Santiago	Santiago

HOME IMPROVEMENT CHILE

N°	Stores	Address	City
43	HC Plaza Vespucio	Américo Vespucio N° 7310, La Florida, Santiago	Santiago
44	HC San Felipe	Caupolicán N° 0457, Temuco	San Felipe
45	HC Arica	Av. Santa María N° 2985, Arica	Arica
46	Imperial Concepción	Tucapel N° 1259 Concepción	Concepción
47	HC Iquique	Héroes de la Concepción N° 2311, Iquique	Iquique
48	HC Antofagasta	Balmaceda N° 2355, Interior Recinto Portuario Extremo Sur, dentro del Mall, Antofagasta	Antofagasta
49	HC Plaza Concepción	Av. Pdte. Jorge Alessandri N° 3177, Concepción	Concepción
50	HC Punta Arenas	Avda. Pdte. Eduardo Frei M. N° 01400, Punta Arenas	Punta Arenas
51	HC Linares	Caupolicán N° 0457, Temuco	Linares
52	Imperial Huechuraba	Av. A. Vespucio N° 1399, esquina Pedro Fontova Huechuraba	Santiago
53	HC Talca	Av. Circunvalación, 2 Norte N° 3344, Talca	Talca
54	HC Copiapó	Panamericana Sur N° 140, Copiapó	Copiapó
55	HC Estación Central	San Francisco de Borja N° 402, Estación Central, Santiago	Santiago
56	HC Los Angeles	Av. Alemania N° 850, Los Angeles	Los Angeles
57	HC El Bosque	Gran Avda. José Miguel Carrera N° 10375, El Bosque, Santiago	Santiago
58	HC Calama	Balmaceda N° 3398, Calama	Calama
59	HC San Bernardo	Jorge Alessandri Rodríguez N°20.040, Local TH - 100Y PC100, San Bernardo	Santiago
60	Imperial Temuco	Av. Caupolicán N° 1151 Temuco	Temuco
61	Homy Parque Arauco	Av. Pdte. Kennedy N° 5601, 5° piso, Las Condes, Santiago	Santiago
62	Imperial Hualpen	Av. Cristóbal Colón N° 8483 Hualpén	Hualpén
63	HC Coyhaique	Av. Ogana N° 869, Coyhaique	Coyhaique
64	HC Quilpue	Avenida Freire N° 1351, Quilpúe	Quilpue
65	Co Rancagua	Koke N° 011, Rancagua	Rancagua
66	Imperial Rancagua	La Cruz N° 01000 Rancagua	Rancagua
67	Co Reñaca Santa Julia	Alessandri N° 4085, Reñaca Alto, Viña del Mar	Reñaca
68	HC Quinta Vergara	Av. Valparaíso N° 1070, Viña del Mar	Quinta Vergara
69	HC Quilicura	Av. Manuel A. Matta N° 581, Quilicura	Santiago
70	HC Pte Alto. (Pza Tobalaba)	Av. Camilo Henríquez N° 3692, Puente Alto, Santiago	Santiago
71	HC Ribera Norte	Av. Los Carreras Poniente N° 301, Concepción	Ribera Norte
72	Imperial Reñaca	Camino Internacional N° 1025 (rotonda Santa Julia) Viña del Mar.	Viña del Mar
73	Imperial Talca	Av. San Miguel N° 2687, esquina 23 Oriente (ex San Pablo) Talca	Talca
74	Talca Poniente	Av. Colín N° 0635, Talca	Talca
75	HC San Fernando	Av. Libertador B. O'Higgins N° 0450, Ruta I-50, San Fernando	San Fernando
76	Homy Plaza Oeste	Av. Américo Vespucio N° 1501, Cerrillos	Santiago
77	Imperial San Bernardo	Avenida Padre Hurtado N° 15057-15095 San Bernardo	Santiago
78	Homy Plaza Vespucio	Av. Froilán Roa N° 7107, La Florida	Santiago
79	HC Alto Hospicio	Av. Los Aromos N° 2780, Alto Hospicio	Alto Hospicio
80	Co Castro	Ruta 5 Norte N° 2456 , sector Ten Ten, Castro -Chiloé	Castro
81	HC Santa Cruz	Rafael Casanova N° 412, Santa Cruz	Santa Cruz
82	HC Ovalle	Prolongación Benavente N° 1075, Ovalle	Ovalle
83	Homy Plaza Egaña	Avda. Larrain N° 5862, local HM, Mall Plaza Egaña	Santiago
84	HC Quillota	Ramón Freire 1551, Quillota	Quillota



HOME IMPROVEMENT PERU

N°	Stores	Address	City
1	HC San Miguel	Av. La Marina N° 2355.Urb. Maranga, 1ra Etapa (Ancla 1), San Miguel.	Lima
2	HC Megaplaza	Av. Industrial N° 3515. Urb. Parque Norte Industrial, (espalda Centro Comercial Mega Plaza),Independencia.	Lima
3	HC Atocongo	Av. Circunvalación N° 1803,San Juan de Miraflores. (altura de la carretera Panamericana Sur, pasando la Av. Benavides).	Lima
4	HC Javier Prado	Av. Javier Prado Este N° 1059, La Victoria. (frente al Colegio San Agustín). Independencia.	Lima
5	HC Chiclayo	Calle Víctor Raul Haya De La Torre N° 150, Urb. Federico Villareal,Chiclayo - Lambayeque.	Chiclayo
6	Co Ica	Calle Nicolás de Rivera El Viejo N° 1105,Urb. La Moderna, Ica.	Trujillo
7	HC Trujillo Open Plaza	Av. América Norte N° 1245, Urb. Los Jardines, La Libertad, Trujillo.	Trujillo
8	HC Lima Centro	Av. Tacna N° 640 – 644, Lima (cruce con Moquegua).	Lima
9	HC Canta Callao	Av. Canta Callao s/n. Urb. San Juan Macías, Provincia Constitucional del Callao. (esquina con Av. Bertello). Independencia.	Lima
10	HC Trujillo	Av. Mansiche s/n (Sec. Mansiche),La Libertad, Trujillo.	Ica
11	HC Bellavista	Av. Mariscal Óscar R. Benavides (ex av. Colonial)N° 3866, Urb. El Águila, Bellavista, Prov. Constitucional del Callao (esquina con Calle 10).	Lima
12	Co Ica Minka	Calle Bolívar N° 942, Ica. (Esquina Calle Ayabaca y Bolívar).	Ica
13	Co Chincha	Calle Leopoldo Carrillo s/n Mz C, Lote 3 distrito de Chincha alta provincia de Chincha Departamento de Ica.	Chincha
14	HC Angamos	Av. Nueva Tomás Marsano N° 961 (cruce entre las Av. Primavera y Av. Tomás Marsano), Surquillo.	Lima
15	HC Piura	Open Plaza. Av. Andrés Avelino Cáceres, Urb. Miraflores II Parte, Castilla, Piura.	Piura
16	HC Arequipa	Mall Aventura Plaza. Av. Porongoche N° 721 – Paucarpata, Arequipa.	Arequipa
17	HC Jockey Plaza	Av. Javier Prado Este N° 4200.Urbanización Monterrico,	Lima
18	HC Chimbote	Centro Comercial MegaPlaza - Av. Panamericana Norte N° 419 Urbanización Parque Gran Chavín - Chimbote, Santa, Ancash.	Chimbote
19	HC Santa Anita (Ate)	Av. Los Frutales Nro. 202 Urb. Ind. Del ArtesanoUrb. Ind. Del Artesano	Lima
20	HC Cañete	Av. M. Benavides N° S/N (cuadra 8) Cañete	Lima
21	HC Huacho	Av. 9 de Octubre Mza 3 esq. con Av 28 de Julio Huacho	Lima
22	HC San Juan Lurigancho	Jr. Cajamarquilla con Av. Las Lomas San Juan de Lurigancho	Lima
23	HC Pucallpa	Av. Centenario 4614 Esquina con Laureano del Águila Pucallpa	Pucallpa
24	HC Sullana	Av. José De Lama s/n cruce con Las Dalías	Sullana
25	HC Villa El Salvador	Av. El Sol # cuadra 1, esquina con Av. Pachacutec. Villa El Salvador Urb. Zona Parque Industrial	Lima

HOME IMPROVEMENT PERU

N°	Stores	Address	City
26	HC Cajamarca OP	Av. Irene Silva Santolalla S/N	Cajamarca
27	Maestro Chacarilla	Av Caminos del Inca 100 - Santiago de Surco	Lima
28	Maestro Surquillo	Cruce Av. Angamos con Av. República de Panamá	Lima
29	Maestro Pueblo Libre	Av. Universitaria con Av. La Mar (Al frente del C.C Plaza San Miguel)	Lima
30	Maestro Chorrillos	Av. Prolongación Pase de la República S/n (C.C Plaza Lima Sur)	Lima
31	Maestro Ate	Av. La Molina 378 - Ate	Lima
32	Maestro Arequipa	Av. Lambramani con Av. Los Incas, al costado del Parque Lambramani	Arequipa
33	Maestro Naranjal	Av. Alfredo Mendiola 5118. Los Olivos	Lima
34	Maestro Callao	Av. Argentina 2842 (1/2 cuadra de Minka)	Lima
35	Maestro Colonial	Av. Colonial 769. Cercado de Lima	Lima
36	Maestro Piura	Esquina Av. Sánchez Cerro con AV. Chulucanas	Piura
37	Maestro Independencia	Panamericana Norte con Tomás Valle. Independencia	Lima
38	Maestro Chiclayo	Cruce de Loreto con Juan Buendía. Urb. Patazca	Chiclayo
39	Maestro Trujillo	Esquina de América Sur con Eguren	Trujillo
40	Maestro Huancayo	Av. Huancavelica 221 - El Tambo	Huancayo
41	Maestro Ica	Av. Los Maestros N° 55, Fundo San José, Lote 7	Ica
42	Maestro Cusco	Prolongación Av. De La Cultura cdra. 19 Distrito San Jerónimo	Cusco
43	Maestro Arequipa 2	Av. Aviación cuadra 1, esquina con el grifo la Fonda, Cerro Colorado	Arequipa
44	Maestro San Luis	Av. Nicolás Ayllón N° 1680, San Luis	Lima
45	Maestro Villa El Salvador	Av. Pedro Huilca s/n, cruce con Calle Uno (Detrás de Senati)	Lima
46	Maestro Tacna	Prolongación 2 de Mayo cruce con Av. Circunvalación	Tacna
47	Maestro Cajamarca	Av. Vía de Evitamiento Sur cdra. 3 - Altura grifo El Amigo	Cajamarca
48	Maestro Sullana	Cruce Av. Buenos Aires con Calle Jorge Chávez - Sullana	Sullana
49	Maestro Comas	Cruce de Trapiche con Av. Los Incas - Comas	Lima
50	Maestro Puente Piedra	Av. San Juan de Dios con Calle 7 (Alt. Bypass Puente Piedra - Pan. Norte Km. 30)	Lima
51	Maestro Huacho	Panamericana Norte Km. 27 (al costado de Redondos)	Huacho
52	Maestro Chincha	Av. San Idelfonso S/N (5 esquinas) Sunampe. Chincha	Chincha
53	Maestro Pucallpa	Jr. Salvador Allende s/n (ingresando por Aduanas) - Pucallpa	Pucallpa
54	Maestro Ventanilla	Av. Precursores cdra. 10 (al costado del colegio Kumamoto)	Lima
55	Maestro Sn. Juan de Miraflores	Cruce de Avenida Belisario Suarez con Avenida Pedro Miota	Lima
56	Maestro Barrios Altos	Jr. Luis Sotomayor cuadra 2 (A espalda del hospital 2 de mayo)	Lima



HOME IMPROVEMENT COLOMBIA

N°	Stores	Address	City
1	HC Calle 80	Avenida Calle 81 No. 68 - 50	Bogotá
2	HC Sur	Avenida 68 No. 38 - 05 sur	Bogotá
3	HC Norte	Autopista Norte No. 175 - 50	Bogotá
4	HC Medellín Industriales	Carrera 48 No. 14 - 135 El Poblado	Medellín
5	HC Cali Sur	Carrera 100 No. 16 - 251	Cali
6	HC Barranquilla	Carrera 53 No. 99 - 160	Barranquilla
7	HC Pereira	Avenida Américas No. 45 - 06	Pereira
8	HC El Dorado	Calle 50 No. 82 - 55	Bogotá
9	HC Medellín San Juan	Calle 44 No. 65 - 100	Medellín
10	HC Cali Norte	Avenida 6 A No. 35 - 00	Cali
11	HC Suba	Avenida. Carrera 104 No. 148 - 07	Bogotá
12	HC Soacha	Carrera 7 No. 32 - 35 Centro.Comercial. Mercurio	Bogotá
13	HC Ibagué	Carrera 5 Calle 82 Vía El Salado	Ibagué
14	HC Cartagena	Avenida Lago Carrera 129 B Pie de la Popa Centro Comercial Caribe	Cartagena
15	HC Bello	Diagonal 51 No. 34 - 16	Medellín
16	HC Molinos Medellín	Calle 31 A con Carrera 82	Medellín
17	HC Cúcuta	Diagonal Santander con Calle 11	Cucuta
18	HC Villavicencio	Carrera 48 No. C 1 - 180	Villavicencio
19	HC Bucaramanga	Carrera 21 No. 45 - 02	Bucaramanga
20	HC Calima	Carrera 27 No. 21 - 75	Bogotá
21	HC Montería	Calle 65 No. 10 - 19 La Castellana	Montería
22	HC 'Neiva	Carrera 16 Calle 50 Esquina Sur Oriente	Neiva
23	HC Manizales	Avenida La Sultana con Carrera 18 Baja Suiza	Manizales
24	HC Cedritos	Avenida. Carrera 9 No. 152a - 23	Bogotá
25	HC Envigado	Carrera 49 # 32 B Sur - 24	Medellín
26	HC Valledupar	Transversal 19 No. 3 -150	Valledupar
27	HC Santa Marta	Calle 42 Carrera 39 esquina	Santa Marta
28	HC Palmira	Calle 42 con Cra 39 Esquina	Cali
29	HC Barranquilla Centro	Carrera 46 con calle 48	Barranquilla
30	HC Armenia	Av Centenario # 3 - 180	Armenia
31	HC Rionegro	Calle 43 No. 54 - 139 Etapa 3	Rionegro
32	HC Chia	Km 27 Vía Chía - Cajicá	Chia
33	Constructor Bogotá	Carrera 68 No. 12A-17	Bogotá
34	HC Tintal	Calle 10 B # 86 - 50	Tintal

**HOME IMPROVEMENT ARGENTINA**

N°	Stores	Address	City
1	HC San Martín	San Martín 421, esquina General Paz Partido de San Martín	Buenos Aires
2	HC Malvinas Argentinas	Ruta 8 y Ruta 202, Partido de Malvinas Argentinas	Buenos Aires
3	HC San Justo	Avenida Don Bosco 2680, esquina Camino de Cintura San Justo, Partido de la Matanza	Buenos Aires
4	HC Villa Tesei	Avenida Vergara 1910 Villa Tesei, Partido de Hurlingham	Buenos Aires
5	HC Vicente Lopez	Avenida del Libertador 77 Partido de Vicente López	Buenos Aires
6	HC Tortugas	Avenida Olivos 4051 Partido de Malvinas Argentina, Tortuguitas	Buenos Aires
7	HC Córdoba	Avenida Colón 4880 Barrio Villa Urquiza	Córdoba
8	HC La Plata	Camino General Belgrano s/n entre 514 y 517, La Plata	La Plata



HOME IMPROVEMENT BRAZIL

N°	Stores	Address	City
1	Dicico Ipiranga	R. dos Patriotas, 1213	Ipiranga
2	Dicico Sto. Amaro	Av. João Dias, 1713	Santo Amaro
3	Dicico Santos	R. Alexandre Martins, 80, Lj. 301	Santos
4	Dicico Sorocaba	Av. Professora Izoraida Marques Peres, 401, Lj B,	Sorocaba
5	Dicico Piracicaba	Av. Limeira, 722,	Piracicaba
6	Dicico São Vicente	R. Prefeito José Monteiro, 1045, box 52	São Vicente
7	Dicico M. Tietê	Av. Thomas Edson, 1324	Barra Funda
8	Dicico Radial Leste	Av. Alcântara Machado, 1993	Brás
9	Dicico Aricanduva	Av. Aricanduva, 5555,	Aricanduva
10	Dicico Campinas DP	Rod. Dom Pedro I, km 127	Campinas
11	Dicico São Miguel	Av. São Miguel, 8201, Lj 3	São Miguel
12	Dicico Guarulhos	R. Bartolomeu de Gusmão, 316	Guarulhos
13	Dicico Suzano	R. João Batista Fitipaldi, 380	Suzano
14	Dicico Praia Grande	Av. Presidente Kennedy, 1876	Praia Grande
15	Dicico Pirituba	Av. Raimundo Pereira de MAgalhães, 11.980,	Pirituba
16	Dicico Carapicuíba	Av. Desembargador Dr. Eduardo Cunha de Abreu, 495	Carapicuíba
17	Dicico Taubaté	Av. Charles Shneider, 850	Taubaté
18	Dicico Mogi	R. Professor Ismael Alves dos Santos, 455	Mogi das Cruzes
19	Dicico Tremembé	Av. Coronel Sezefredo Fagundes, 1855	Tucuruvi
20	Dicico V. Carvalho	Av. Santos Dumont, 458	Guarujá
21	Dicico Peruíbe	Av. Padre Anchieta, 4741	Peruíbe
22	Dicico Diadema	Av. Piraporinha, 50	Diadema
23	Dicico Bertioga	Av. Dezenove de Maio, 396	Bertioga
24	Dicico T. Vilela	Av. Senador Teotônio Vilela, 8030	Cidade Dutra
25	Dicico Enseada	Av. Dom Pedro I, 2520	Guarujá
26	Dicico Abolição	R. da Abolição, 2013	Campinas
27	Dicico Itanhaém	R. João Pedro Orsi, 170 a 120	Itanhaém
28	Dicico Mongaguá	R. Antonio Martins de Araújo, 100	Mongaguá
29	Dicico Cubatão	Av. Nove de Abril, 3.400	Cubatão
30	Dicico Atibaia	Av. Dr. Joviano Alvim, 119	Atibaia

HOME IMPROVEMENT BRAZIL

N°	Stores	Address	City
31	Dicico Bragança	Av. dos Imigrantes, 2400	Bragança Paulista
32	Dicico Guaratinguetá	Av. Juscelino Kubitschek de Oliveira, 880,	Guaratinguetá
33	Dicico Jacareí	Praça Charles Gates, 90	Jacareí
34	Dicico Limeira	Via Anhanguera, Km 150	Limeira
35	Dicico Taboão	Rod. Régis Bittencourt, km 1	Taboão da Serra
36	Dicico M. Tito	Av. Marechal Tito, 5.768,	Itaim Paulista
37	Dicico Indaiatuba	R. Presidente Kennedy, 303	Indaiatuba
38	Dicico Mauá	Av. Governador Mário Covas Junior, 01	Mauá
39	Dicico Itu	Av. Nove de Julho, 897	Itu
40	Dicico Mogi Guaçu	Av. Mogi Mirim, 256,	Mogi Guaçu
41	Dicico Hortolândia	R. Luiz Camilo de Camargo, 332,	Hortolândia
42	Dicico Rio Claro	Av. Visconde do Rio Claro, 1525,	Rio Claro
43	Dicico Guarapiranga	Av. Guarapiranga, 881	Socorro
44	Dicico Santo André	R. Antonio Cardoso, 536	Santo André
45	Dicico Santa Bárbara	R. do Ósmio, 915	Santa Barbara D'O
46	Dicico Arujá	Av. João Manoel, 115	Arujá
47	Dicico Fernão Dias	Rod. Fernão Dias, Km 87,	Guarulhos
48	Dicico Guarujá Balsa	R. Dr. Adhemar de Barros, 1531	Guarujá
49	Dicico Caraguatatuba	Av. Rio Branco, 450	Caraguatatuba
50	Dicico Poá	Rod. João Afonso de Souza Castellano, 141	Poá
51	Dicico São Carlos	Av. Getúlio Vargas, 157,	São Carlos
52	Dicico Vinhedo	Av. Antônio Barbosa, 597	Vinhedo
53	Dicico Guaianases	Est. Itaquera Guianazes, 2000	Guaianases
54	Dicico S.J.Campos	Av. Engenheiro Francisco José Longo, 1595	São José dos Campos
55	Dicico Vargem Grande	Rod. Bunjiro Nakao, 45509	Vargem Grande Paulista
56	Dicico Leme	Av. Joaquim Lopes Aguila, 1031	Leme
57	Dicico Jundiaí	Av. Antônio Frederico Ozanan, 6080	Jundiaí
58	Dicico Sumaré	Avenida José Mancine, 350	Sumaré



SUPERMARKETS CHILE

N°	Stores	Address	City
1	El Monte	Los Libertadores 316 El Monte	Santiago
2	Talagante Plaza	Eyzaguirre 715 Talagante	Santiago
3	SB Plaza	O'Higgins 528 San Bernardo	Santiago
4	Buin	San Martin 174 Buin	Santiago
5	SB Estación	Arturo Prat 117 San Bernardo	Santiago
6	Peñaflor	Alc. Luis Araya Cereceda, 1047 Peñaflor.	Santiago
7	Rengo	Condell 100 Rengo	Rengo
8	Melipilla	Av. Serrano 395 Melipilla	Santiago
9	San Antonio	Av. Barros Luco 1399 San Antonio	San Antonio
10	Talagante Cordillera	Caletera Los Aromos, 0441 Talagante	Santiago
11	Puente Alto	Av. Concha Y Toro 1477 Puente Alto	Santiago
12	Nataniel	Nataniel Cox 620 Santiago.	Santiago
13	La Calera	Prolongacion J.J. P. 12010 La Calera	La Calera
14	Pedro Fontova	Pedro Fontova 5810 Conchalí	Santiago
15	Antofagasta Mall	Balmaceda 2355 Antofagasta	Antofagasta
16	Plaza Oeste	Av.Americovespucio 1501 Cerrillos	Santiago
17	Puente Alto Eyzag.	Eyzaguirre 105 Puente Alto	Santiago
18	La Florida	Americo Vespucio 7310 La Florida	Santiago
19	Antofagasta Centro	Condell 2639-2645 Antofagasta	Antofagasta
20	Kennedy	Av.Kennedy 5601 2Do. Nivel Las Condes	Santiago
21	Colina	Avda.Concepcion 47 Colina	Santiago
22	Alameda	Alameda 3470 Est. Central	Santiago
23	El Bosque	Gran Av.Jose Miguel Carrera 10375El Bosque	Santiago
24	San Fernando	Carampangue 681 San Fernando	San Fernando
25	Quillota	Freire 223 Quillota	Quillota
26	Padre Hurtado	Camino Alberto Hurtado 2436 P. Hurtado	Santiago

SUPERMARKETS CHILE

N°	Stores	Address	City
27	San Felipe	Av. Lib. Bdo. O´ Higgins N° 1150 San Felipe	San Felipe
28	Talca	Calle 4 Norte 1530 Talca	Talca
29	Peñalolén	Av. Tobalaba 11201 Peñalolen	Santiago
30	Catedral	Catedral N° 1850 Santiago	Santiago
31	Machalí	Avda. San Juan N° 133-C	Machalí
32	Santa Julia	Avda.Alessandri N°4025 V. Del Mar	Viña del Mar
33	Calama Mall	Balmaceda N° 2902 Calama	Calama
34	Calama Centro	Ad. Granaderos N° 3657 Calama	Calama
35	Huechuraba	Avda. Santa Marta 7300 Huechuraba	Santiago
36	Llolleo	Avda. Los Aromos N° 318 Llolleo	Llolleo
37	Bío Bío	Av. Los Carreras N° 301-Concepcion	Biobío
38	Chillán	Ecuador N° 599 Chillan -	Chillán
39	Rancagua Centro	Sargento Cuevas 405, Rancagua	Rancagua
40	Vicuña Mackenna	Vicuña Mackenna N° 665 Santiago	Santiago
41	Mall Plaza Tobalaba	Vda. Camilo Henríquez 3692 L/H-100	Santiago
42	Los Ángeles	Mendoza N° 535 Local H-100Los Angeles	Los Ángeles
43	Vitacura	Avda. Vitacura 9019 Vitacura	Santiago
44	El Trébol	Jorge Alessandri N° 3177 Talcahuano	Talcahuano
45	Plaza Egaña	Av. Larrain 5861 Local H-100- La Reina	Santiago
46	Ovalle	Prolongacion Calle Benavente 1075 Local 200	Ovalle
47	Quilpué	Avda. Freire N° 120 Quilpué	Quilpué
48	Concón	Adva .Manantiales N° 955 Local 1 Concon	Concón
49	Walker Martínez	Walker Martínez 3600, La Florida	Santiago
50	Mall Plaza Copiapó	Maipú 0110 Local H-100	Copiapó
51	Reñaca	Avda. Vicuña Mackenna #1050 L-1	Viña del Mar
52	Chamisero	Avda. Chamisero Lote A-8 Colina	Santiago



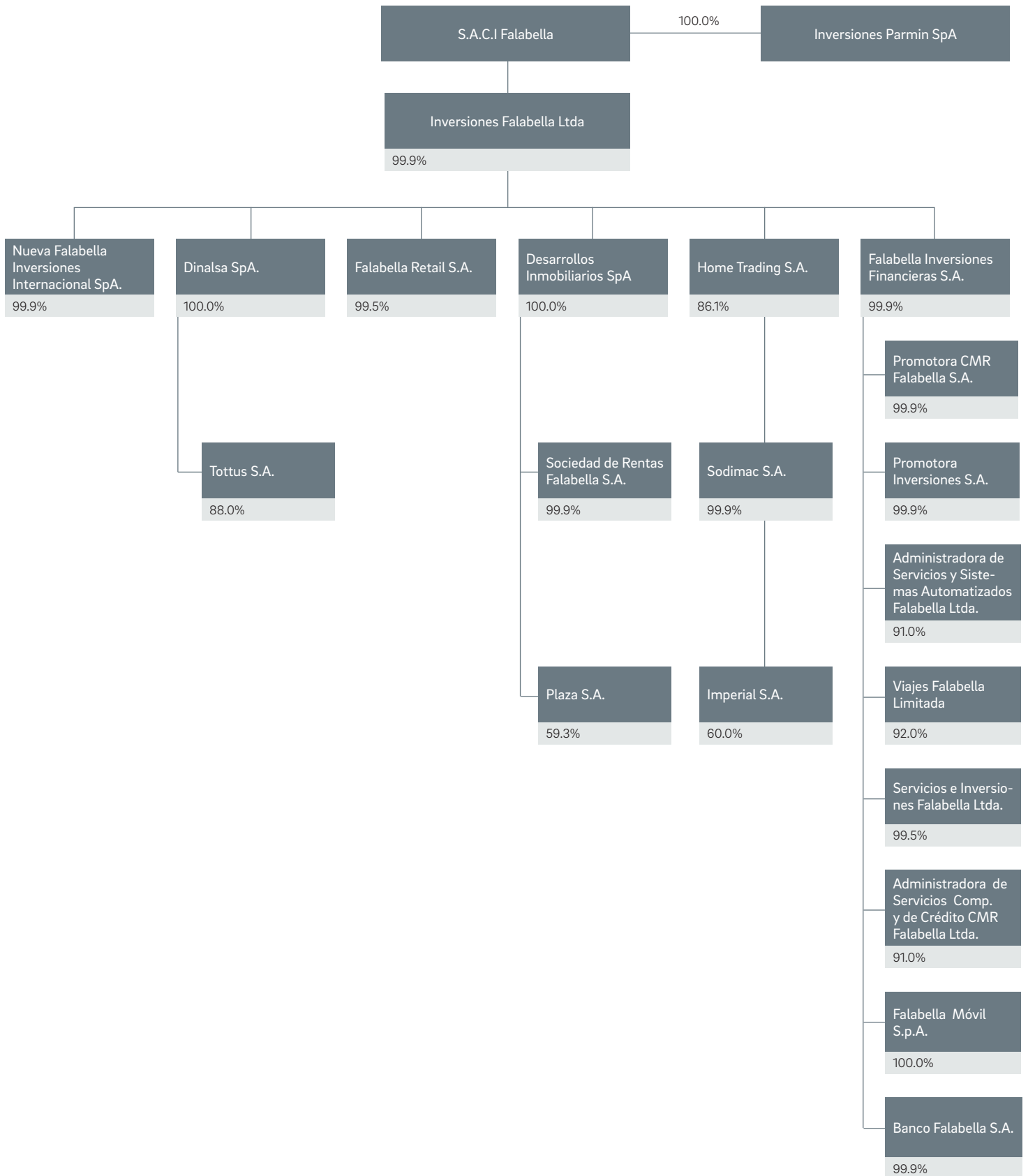
SUPERMARKETS PERU

N°	Stores	Address	City
1	Megaplaza	Alfredo Mendiola Nro. 3698 - Centro Comercial Mega Plaza - Independencia	Lima
2	Las Begonias	Av.Las Begonias 785 - Urb. Jardín - San Isidro	Lima
3	La Marina	Av. La Marina # 2355 Urb Maranga - 1era Etapa Ancla 2 - San Miguel	Lima
4	Atocongo	Av. Circunvalacion Nro. 1803 Tienda Ancla Nro. 2 San Juan de Miraflores	Lima
5	Huaylas	Av Defensores del Morro No. 1350 - Chorrillos - Lima	Lima
6	Trujillo 1	Av. Mansiche S/N - Caserio Cortijo - Trujillo	Trujillo
7	Chiclayo 1	Victor Raul Haya de la Torre 150 - 250 - Urb. San Eduardo - Tienda Ancla 1	Chiclayo
8	Quilca	Av. Lima 4208 - Urb. Bocanegra - Provincia Constitucional del Callao	Lima
9	Saenz Peña	Calle Castilla 496 - Provincia Constitucional del Callao	Lima
10	Canta Callao	Carretera Canta Callao No. 378 - Calle Castilla 496 - Provincia Constitucional del Callao	Lima
11	Lima Centro	Av. Tacna No. 665 - Cercado de Lima	Lima
12	El Agustino	Av. Ancash No. 2479 - El Agustino	Lima
13	Puente Piedra	Av. Puente Piedra Sur No. 322 - Alt. Km 30 Panamericana Norte - Puente Piedra	Lima
14	Trujillo 2	Av. America Norte No. 1245 Urb. Los Jardines Open Plaza Trujillo	Trujillo
15	Bellavista	Av. Oscar R.Benavides No.3866 (SM 1) Bellavista - Callao	Lima
16	Ica	Av. San Martin 763 - Ica	Ica
17	Pachacútec	Av. Prolong. Pachacutec 6321 Tablada de Lurin Zona 4 Villa Maria del Triunfo	Lima
18	Zorritos	Av. Colonial No. 1291, 1293 - Jr. Zorritos No. 1504, 1548, 1552 - Lima	Lima
19	La Fontana	Av. La Fontana 790 Urb. La Rivera de Monterrico II Etapa La Molina	Lima
20	Angamos	Av. Angamos Este No. 1803 - Esq Tomas Marsano y Angamos Este - Surquillo	Lima
21	Tusilagos	Av. Los Tusilagos Oeste 281 Urb. Los Jardines de San Juan Sector 3 San Juan de Lurigancho	Lima
22	Piura	Av. Andrés Avelino Cáceres No.147 Sector 1B Tda Ancla 2 - Urb. Miraflores - Castilla	Piura
23	Arequipa Cayma	Av. Ejercito 793 Arequipa Cayma	Arequipa
24	Arequipa Porongoche	Av. Porongoche N° 500, Distrito de Paucarpata	Arequipa

SUPERMARKETS PERU

N°	Stores	Address	City
25	Próceres	Av. Los Próceres N° 1030, Santiago de Surco	Lima
26	Jockey Plaza	Av. Javier Prado Este 4010, Urb. Fundo Monterrico Chico, Santiago de Surco	Lima
27	Chiclayo Belaúnde y Lora	Av. Fernando Belaunde Terry No. 685 - Urb La Primavera	Chiclayo
28	Campoy	Av. Prolongación Malecón Checa, con A.DV Villa Mercedes, con calle 5 Manzana L Sub lote 1-1A*	Lima
29	Chincha	Esquina Av. Massaro con esquina Mariscal Castilla - Chincha Alta - Chincha - Ica*	Ica
30	Chimbote	Av. Panamericana Norte 505 MZ. B Lote. 1A-1-A2 Chimbote - Santa - Ancash	Chimbote
31	Santa Anita	Z.I. A - B Carretera Central N° 135 - Santa Anita	Lima
32	Los Olivos	Av. Alfredo Mendiola No. 5810 - Los Olivos - Lima	Lima
33	Chiclayo San José	Av. Luis Gonzales N° 881 - Chiclayo	Chiclayo
34	Cañete	Av. Mariscal Benavides N° 1000 - San Vicente de Cañete - Cañete - Lima	Cañete
35	Av. Central	Av. Canta Callao N° 3005 - S.M.P. (Mz. G lote 3 - Urb. Huertos del Naranjal)	Lima
36	Chiclayo Leguía	Av. Saenz Peña N° 1771 - Chiclayo Cercado - Chiclayo	Chiclayo
37	Pacasmayo	Av. Gonzalo Ugaz Salcedo N° 23 - Pacasmayo	Pacasmayo
38	Arequipa Parra	Av. Parra N° 218 - 218A - 220 - Arequipa	Arequipa
39	Sullana	Av. Panamericana N° 445 esq. Ca. Santo Toribio N° 160	Sullana
40	Oriente	Av. Centenario 2086, Yarinacocha - Coronel Portillo	Pucallpa
41	San Luis	Av San Luis Av. San Luis Mz. A Lote 1 Urb. San Borja Centro (Ficha registral)	Lima
42	Miraflores	Av. 28 de Julio # 1045, Miraflores (Centro comercial Paso 28 de Julio)	Lima
43	Tottus Saga Ica	Calle Lima 433 - Cercado	Ica
44	Hiperbodega Puente Piedra	Av. Leoncio Prado 1916 - Puente Piedra - Lima	Lima
45	Chepén	Carretera Panamericana 715 - 721 Chepen	Chepén
46	Huanuco	Jr. 2 de Mayo No. 125 - Huánuco	Lima
47	Hiperbodega Huaycan	Av. Los Incas 205 Mz. A Lt. 7 Ex. Av. Circunvalacion - Ate	Huaycan
48	Cajamarca OP	Jr. Cinco Esquinas S/N C/Av. Via De Evitamiento - Cajamarca	Cajamarca
49	San Hilarión	Av San Hilarion Este 150-180 Urb. San Hilarion SJ Lurigancho (temporal)	Lima

Corporate Structure



Financial Information on Subsidiaries and Affiliated Companies

INVERSIONES PARMIN SPA:

INVERSIONES PARMIN SpA is a joint stock company incorporated pursuant to the eighth paragraph of Section VII of Book II of the Commercial Code. It was incorporated on May 2nd, 2008, before Mr. Guillermo Le-Fort Campos, Alternate Public Notary in the 2nd Notary Office of Santiago.

Corporate Purpose

Investment in any tangible, intangible, or movable property or real estate; in securities, bonds, debentures, promissory notes or other financial or commercial documents; as well as their use or management; in the interest in any civil or commercial company, whether they be a general or limited partnership, as a limited partner or as a manager of a limited company, by shares or limited liability, regardless of their business.

Company Executives

Legal Representatives:

- Mr. Jordi Gaju N.
- Mr. Alejandro Gonzalez D.
- Mr. Sandro Solari D.

	2014	2013
	TH\$	TH\$
Total Assets	2,006,630	1,900,186
Total Liabilities	579,816	506,749
Total Equity	1,426,814	1,393,437
Net Income	182,120	203,774
Changes in Equity	33,377	58,066
Increase (decrease) in cash and cash equivalents, net	2,670	2

INVERSIONES FALABELLA LTDA.:

INVERSIONES FALABELLA LTDA. is a limited liability company incorporated according to the Commercial and Civil Codes of Chilean Law 3,918. It was incorporated by public deed dated May 2nd. 2008, executed before Mr. Guillermo Le-Fort Campos, Alternate Public Notary in the 2nd Notary Office in Santiago.

Corporate Purpose

Investment in any type of shares, bonds, debentures, units or interests in companies and any instrument and/or securities or other income-generating securities. It may administrate these assets, make investments in any type of real estate and operate and lease all such assets for profit. In conducting its business, the company may perform all transactions, enter into all contracts and, in general, perform all acts that are convenient and/or necessary, according to the manager's or managers' judgment.

Company Executives

Legal Representatives:

- Mr. Jordi Gaju N.
- Mr. Alejandro González D.
- Mr. Sandro Solari D.

	2014	2013
	TH\$	TH\$
Total Assets	12,600,864,805	10,283,798,671
Total Liabilities	8,396,643,216	6,882,701,265
Total Equity	4,204,221,589	3,401,097,406
Net Income	411,043,711	354,361,401
Changes in Equity	803,124,183	343,024,448
Increase (decrease) in cash and cash equivalents, net	(38,990,098)	81,701,002

Affiliated Companies:

SODIMAC COLOMBIA S.A.:

Sale and commercialization of products and services for the construction, decoration, remodeling and outfitting of homes, and related activities, in the Colombian market.

Board of Directors and Management:

Chairman: Mr. Carlos Enrique Moreno

Directors:

- Mr. Álvaro Andres Echavarría O.
- Mr. Juan Manuel Ayerbe Muñoz
- Mr. Sandro Solari D.
- Mr. Enrique Gundermann W.

CEO: Mr. Miguel Pardo

AVENTURA PLAZA:

Development and management of shopping centers in Peru.

The company owns, directly or indirectly, 60% stake (49% effective participation) in this enterprise.

Board of Directors and Management:

Chairman: Mr. Luis Miguel Palomino

Directors:

- Mr. Lázaro Calderón
- Mr. Andrés Calderón
- Mr. Sergio Cardone
- Mr. Juan Xavier Roca

CEO: Mr. Mauricio Mendoza

	2014	2013
	TH\$	TH\$
Total Assets	462,870,126	474,314,306
Total Liabilities	183,156,085	315,974,665
Total Equity	279,714,041	158,339,641
Net Income	36,619,993	27,909,819
Changes in Equity	121,374,400	19,487,963
Percentage ownership by SACI	49%	49%
Participation of the Company's assets	1.32%	1.59%

	2014	2013
	TH\$	TH\$
Total Assets	271,577,555	220,147,870
Total Liabilities	131,873,864	110,697,084
Total Equity	139,703,691	109,450,786
Net Income	13,660,593	6,925,449
Changes in Equity	30,252,905	15,685,751
Percentage ownership by SACI	65%	65%
Participation of the Company's assets	1.40%	126%

For additional information, refer to Appendix 1.

Financial Statements



Balance Sheet

Income Statement

Statement of Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flows

Analysis of Results



The Financial Statements of the companies identified herein are available to the public in the offices of the reporting entity and of the Securities and Insurance Superintendence.

Balance Sheet

	31-dec-14	31-dec-13
	TH\$	TH\$
ASSETS		
NON-BANKING BUSINESSES		
Current assets		
Cash and cash equivalents	211,219,868	275,536,508
Other financial assets	19,518,703	18,292,516
Other non-financial assets	88,613,455	69,469,511
Trade and other accounts receivable	1,460,886,123	1,359,023,097
Accounts receivable from related parties	14,382,645	3,608,843
Inventory	1,019,199,966	916,670,685
Tax assets	49,566,343	42,523,671
Total of current assets different from those assets or disposal groups classified as held for sale or as held for distribution to owners	2,863,387,103	2,685,124,831
Non-current Assets classified as held for sale	5,150,100	0
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	5,150,100	-
Total Current Assets	2,868,537,203	2,685,124,831
NON-CURRENT ASSETS		
Other financial assets	71,524,973	12,982,996
Other non-financial assets	32,688,857	30,799,590
Accounts receivable	206,165,723	165,509,701
Investments accounted for using the equity method	163,334,299	148,775,246
Intangible assets other than goodwill	233,503,315	185,852,765
Goodwill	462,525,345	298,112,966
Property, plant and equipment	2,119,695,908	1,671,176,569
Investment properties	2,122,042,651	1,928,060,213
Deferred tax assets	68,168,041	45,891,584
Total Non-current Assets	5,479,649,112	4,487,161,630
Total Assets – Non-banking Business	8,348,186,315	7,172,286,461
BANKING SERVICES ASSETS (PRESENTATION)		
Cash and bank deposits	347,215,192	342,345,059
Transactions with settlement in progress	10,125,348	47,396,787
Financial assets held for trading	55,864,410	83,084,118
Financial derivative contracts	14,503,691	6,607,804
Due from banks	29,977,748	-
Loans and accounts receivable from clients	2,180,384,460	1,886,630,217
Available for sale instruments	264,017,567	260,038,309
Investments in companies	1,910,151	1,621,617
Intangibles	23,769,265	19,978,641
Property, plant and equipment	36,934,564	36,175,090
Current taxes	1,873,669	288,608
Deferred taxes	14,509,536	10,717,632
Other assets	16,184,783	16,595,992
Total Bank Services Assets	2,997,270,384	2,711,479,874
Total Assets	11,345,456,699	9,883,766,335

	31-dec-14	31-dec-13
	TH\$	TH\$
NET EQUITY AND LIABILITIES		
NON-BANKING BUSINESS		
Current Liabilities		
Other financial liabilities	736,529,589	641,297,879
Trade and other accounts payable	966,061,609	877,521,250
Accounts payable to related parties	9,894,036	3,746,778
Other current provisions	10,248,584	6,147,851
Current tax liabilities	25,734,030	20,186,730
Employee benefits provisions	110,578,122	93,750,401
Other non-financial liabilities	129,538,281	109,688,812
Total Current Liabilities	1,988,584,251	1,752,339,701
NON-CURRENT LIABILITIES		
Other financial liabilities	2,316,360,511	1,720,465,349
Other liabilities	2,686,255	2,300,188
Accounts payable to related parties	-	340,547
Other long-term provisions	14,898,205	4,839,707
Deferred tax liabilities	369,652,474	247,097,078
Employee benefits provision	19,717,004	14,934,866
Other non-financial liabilities	30,706,165	23,744,207
Total Non-current Liabilities	2,754,020,614	2,013,721,942
Total Non-banking Business Liabilities	4,742,604,865	3,766,061,643
BANKING SERVICES LIABILITIES (PRESENTATION)		
Deposits and other demand liabilities	241,347,479	160,428,104
Transactions with settlement in progress	4,852,755	55,361,946
Time deposits and other term deposits	1,671,548,562	1,502,609,515
Financial derivative contracts	8,637,377	4,486,973
Due to banks	66,923,264	52,451,222
Debt instruments issued	240,739,591	277,114,232
Other financial obligations	175,729,113	188,589,350
Current taxes	59,511	3,846,203
Deferred taxes	-	615,453
Provisions	5,491,575	6,049,741
Other liabilities	49,257,187	41,506,288
Total Banking Services Liabilities	2,464,586,414	2,293,059,027
Total Liabilities	7,207,191,279	6,059,120,670
NET EQUITY		
Issued capital	533,409,643	530,806,267
Retained earnings	2,913,524,436	2,676,678,527
Share premium	93,482,329	67,679,807
Own shares in portfolio	(3,495,432)	-
Other reserves	(92,000,283)	(123,136,318)
Equity attributable to owners of the parent	3,444,920,693	3,152,028,283
Non-controlling interests	693,344,727	672,617,382
Total Equity	4,138,265,420	3,824,645,665
Total Equity and Liabilities	11,345,456,699	9,883,766,335

Income Statement

	For the year ended as of 31-Dec-14 TH\$	For the year ended as of 31-Dec-13 TH\$
STATEMENT OF INCOME		
NON-BANKING BUSINESS		
Revenue from continuing operations	7,009,490,611	6,196,082,713
Cost of sales	(4,658,040,208)	(4,100,822,221)
Gross Profit	2,351,450,403	2,095,260,492
Distribution costs	(82,824,778)	(79,320,118)
Administrative expenses	(1,426,230,449)	(1,241,427,742)
Other expenses, by function	(134,883,570)	(118,483,907)
Other gains (losses)	7,308,466	9,329,110
Financial income	20,194,586	15,513,561
Financial expenses	(139,425,348)	(104,786,206)
Equity interest in profits (losses) of associates accounted for using the equity method	26,155,945	17,988,643
Foreign currency translation	(40,225,714)	(12,781,186)
Income from indexation units	(41,114,681)	(17,570,335)
Profit (Loss), before Taxes	540,404,860	563,722,312
Income tax expense	(101,425,824)	(122,197,121)
Profit (loss) from Non-banking Business	438,979,036	441,525,191
BANKING SERVICES (PRESENTATION)		
Interest and indexation revenue	445,605,716	365,731,910
Interest and indexation expenses	(129,938,794)	(112,945,337)
Net Income from Interest and Indexation	315,666,922	252,786,573
Fee revenue	106,875,474	93,114,776
Fee expenses	(29,218,656)	(22,513,884)
Net Fee Income	77,656,818	70,600,892
Net income from financial operations	(1,118,943)	5,002,324
Net exchange gains (losses)	10,760,905	8,591,990
Other operating income	827,146	639,814
Provision for loan losses	(89,422,063)	(88,134,145)
Total Operating Income, net	314,370,785	249,487,448
Employee remunerations and expenses	(83,551,772)	(69,274,623)
Administrative expenses	(101,215,795)	(82,306,633)
Depreciation and amortization	(15,489,687)	(11,738,118)
Other operating expenses	(10,502,339)	(9,327,880)
Total Operating Expenses	(210,759,593)	(172,647,254)
Operating Income	103,611,192	76,840,194
Income from equity method investments in companies	358,358	305,005
Income before Income Taxes	103,969,550	77,145,199
Income tax expense	(25,843,026)	(21,562,991)
Ganancia de negocios bancarios	78,126,524	55,582,208
Profit (Loss)	517,105,560	497,107,399
PROFIT (LOSS), ATTRIBUTABLE TO:		
Owners of the parent	464,728,694	443,827,493
Non-controlling interests	52,376,866	53,279,906
Profit (Loss)	517,105,560	497,107,399
EARNINGS PER SHARE		
BASIC EARNINGS PER SHARE		
Basic earnings (loss) per share from continuing operations	0,1911	0,1833
Basic Earnings (Loss) per Share	0,1911	0,1833
DILUTED EARNINGS PER SHARE		
From continuing operations	0,1903	0,1831
Diluted Earnings (Loss) per Share	0,1903	0,1831

Statement of Comprehensive Income

	For the year ended as of 31-Dec-14	For the year ended as of 31-Dec-13
	TH CLP	TH CLP
STATEMENT OF COMPREHENSIVE INCOME		
Profit (loss)	517,105,560	497,107,399
Components of other comprehensive income, that will not be reclassified to income for the period before taxes		
Actuarial profits (losses) on defined benefit plans, before taxes	(2,920,125)	608,491
Other comprehensive income that will not be reclassified to income for the year	(2,920,125)	608,491
COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO INCOME FOR THE PERIOD BEFORE TAXES		
FOREIGN CURRENCY TRANSLATION		
Profits (losses) on foreign currency translation, before taxes	19,951,067	(19,821,630)
Other comprehensive income, before taxes, foreign currency translation	19,951,067	(19,821,630)
Profits (losses) on new measurement of financial assets available for sale, before taxes	(12,322)	787,763
Other comprehensive income before taxes, financial assets available for sale	(12,322)	787,763
CASH FLOW HEDGES		
Profits (losses) on cash flow hedges, before taxes	9,910,716	(6,505,220)
Other comprehensive income, before taxes, cash flow hedges	9,910,716	(6,505,220)
Other components of other comprehensive income, before taxes	29,849,461	(25,539,087)
INCOME TAXES RELATED TO COMPONENTS OF OTHER COMPREHENSIVE INCOME		
Income taxes related to actuarial profit (losses) on defined benefit plans	613,226	(121,698)
Sum of income taxes related to components of other comprehensive income	613,226	(121,698)
INCOME TAXES RELATED TO COMPONENTS OF OTHER COMPREHENSIVE INCOME		
Income taxes related to other comprehensive income related to financial assets available for sale	2,588	(157,553)
Income taxes related to cash flow hedges	(2,081,250)	1,301,044
Sum of income taxes related to components of other comprehensive income	(2,078,662)	1,143,491
Total other comprehensive income	25,463,900	(23,908,803)
Total Comprehensive Income	542,569,460	473,198,596
COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Shareholders of the parent company	489,649,857	421,703,086
Non-controlling interests	52,919,603	51,495,510
Total Comprehensive Income	542,569,460	473,198,596

Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY DEC. 2014

	Issued Capital	Share Premium	Own shares in portfolio (Note 21.d)	Foreign currency translation reserve	Cash flow hedge reserve	Reserve for actuarial profits or losses on defined benefit plans
Beginning balance as of 01/01/2014	530,806,267	67,679,807		(70,771,186)	(9,420,227)	(2,476,763)
Increase (decrease) due to changes in accounting policies						
Restated beginning balance						
Changes in equity						
Comprehensive Income				19,316,260	7,921,536	(2,306,899)
Profit (loss)				19,316,260	7,921,536	(2,306,899)
Other comprehensive income	2,603,376	25,802,522				
Comprehensive income						
Equity issuance						
Dividends						
Increase (decrease) due to transfers and other changes			(3,495,432)			
Total changes in equity	2,603,376	25,802,522	(3,495,432)	19,316,260	7,921,536	(2,306,899)
Ending Balance as of 12/31/2014	533,409,643	93,482,329	(3,495,432)	(51,454,926)	(1,498,691)	(4,783,662)

STATEMENT OF CHANGES IN EQUITY DEC. 2013

	Issued Capital	Share Premium	Own shares in portfolio (Note 21.d)	Foreign currency translation reserve	Cash flow hedge reserve	Reserve for actuarial profits or losses on defined benefit plans
Beginning balance as of 01/01/2013	529,966,655	59,607,170		(52,327,229)	(4,622,774)	
Increase (decrease) due to changes in accounting policies						(2,963,556)
Restated beginning balance	529,966,655	59,607,170		(52,327,229)	(4,622,774)	(2,963,556)
Changes in equity						
Comprehensive Income						
Profit (loss)						
Other comprehensive income				(18,443,957)	(4,797,453)	486,793
Comprehensive income				(18,443,957)	(4,797,453)	486,793
Equity issuance	839,612	8,072,637				
Dividends						
Increase (decrease) due to transfers and other changes						
Total changes in equity	839,612	8,072,637	0	(18,443,957)	(4,797,453)	486,793
Ending Balance as of 12/31/2013	530,806,267	67,679,807	0	(70,771,186)	(9,420,227)	(2,476,763)

Reserve for profits or losses on remeasurement of financial assets available for sale	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent company	Non-controlling interest	Total equity
630,210	(41,098,352)	(123,136,318)	2,676,678,527	3,152,028,283	672,617,382	3,824,645,665
			464,728,694	464,728,694	52,376,866	517,105,560
(9,734)		24,921,163		24,921,163	542,737	25,463,900
(9,734)		24,921,163	464,728,694	489,649,857	52,919,603	542,569,460
				28,405,898	24,974,043	53,379,941
			(102,588,955)	(102,588,955)	(16,914,815)	(119,503,770)
			(46,716,849)	(46,716,849)	(29,300,833)	(76,017,682)
	6,214,872	6,214,872	(78,576,981)	(72,362,109)	(10,950,653)	(83,312,762)
				(3,495,432)		(3,495,432)
(9,734)	6,214,872	31,136,035	236,845,909	292,892,410	20,727,345	313,619,755
620,476	(34,883,480)	(92,000,283)	2,913,524,436	3,444,920,693	693,344,727	4,138,265,420

Reserve for profits or losses on remeasurement of financial assets available for sale	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent company	Non-controlling interest	Total equity
	(44,215,601)	(101,165,604)	2,396,861,551	2,885,269,772	589,103,273	3,474,373,045
		(2,963,556)	2,963,556			
	(44,215,601)	(104,129,160)	2,399,825,107	2,885,269,772	589,103,273	3,474,373,045
			443,827,493	443,827,493	53,279,906	497,107,399
630,210		(22,124,407)		(22,124,407)	(1,784,396)	(23,908,803)
630,210		(22,124,407)	443,827,493	421,703,086	51,495,510	473,198,596
				8,912,249	13,088,183	22,000,432
			(111,342,797)	(111,342,797)	(22,509,482)	(133,852,279)
	3,117,249	3,117,249	(55,631,276)	(52,514,027)	41,439,898	(11,074,129)
630,210	3,117,249	(19,007,158)	276,853,420	266,758,511	83,514,109	350,272,620
630,210	(41,098,352)	(123,136,318)	2,676,678,527	3,152,028,283	672,617,382	3,824,645,665

Statement of Cash Flows

Statement of cash flows	31-dec-14	31-dec-13
	TH\$	TH\$
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Non-banking Business (Presentation)		
Classes of proceeds from operating activities		
Proceeds from sale of goods and providing services	8,423,131,674	7,212,795,306
Classes of payments		
Payment to suppliers for supplying goods and services	(6,600,826,090)	(5,871,689,181)
Payments to and on account of employees	(854,213,160)	(729,010,101)
Income taxes refunded (paid)	(96,087,932)	(88,134,666)
Other cash inflows (outflows)	(182,442,277)	(46,222,351)
Subtotal net cash flows provided by Non-banking Business operating activities	689,562,215	477,739,007
BANKING SERVICES (PRESENTATION)		
Consolidated net income (loss) for the period	78,126,524	55,582,208
Charges (credits) to income that do not involve cash movements:		
Depreciation and amortization	15,489,687	11,738,118
Credit risk provision	111,964,182	91,735,477
Profit losses from equity method investments	(358,358)	(305,005)
Other charges (credits) that do not involve significant cash flow movements	13,604,448	6,177,558
Net change in interest, indexations and fees accrued on assets and liabilities	(5,317,759)	(11,829)
Changes in assets and liabilities affecting cash flow:		
Net (Increase) decrease due from banks	(29,977,748)	-
Net increase in loans and accounts receivable from clients	(371,398,995)	(263,491,511)
Net decrease in instruments held for trading	32,388,060	(172,932,166)
Increase in deposits and other demand obligations	74,182,743	37,033,961
Increase in repurchase agreements and share loans	166,881,822	306,558,654
Increase in obligations with banks	19,909,293	50,683
Other	(16,237,180)	(7,256,411)
Subtotal net cash flows provided by (used in) Banking Services operating activities	89,256,719	64,879,737
Net cash flows provided by operating activities	778,818,934	542,618,744
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		
NON-BANKING BUSINESS (PRESENTATION)		
Cash flows used to obtain control of subsidiaries and other businesses	(290,890,488)	(31,880,694)
Cash flows used in the purchase of non-controlling interests	(4,571,220)	(5,281,209)
Other charges on the sale of equity or debt instruments of other parties	-	5,000,000
Loans to related parties	(1,161,013)	(1,032,497)
Proceeds from disposal of property, plant and equipment	3,342,178	20,800,399
Additions to property, plant and equipment	(368,093,957)	(333,737,406)
Proceeds from intangible assets	-	26,504
Additions to intangible assets	(31,274,803)	(18,061,444)
Proceeds from other long-term assets	488,038	1,788,051
Additions to other long-term assets	(175,579,140)	(195,595,955)
Dividends received	4,544,614	6,347,408

(Continuation)

	31-dec-14	31-dec-13
Statement of cash flows	TH\$	TH\$
Interest received	19,826,717	27,022,731
Other cash inflows (outflows)	18,574,471	(695,517)
Subtotal net cash flows used in investing activities in the Non-banking Business	(824,794,603)	(525,299,629)
BANKING SERVICES		
Net (Increase) decrease in investment securities available for sale	(2,958,934)	(38,425,898)
Additions to property, plant and equipment	(20,735,628)	(19,303,844)
Sale of fixed assets	1,192,444	-
Dividends received from investments in societies	202,870	569,812
Other	1,733,156	(1,255,915)
Subtotal net cash flows provided by (used in) Banking Services investing activities	(20,566,092)	(58,415,845)
Net cash flows provided by (used in) investing activities	(845,360,695)	(583,715,474)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES		
NON-BANKING BUSINESS		
Proceeds from issuance of shares	53,379,941	22,000,432
Payments to acquire own shares	(3,495,432)	-
Proceeds from long-term loans	833,657,276	824,308,835
Proceeds from short-term loans	2,599,217,628	1,303,207,432
Total proceeds from loans	3,432,874,904	2,127,516,267
Payment of loans	(3,101,725,973)	(1,781,628,504)
Payment of financial lease liabilities	(17,297,516)	(16,096,399)
Dividends paid	(179,029,165)	(171,186,004)
Interest paid	(88,246,885)	(66,205,522)
Other cash inflows (outflows)	4,235,845	3,570,636
Subtotal net cash flows provided by (used in) Non-banking Business financing activities	100,695,719	117,970,906
BANKING SERVICES (PRESENTATION)		
Redemption of letters of credit	(6,246,302)	(12,266,273)
Bond payments and other long term loans	(40,303,374)	40,837,546
Other	(38,741,239)	(35,101,326)
Subtotal net cash flows provided by (used in) Banking Services financing activities	(85,290,915)	(6,530,053)
Net cash flows used in financing activities	15,404,804	111,440,853
Net increase in cash and cash equivalents, before the effect of changes in the exchange rate	(51,136,957)	70,344,123
EFFECTS OF CHANGES IN THE EXCHANGE RATE ON CASH AND CASH EQUIVALENTS		
Effects of changes in the exchange rate on cash and cash equivalents	13,573,178	9,039,881
Net increase (decrease) in cash and cash equivalents	(37,563,779)	79,384,004
Cash and cash equivalents at beginning of period	647,689,942	568,305,938
Cash and cash equivalents at end of period	610,126,163	647,689,942

Analysis of Results

The consolidated revenue for the year reached CLP 7,562,799 million, representing a 13.6% increase when compared to 2013. This growth is mainly due to the opening of 31 new stores during the year, and the acquisition of the Maestro home improvement chain in Peru which added another 30 stores.

The consolidated loan portfolio exhibited a positive trend in the period, growing 12.8% when compared to the previous year, reaching a total of CLP 3,847,436 million as of December 31st, 2014. This growth was driven by Banco Falabella in Chile, Peru and Colombia, which grew 11.9%, 21.6% and 26.8%, respectively (in local currencies).

The gross margin for the fiscal year was 35.2%. The gross profit reached CLP 2,665,821 million, representing 13.7% annual growth. The increase in the gross profit margin was primarily attributable to the performance of the operations in Colombia, the financial business in Chile, and department stores in Chile.

Sales and administrative expenses ascended to CLP 1,854,698 million, equal to 24.5% of revenues, representing an increase of 30 basis points compared to 2013. The increase can be largely attributed to pre-opening expenses related to the upcoming launch of the first Sodimac stores in both Brazil and Uruguay, as well as extraordinary expenses related to the acquisition of Maestro in Peru. In addition, the slowdown in consumer demand observed in Chile and Peru resulted in lower dilution of fixed expenses in those operations, particularly in the department store business.

Consequently, consolidated EBITDA for the year reached CLP 1,015,565 million, with an EBITDA margin of 13.4%. Consolidated net income reached CLP 464,729 million, with a 6.1% net income margin. It is important to note that net income does not consider the revaluation of assets of the Falabella Group's property investments, as the Company adopted the historical cost accounting method which does not impact income, in 2009.

Two shopping centers were opened in 2014: Mall Plaza Copiapó and Open Plaza Puente Alto, both in Chile. Additionally, 31 new stores were inaugurated across the region: Falabella opened eight department stores (two in Chile, three in Peru and three in Colombia), Sodimac opened nine home improvement stores (two in Chile, two in Peru, two in Colombia, one in Argentina and two in Brazil), while Tottus opened 14 supermarkets (five in Chile and nine in Peru).

Definition of Content and Guidelines

For the second year in a row, the Falabella Group makes available to its stakeholders a report within the framework of the Integrated Report, which compiles the results of the year based on the material analysis of the economic, social and environmental dimensions of the Company.

As was the case in 2013, the annual sustainability report of 2014 was prepared based on the guidelines of the Global Reporting Initiative (GRI), selecting the "essential" option of the G4 manual, which includes a minimum of 34 indicators for each issue that has been defined as material.

The reported indicators were constructed by consolidating information given by our subsidiaries. Given that this is the second time that the GRI G4 manual is used, the necessary conditions for comparison are not met for all of the indicators and the information contained in this report serves as the base for comparison for our next report. In some indicators the required level of disaggregation is omitted because we do not have that level of details at the subsidiary level. In the majority of the cases, additional detailed information is provided in the subsidiaries sustainability reports, which comply with the GRI G4 standard.

The G4 guidelines stress the importance of the concept of materiality, with the objective of encouraging organizations to provide information and indicators that are relevant to their businesses, based on a dialogue with their stakeholders.

Along this line, the process of identifying and defining the issues to be considered material was carried out with the involvement of all of the Group's business units, after each one of these business units had previously conducted this analysis internally.

The following list, though not complete, identifies material issues by category. These have not varied with respect to the prior year.

Economy:

- Economic performance
- Market presence

Environment:

- Energy
- Resources
- Waste

Social Performance:

- Employment
- Health and Safety
- Training and Education
- Supplier evaluation

Human Rights:

- Non-discrimination
- Chile labor
- Forced labor
- Security measures
- Supplier evaluation

Society:

- Fight against corruption
- Social impact of suppliers

Product responsibility:

- Health and safety of clients
- Marketing communications
- Client privacy

As a result, we have grouped the material issues with the most relevance to our businesses in the six pillars that the Group has defined in its Sustainability Strategy: Customers, Employees, Suppliers, Community, Environment and Corporate Governance.

Afterwards, these issues were prioritized and a number of metrics were defined in order to facilitate the management of these issues within the business. All of the Group's businesses participated, and then validated, this process.

GRI Index

Basic General Index		
Material Issues	Contents	Omissions / Considerations
STRATEGY AND ANALYSIS		
G4-1	Welcome / Letter from the Chairman / Letter from the CEO	
ORGANIZATION		
G4-2	Corporate Information / Risks	
G4-3	Corporate Information / Identification of the Company	
G4-4	The Company / Introduction - Business Divisions - Corporate Information / Trademarks and Patents	
G4-5	Corporate Information / Identification of the Company	
G4-6	The Company / Introduction - Business Divisions	
G4-7	Corporate Information / Identification of the Company	
G4-8	The Company / Introduction - Business Divisions	
G4-9	The Company - Financial Statements	
G4-10	The Company / Key Figures	
G4-11	The Company / Key Figures	
G4-12	The Company / Key Figures	
G4-13	Corporate Governance / Ownership and Control - Corporate Information / Summary of Material Facts During the Period / Corporate Structure	
G4-14		Not applicable
G4-15	Corporate Information / Associations and Organizations in Which We Participate	
G4-16	Corporate Information / Associations and Organizations in Which We Participate	
MATERIAL ISSUES AND COVERAGE		
G4-17	Financial Statements	
G4-18	Definition of Content and Guidelines	
G4-19	Definition of Content and Guidelines	
G4-20	Definition of Content and Guidelines	
G4-21	Definition of Content and Guidelines	
G4-22	Definition of Content and Guidelines	
G4-23	Definition of Content and Guidelines	
PARTICIPATION OF STAKEHOLDERS		
G4-24	Definition of Content and Guidelines	
G4-25	Definition of Content and Guidelines	
G4-26	Definition of Content and Guidelines	
G4-27	Definition of Content and Guidelines	

Basic General Index

Material Issues	Contents	Omissions / Considerations
ANNUAL REPORT PROFILE		
G4-28	Definition of Content and Guidelines	
G4-29	Definition of Content and Guidelines	
G4-30	Definition of Content and Guidelines	
G4-31	Corporate Information / Identification of the Company	
G4-32	Definition of Content and Guidelines - GRI Index	
G4-33	Consolidated Financial Statements	Only financial and accounting information was audited by Ernst & Young.
GOVERNANCE		
G4-34	Corporate Governance / Board of Directors	
G4-38	Corporate Governance / Board Committees	
G4-42	Corporate Governance / Board Committees	
G4-44	Corporate Governance / Board Committees	
G4-45	Corporate Governance / Board Committees	
G4-47	Corporate Governance / Board of Directors / Board Committees	
G4-51	Corporate Governance	
G4-52	Corporate Governance / Board Committees	
ETHICS AND INTEGRITY		
G4-56	The Company / Key Figures	

Specific Content

Material Issues	Contents	Omissions / Considerations
G4 - EC1	The Company / Key Figures - Financial Statements	
G4-EN3	The Company / Key Figures	
G4-EN6	The Company / Key Figures	
G4-LA1	The Company / Key Figures	New hires and breakdown by age and gender omitted. Information included in each business unit's report.
G4-LA9	The Company / Key Figures	Breakdown by gender and category of employment omitted. Gender information included in each business unit's report.
G4-LA11	The Company / Key Figures	
G4-LA12	The Company / Key Figures	
G4-HR1	The Company / Key Figures	
G4-HR3	The Company / Key Figures	
G4-SO5	The Company / Key Figures	Periodically monitored in all businesses; however, criteria is being standardized to obtain a consolidated indicator.
G4-PR5	The Company / Key Figures	NPS is in an early stage of implementation. Information will be presented in each business unit's report.

Declaration of Liability

The Directors of S.A.C.I. Falabella, previously identified, declare themselves liable for the veracity of all the information contained in this Annual Report, which they have signed.



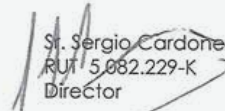
Sr. Carlo Solari Donaggio
RUT 9.585.749-3
Chairman



Sr. Juan Carlos Cortés Solari
RUT 7.017.522-3
Vice Chairman



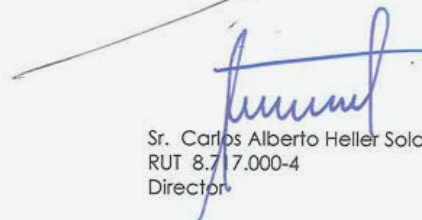
Sra. María Cecilia Karlezi Solari
RUT 7.005.097-8
Director



Sr. Sergio Cardone Solari
RUT 5.082.229-K
Director



Sra. Paola Cuneo Queirolo
RUT 8.506.868-7
Director



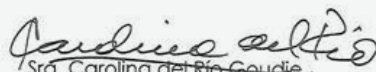
Sr. Carlos Alberto Heller Solari
RUT 8.717.000-4
Director



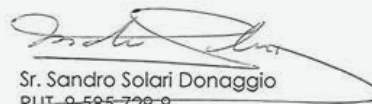
Sr. José Luis del Río Goudie
RUT 4.773.832-6
Director



Sr. Hernán Büchi Buc
RUT 5.718.666-6
Director



Sra. Carolina del Río Goudie
RUT 6.888.500-0
Director



Sr. Sandro Solari Donaggio
RUT 9.585.729-9
Chief Executive Officer

Appendix

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%			%
99.500.360-0	HOMETRADING S.A.		100.000	100.000	100.000	CHILE	CLP	10.323%
76.020.391-2	INVERSIONES FALABELLA LTDA.	99.978	0.022	100.000	100.000	CHILE	CLP	58.621%
99.593.960-6	DESARROLLOS INMOBILIARIOS S. p A.	-	100.000	100.000	100.000	CHILE	CLP	15.699%
76.020.385-8	INVERSIONES PARMIN SpA	100.000	-	100.000	100.000	CHILE	CLP	0.024%
0-E	FALABELLA SUCURSAL URUGUAY S.A.	100.000	-	100.000	100.000	URUGUAY	CLP	0.093%
0-E	FALLBROOKS PROPERTIES LTD	-	99.999	99.999	99.999	I.V. Británicas	CLP	0.817%
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	-	100.000	100.000	100.000	CHILE	CLP	4.618%
76.882.330-8	NUEVOS DESARROLLOS S.A. (EX-PLAZA ALAMEDA S.A.)	-	45.940	45.940	45.940	CHILE	CLP	2.877%
99.555.550-6	PLAZA ANTOFAGASTA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.501%
76.882.090-2	PLAZA CORDILLERA S.A.	-	45.940	45.940	45.940	CHILE	CLP	0.226%
96.653.660-8	PLAZA DEL TRÉBOL S.A.	-	59.278	59.278	59.278	CHILE	CLP	2.511%
96.795.700-3	PLAZA LA SERENA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.605%
96.653.650-0	PLAZA OESTE S.A.	-	59.278	59.278	59.278	CHILE	CLP	7.172%
76.017.019-4	PLAZA S.A.	-	59.278	59.278	59.278	CHILE	CLP	10.594%
76.034.238-6	PLAZA SpA	-	59.278	59.278	59.278	CHILE	CLP	(0.000%)
96.791.560-2	PLAZA TOBALABA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.667%
76.677.940-9	PLAZA VALPARAÍSO S.A.	-	45.940	45.940	45.940	CHILE	CLP	0.036%
96.538.230-5	PLAZA VESPUCIO S.A.	-	59.278	59.278	59.278	CHILE	CLP	2.324%
76.099.956-3	SERVICIOS GENERALES CATEDRAL LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.002%
79.990.670-8	ADMINISTRADORA PLAZA VESPUCIO S.A.	-	59.252	59.252	59.252	CHILE	CLP	0.735%
76.883.720-1	DESARROLLOS E INVERSIONES INTERNACIONALES S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.310%
99.564.380-4	DESARROLLOS URBANOS S.A.	-	45.940	45.940	45.940	CHILE	CLP	0.426%
76.299.850-5	INVERSIONES PLAZA LTDA. (EX INV. ALCALÁ)	-	59.278	59.278	59.278	CHILE	CLP	0.463%
76.044.159-7	AUTOPLAZA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.034%
96.792.430-K	SODIMAC S.A.	-	100.000	100.000	100.000	CHILE	CLP	4.470%
99.556.180-8	SODIMAC TRES S.A.	-	100.000	100.000	100.000	CHILE	CLP	0.014%
96.678.300-1	SOC. ADM. DE TARJETAS DE CRÉDITOS COMERCIALES LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.004%
79.530.610-2	COMERCIALIZADORA E IMPORTADORA IMPOMAC LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.002%
96.681.010-6	TRAINEEMAC S.A.	-	100.000	100.000	100.000	CHILE	CLP	0.003%
76.054.094-3	INVERSIONES SODMIN SpA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.054.151-6	TRAINEEMAC NUEVA S.A.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
78.582.500-4	HOMELET LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
96.520.050-9	HOMECENTER LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.002%
76.821.330-5	IMPERIAL S.A.	-	60.000	60.000	60.000	CHILE	CLP	0.311%
79.553.230-7	SOC. DE CRÉDITOS COMERCIALES LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.046%

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNC- TIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%		%	
96.665.150-4	SODILOG S.A.	-	100.000	100.000	100.000	CHILE	CLP	0.046%
78.611.350-4	SERVICIOS DE COBRANZA CYSER LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.007.327-K	INVERSIONES VENSER DOS LTDA.	-	100.000	100.000	100.000	CHILE	CLP	(0.000%)
76.033.206-2	INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.048%
76.033.208-9	INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.058%
76.033.211-9	INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.009%
76.222.370-8	SERVICIOS GENERALES BASCUÑÁN LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.006%
76.015.722-8	ALAMEDA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.644.120-3	APORTA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.046.439-2	APYSER RETAIL SpA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.665.890-3	CALE LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.004%
76.661.890-1	CERRILLOS LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.662.120-1	CERRO COLORADO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	(0.001%)
76.910.520-4	COLINA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.002%
96.579.870-6	ECOCYCSA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.006%
76.033.452-9	EL BOSQUE LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.004%
76.014.726-5	ESTACIÓN CENTRAL LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.003%
76.009.382-3	MANQUEHUE LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.811.460-9	MELIPILLA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.012.536-9	MULTIBRAND LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.973.030-3	PUNTA ARENAS LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.033.294-1	SAN BERNARDO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.033.466-9	SAN FERNANDO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.002%
76.767.330-2	ANTOFAGASTA CENTRO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.553.390-2	FONTOVA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.003%
76.557.960-0	LA CALERA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.003%
76.318.540-0	LA DEHESA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.662.280-1	LA FLORIDA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.429.990-6	NATANIEL LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.005%
76.383.840-4	PRESETEL LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.035.886-K	SERTEL LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
78.406.360-7	PROALTO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.012%
78.526.990-K	OESTE LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.011%
96.811.120-5	PASEO CENTRO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.003%
78.839.160-9	PROSECHIL LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.003%
89.627.600-K	PROSEGEN LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%

Appendix

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%			%
78.334.680-K	PROSEÑOR LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.008%
77.565.820-7	PROSEÑOR LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
78.636.190-7	PROSEVAL LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.006%
76.662.220-8	PLAZA PUENTE ALTO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.429.790-3	PUENTE ALTO 37 LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.003%
76.291.110-8	PUENTE LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.583.290-K	PUERTO ANTOFAGASTA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
77.880.500-6	SEGEÁNGELES LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
78.625.160-5	SEGEBOL LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.004%
77.039.380-9	SEGECOP LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.003%
77.462.160-1	SEGECUR LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
77.962.250-9	SEGEHUECHURABA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
77.423.730-5	SEGEI LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
77.598.800-2	SEGEMONTT LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
78.991.740-K	SEGENAN LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
78.151.550-7	SEGEPRO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
77.622.370-0	SEGEQUIL LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
79.731.890-6	SEGEQUINTA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
78.150.440-8	SEGESEXTA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
78.665.660-5	SEGESORNO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
78.904.400-7	SEGETALCA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
77.212.050-8	SEGEVALPO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
77.152.390-0	TOBALABA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
78.738.460-9	TRADIS LTDA.	-	100.000	100.000	100.000	CHILE	CLP	(0.010%)
78.919.640-0	TRADISUR LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.002%
78.745.900-5	TRASCIENDE LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.005%
78.015.390-3	VESPUCIO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
77.166.470-9	SERENA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.042.509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.456%
76.046.445-7	CONFECCIONES INDUSTRIALES S. P. A.	-	100.000	100.000	100.000	CHILE	CLP	0.251%
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVE-SA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.252%
76.039.672-9	DINALSA SpA	-	100.000	100.000	100.000	CHILE	CLP	0.191%
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	-	88.000	88.000	88.000	CHILE	CLP	0.658%
78.722.910-7	TOTTUS S.A.	-	88.000	88.000	88.000	CHILE	CLP	0.589%
76.046.433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100.000	100.000	100.000	CHILE	CLP	11.631%
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	-	99.996	99.996	99.996	CHILE	CLP	7.016%

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNC- TIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%			%
77.612.410-9	ADESA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.565%
79.598.260-4	ADMINISTRADORA CMR FALABELLA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.661%
96.827.010-9	SERVICIOS DE EVALUACIÓN DE CRÉDITOS EVALCO LTDA.	-	-	-	100.000	CHILE	CLP	0.000%
77.235.510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.933%
76.027.815-7	SERVICIOS Y ASISTENCIAS LIMITADA	-	100.000	100.000	100.000	CHILE	CLP	0.057%
76.027.825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100.000	100.000	100.000	CHILE	CLP	(0.002%)
78.566.830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.018%
96.847.200-3	SERVICIOS E INVERSIONES FALABELLA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.239%
77.099.010-6	SEGUROS FALABELLA CORREDORES LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.034%
76.512.060-8	SOLUCIONES CREDITICIAS CMR LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.024%
78.997.060-2	VIAJES FALABELLA LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.024%
77.261.280-K	FALABELLA RETAIL S.A.	-	100.000	100.000	100.000	CHILE	CLP	2.707%
76.000.935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65.000	65.000	65.000	CHILE	CLP	0.035%
96.951.230-0	INMOBILIARIA MALL CALAMA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.328%
77.132.070-8	SOUTH AMÉRICA TEXTILES S. p A.	-	100.000	100.000	100.000	CHILE	CLP	(0.002%)
0-E	SHEARVAN CORPORATE S.A.	-	100.000	100.000	100.000	I.V. Británicas	USD	0.053%
77.072.750-2	COMERCIAL MONSE LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.087%
76.042.371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES SpA	-	100.000	100.000	100.000	CHILE	CLP	12.233%
96.647.930-2	INVERSIONES INVERFAL PERÚ S.pA.	-	100.000	100.000	100.000	CHILE	CLP	17.307%
76.023.147-9	NUEVA INVERFIN S. p A.	-	100.000	100.000	100.000	CHILE	CLP	2.439%
76.007.317-2	INVERCOL S. p A.	-	100.000	100.000	100.000	CHILE	CLP	0.004%
0-E	INVERSORA FALKEN S.A.	-	100.000	100.000	100.000	URUGUAY	CLP	13.042%
0-E	TEVER CORP.	-	100.000	100.000	100.000	URUGUAY	CLP	0.672%
0-E	INVERSIONES FALABELLA ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.171%
0-E	FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.988%
0-E	CMR ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.243%
0-E	VIAJES FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.004%
0-E	CLAMIJU S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.002%
0-E	CENTRO LOGÍSTICO APLICADO S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.062%
0-E	GARCÍA HERMANOS Y CIA. S.A.	-			99.850	ARGENTINA	ARS	0.000%
0-E	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	100.000	100.000	100.000	ARGENTINA	ARS	0.000%

Appendix

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%			%
0-E	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	100.000	100.000	100.000	COLOMBIA	COP	3.174%
0-E	FALABELLA COLOMBIA S.A.	-	65.000	65.000	65.000	COLOMBIA	COP	0.584%
0-E	AGENCIA DE SEGUROS FALABELLA LTDA.	-	65.000	65.000	65.000	COLOMBIA	COP	0.042%
0-E	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S.	-	65.000	65.000	65.000	COLOMBIA	COP	0.001%
0-E	ABC DE SERVICIOS S.A.S.	-	65.000	65.000	65.000	COLOMBIA	COP	0.084%
0-E	FALABELLA PERÚ S.A.A.	-	94.183	94.183	94.183	PERÚ	PEN	13.791%
0-E	SAGA FALABELLA S.A.	-	89.002	89.002	89.002	PERÚ	PEN	1.822%
0-E	HIPERMERCADOS TOTTUS S.A.	-	94.183	94.183	94.183	PERÚ	PEN	1.978%
0-E	SODIMAC PERÚ S.A.	-	94.183	94.183	94.183	PERÚ	PEN	5.144%
0-E	OPEN PLAZA S.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	2.010%
0-E	VIAJES FALABELLA S.A.	-	89.002	89.002	89.002	PERÚ	PEN	0.007%
0-E	PATRIMONIO AUTÓNOMO S.A.	-	-	-	92.818	PERÚ	PEN	0.000%
0-E	CORREDORA DE SEGUROS FALABELLAS.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	0.069%
0-E	FALABELLA SERVICIOS GENERALES S.A.C.	-	94.089	94.089	94.089	PERÚ	PEN	0.034%
0-E	FALACUATRO S.A.C.	-	94.188	94.188	94.188	PERÚ	PEN	0.003%
0-E	INMOBILIARIA KAINOS S.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	0.128%
0-E	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	0.084%
0-E	INVERSIONES INMOBILIARIAS BETA S.A.	-	94.183	94.183	94.183	PERÚ	PEN	0.121%
0-E	INVERSIONES INMOBILIARIAS GAMMA S.A.	-	94.183	94.183	94.183	PERÚ	PEN	0.142%
76.075.082-4	HIPERPUENTE LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.080.519-K	QUILLOTA LTDA	-	88.000	88.000	88.000	CHILE	CLP	0.001%
96.509.660-4	BANCO FALABELLA S.A.	-	100.000	100.000	100.000	CHILE	CLP	2.807%
0-E	BANCO FALABELLA PERÚ S.A.	-	92.817	92.817	92.817	PERÚ	PEN	1.825%
0-E	BANCO FALABELLA S.A. (COLOMBIA)	-	65.000	65.000	65.000	COLOMBIA	COP	0.819%
76.099.954-7	SERVICIOS GENERALES PADRE HURTADO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.002%
0-E	SALÓN MOTOR PLAZA S.A.	-	59.278	59.278	59.278	PERÚ	PEN	0.010%
76.011.659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.015%
76.112.525-7	SERVICIOS GENERALES PEÑALOLÉN LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.002%
76.112.533-8	SERVICIOS GENERALES SAN FELIPE LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.003%
76.112.537-0	SERVICIOS GENERALES VIÑA DEL MAR LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.112.543-5	SERVICIOS GENERALES TALCA DOS LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.003%

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%		%	
76.112.548-6	SERVICIOS GENERALES LLOLLEO LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.113.257-1	SERVICIOS GENERALES CORDILLERA LIMITADA	-	100.000	100.000	100.000	CHILE	CLP	0.001%
0-E	SERVICIOS INFORMÁTICOS FALABELLA S.A.C.	-	92.817	92.817	92.817	PERÚ	PEN	0.011%
76.141.045-8	INVERSIONES INVERFAL COLOMBIA S.p.A.	-	100.000	100.000	100.000	CHILE	CLP	1.410%
76.141.046-6	INVERSIONES INVERFAL ARGENTINA SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.971%)
76.153.987-6	ADMYSER SpA	-	100.000	100.000	100.000	CHILE	CLP	0.056%
76.153.976-0	CAPYSER SpA	-	100.000	100.000	100.000	CHILE	CLP	0.006%
76.153.405-K	SEGUNDA INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	-	-	100.000	CHILE	CLP	0.000%
76.153.863-2	SEGUNDA INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	-	-	100.000	CHILE	CLP	0.000%
76.153.864-0	SEGUNDA INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	-	-	100.000	CHILE	CLP	0.000%
76.153.572-2	TERCERA INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	-	-	100.000	CHILE	CLP	0.000%
76.153.865-9	TERCERA INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	-	-	100.000	CHILE	CLP	0.000%
0-E	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	41.495	41.495	41.495	COLOMBIA	COP	0.080%
0-E	MALL PLAZA COLOMBIA S.A.S.	-	59.278	59.278	59.278	COLOMBIA	COP	0.172%
0-E	CENTRO COMERCIAL MANIZALES S.A.S.	-	47.424	47.424	47.424	COLOMBIA	COP	0.044%
76.142.721-0	GIFT CORP. SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.002%)
76.149.308-6	INVERSIONES BRASIL SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.267%)
76.154.299-0	SERVICIOS GENERALES RANCAGUA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.154.491-8	SERVICIOS GENERALES SANTA MARTA DE HUECHURABA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.159.664-0	INVERSIONES URUGUAY SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.078%)
76.159.684-5	INVERFAL URUGUAY SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.078%)
76.166.215-5	SERVICIOS GENERALES CALAMA CENTRO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
0-E	COMPAÑÍA SAN JUAN S.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	(0.000%)
76.166.208-2	SERVICIOS GENERALES CALAMA MALL LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.169.826-5	SERVICIOS GENERALES COSTANERA LTDA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.308.853-7	NUEVA INVERFAL ARGENTINA SpA	-	100.000	100.000	100.000	CHILE	CLP	1.399%
76.179.527-9	FALABELLA MOVIL SpA	-	100.000	100.000	100.000	CHILE	CLP	0.008%
76.167.965-1	SERVICIOS LOGISTICOS SODILOG LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.013%

Appendix

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%			%
76.201.304-5	RENTAS HOTELERAS SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.000%)
0-E	CONTAC CENTER FALABELLA S.A.C.	-	92.818	92.818	92.818	PERÚ	PEN	0.038%
0-E	OPEN PLAZA ORIENTE S.A.	-	94.184	94.184	94.184	PERÚ	PEN	0.000%
76.212.895-0	SERVICIOS GENERALES BIO-BIO MALL LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.232.164-5	SERVICIOS GENERALES VICUÑA MACKENNA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.232.178-5	SERVICIOS GENERALES MP TOBALABA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.232.172-6	SERVICIOS GENERALES VITACURA LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.232.689-2	SERVICIOS GENERALES MAIPÚ LTDA.	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.240.391-9	SERVICIOS GENERALES CHILLÁN LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.233.398-8	SERVICIOS GENERALES MP LOS ANGELES LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.254.205-6	SERVICIOS GENERALES RANCAGUA CENTRO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
96.824.450-7	INMOBILIARIA MALL LAS AMÉRICAS S.A.	-	42.890	42.890	42.890	CHILE	CLP	0.131%
76.231.579-3	INMOBILIARIA LOS TILOS S.A.	-	-	-	45.940	CHILE	CLP	0.000%
76.318.636-9	SERVICIOS GENERALES MP EGAÑA LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.001%
76.337.217-0	SERVICIOS GENERALES QUILPUE DOS LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.337.209-k	SERVICIOS GENERALES CON CON LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.362.983-k	SERVICIOS GENERALES MP COPIAPO LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.000%
0-E	SERVICIOS GENERALES REÑACA LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.318.627-k	SERVICIOS GENERALES RECOLETA LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.349.709-7	SERVICIOS GENERALES OVALLE LIMITADA	-	88.000	88.000	88.000	CHILE	CLP	0.001%
0-E	SHEARVAN COMMERCIAL (SHANGAI)	-	100.000	100.000	100.000	CHINA	CLP	0.013%
76.283.127-9	SERVICIOS GENERALES PLAZA EGAÑA LIMITADA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
0-E	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	0.090%
0-E	SODIMAC ORIENTE S.A.C.	-	94.183	94.183	94.183	PERÚ	PEN	0.079%
76.319.068-4	INVERSIONES DESREG SpA	-	100.000	100.000	100.000	CHILE	CLP	0.000%

TAX PAYER I.D.	NAME OF SUBSIDIARY	Ownership %				COUNTRY OF ORIGIN	FUNC- TIONAL CURRENCY	Percentage of total assets. SACI Individual Dec-14 (a)
		31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-13			
		DIRECT	INDIRECT	TOTAL	TOTAL			
		%	%	%	%		%	
76.319.054-4	DESREG SpA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
0-E	FALABELLA BRASIL LTDA.	-	100.000	100.000	100.000	BRASIL	BRL	1.362%
0-E	SODIMAC BRASIL LTDA.	-	100.000	100.000	100.000	BRASIL	BRL	1.359%
0-E	INVERSIONES FALABELLA URUGUAY S.A.	-	100.000	100.000	100.000	URUGUAY	UYU	0.288%
0-E	HOMECENTER SODIMAC S.A.	-	100.000	100.000	100.000	URUGUAY	UYU	0.179%
0-E	JOSMIR S.A.	-	100.000	100.000	100.000	URUGUAY	UYU	0.039%
76.335.739-2	INVERSIONES DESNNE SpA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.335.749-k	DESNNE SpA	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.282.188-5	INVERFAL BRASIL SpA	-	100.000	100.000	100.000	CHILE	CLP	(0.267%)
0-E	SAGA FALABELLA IQUITOS S.A.C.	-	89.002	89.002	89.002	PERÚ	PEN	0.018%
0-E	SAGA FALABELLA ORIENTE S.A.C.	-	89.002	89.002	89.002	PERÚ	PEN	0.057%
0-E	CONSTRUDECOR S.A.	-	50.100	50.100	50.100	BRASIL	BRL	0.571%
0-E	CONSTRUDECOR SERVICIOS LTDA.	-	50.100	50.100	50.100	BRASIL	BRL	0.016%
0-E	CONSTRUDECOR PROPERTIES LTDA.	-	50.100	50.100	50.100	BRASIL	BRL	(0.000%)
0-E	SEGUROS FALABELLA PRODUCTORES S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.000%
76.327.526-4	SERVICIOS GENERALES ATACAMA LIMITADA	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.327.698-8	SERVICIOS GENERALES LIMARI LIMITADA	-	100.000	100.000	100.000	CHILE	CLP	0.001%
76.328.138-8	SERVICIOS GENERALES MP EL TREBOL DE TALCAHUANO LTDA.	-	88.000	88.000	88.000	CHILE	CLP	0.001%
0-E	LILLE INVESTIMENTOS	-	50.100	50.100	-	BRASIL	BRL	0.109%
76.379.784-8	SERVICIOS LEGALES SpA	-	100.000	100.000	-	CHILE	CLP	(0.001%)
76.377.255-1	SERVICIOS GENERALES WALKER MARTINEZ LTDA.	-	88.000	88.000	-	CHILE	CLP	0.000%
0-E	SHEARVAN PURCHASING INDIA	-	100.000	100.000	-	INDIA	CLP	0.001%
(1)	PROMOTORA INVERSIONES S.A.	-	99.996	99.996	-	CHILE	CLP	0.113%
76.389.515-7	SERVICIOS GENERALES COLCHAGUA LTDA.	-	100.000	100.000	-	CHILE	CLP	0.000%
0-E	MAESTRO PERÚ S.A.	-	94.183	94.183	-	PERÚ	PEN	0.626%
0-E	MAESTRO PERÚ AMAZONIA S.A.C.	-	94.183	94.183	-	PERÚ	PEN	0.054%
0-E	INMOBILIARIA DOMEL S.A.C.	-	94.183	94.183	-	PERÚ	PEN	0.763%
0-E	INDUSTRIAS DELTA S.A.C.	-	94.183	94.183	-	PERÚ	PEN	0.091%
0-E	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	38.531	38.531	-	COLOMBIA	COP	0.006%
76.414.847-9	SERVICIOS GENERALES CHAMISEROS LTDA.	-	88.000	88.000	-	CHILE	CLP	0.000%



f...

S.A.C.I. Falabella and Subsidiaries

Consolidated Financial Statements

December 31, 2014



ThCh\$ - Thousands of Chilean pesos

Contents

	Page
Independent Auditors' Report	4
Consolidated Statement of Financial Position	7
Consolidated Statement of Comprehensive Income by Function	9
Consolidated Statement of Comprehensive Income	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows (Direct Method)	12
Notes to the Consolidated Classified Financial Statements	14
Note 1 - Company Information	14
Note 2 - Summary of Significant Accounting Policies	15
2.1. Basis of Preparation of the Financial Statements	15
2.2. New Standards, Interpretations and Amendments Adopted by the Group	15
2.3. Presentation Currency and Functional Currency	17
2.4. Period Covered by the Financial Statements	17
2.5. Basis of Consolidation of the Financial Statements	17
2.6. Conversion of Foreign Subsidiaries	23
2.7. Foreign Currency Translation	23
2.8. Financial Information by Operating Segment	23
2.9. Investments in Associates	23
2.10. Property, Plant and Equipment	24
2.11. Investment Properties	25
2.12. Goodwill	25
2.13. Other Intangible Assets	26
2.14. Impairment of Non-Current Assets	26
2.15. Inventory	27
2.16. Assets Available for Sale and Discontinued Operations	27
2.17. Financial Instruments	27
2.17.1. Financial Assets	27
2.17.2. Financial Liabilities	28
2.17.3. Financial Derivatives and Hedge Instruments	29
2.17.4. Offsetting of Financial Instruments	29
2.18. Leases	29
2.19. Provisions	29
2.20. Minimum Dividend	29

2.21. Defined Employee Benefits Plans.....	29
2.22. Share-based Compensation Plans	30
2.23. Revenue Recognition.....	30
2.24. Cost of Sales.....	30
2.25. Income Tax.....	31
2.26. Deferred Income	31
2.27. Use of Estimates, Judgment and Key assumptions.....	32
2.28. New Accounting Pronouncements (IFRS and Interpretations of the IFRS Interpretations Committee)	33
Note 3 - Cash and Cash Equivalents.....	37
Note 4 - Other Current Financial Assets.....	39
Note 5 - Other Current Non-financial Assets.....	40
Note 6 -Trade and Other Accounts Receivable	40
Note 7 - Accounts Receivable from, and Payable to, Related Entities	53
Note 8 - Inventory	55
Note 9 - Current Tax Assets and Liabilities.....	56
Note 10 - Current and Deferred Income Tax	57
Note 11 - Investments in Associates.....	62
Note 12 - Intangible Assets other than Goodwill.....	65
Note 13 - Goodwill	70
Note 14 - Property, Plant and Equipment	72
Note 15 - Investment Property.....	80
Note 16 - Other Non-financial Non-Current Assets.....	82
Note 17 - Other Banking Business Assets.....	82
Note 18 - Other Current and Non-current Financial Liabilities	83
Note 19 - Current and Non-current Trade and Other Accounts Payable	97
Note 20 - Current and Non-current Banking and Non-banking Business Provisions	99
Note 21 - Current and Non-current Provisions for Employee Benefits.....	102
Note 22 - Other Current and Non-current Non-financial Liabilities.....	106
Note 23 - Deposits and Other Time Deposits Banking Business.....	106
Note 24 - Obligations with Banks - Banking Business	107
Note 25 - Debt Instruments Issued and Other Banking Business Financial Obligations.....	109
Note 26 - Other Banking Business Liabilities	111
Note 27 - Revenue from Normal Operations.....	111
Note 28 - Cost of Continuing Operations	113
Note 29 - Administrative Expenses.....	114

Note 30 - Financing Costs and Income from Indexation Units.....	115
Note 31 - Other Profits (Losses)	115
Note 32 - Earnings per Share	116
Note 33 - Financial Instruments and Financial Risk Management.....	117
Note 34 - Capital.....	136
Note 35 - Financial Information by Segment.....	139
Note 36 - Contingencies, Lawsuits and Other.....	144
Note 37 - Guarantees Committed and Obtained from Third Parties	145
Note 38 - Environment	146
Note 39 - Main Financial Covenants.....	148
Note 40 - Business Combination	158
Note 41 - Investment Instruments Available for Sale	161
Note 42 - Subsequent Events	161



EY Chile
Avda. Presidente
Riesco 5435, piso 4,
Santiago

Tel: +56 (2) 2676 1000
www.eychile.cl

Independent Auditor's Report (Translation of the report originally issued in Spanish)

Shareholders and Directors
S.A.C.I Falabella

We have audited the accompanying consolidated financial statements of S.A.C.I. Falabella and subsidiaries ("the Company"), which comprise the consolidated statement of financial position as of December 31, 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management of S.A.C.I. Falabella is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with instructions and standards of preparation and presentation of financial information issued by *Superintendencia de Valores y Seguros* described in Note 2 to the consolidated financial statements. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Regulatory Basis of Accounting

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of S.A.C.I. Falabella and subsidiaries as of December 31, 2014 and the results of their operations and their cash flows for the year then ended in conformity with instructions and standards of preparation and presentation of financial information issued by the *Superintendencia de Valores y Seguros* described in Note 2 to the consolidated financial statements.

Basis of Accounting

As described in Note 2 to the consolidated financial statements, on October 17, 2014 the *Superintendencia de Valores y Seguros* under its authority issued Circular No. 856 instructing entities under its supervision, to record the differences in assets and liabilities for deferred taxes arising as a direct effect of the changes in the tax rates introduced by Law 20.780 against equity, thereby changing the conceptual accounting framework for the preparation and presentation of financial information adopted until that date, from the previous framework (International Financial Reporting Standards) which is required to be adopted in comprehensive and explicit manner and without reservations. The quantification of the change of the accounting framework as of December 31, 2014 and for the year then ended is also described in Note 2.25.2. Our opinion is not modified with respect to this matter.

Other Matters

Previously, we have audited, in accordance with auditing standards generally accepted in Chile, the consolidated financial statements of S.A.C.I. Falabella and subsidiaries as of and for the year ended on December 31, 2013, in which we expressed an unmodified audit opinion on those consolidated financial statements in our report dated March 4, 2014.

Marek Borowski

EY LTDA.

Santiago, March 3, 2015

Consolidated Financial Statements

S.A.C.I. FALABELLA AND SUBSIDIARIES

December 31, 2014

Consolidated Statement of Financial Position

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



For the years ended December 31, 2014 and December 31, 2013.

	Note No.	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
Assets			
Non-banking Business (Presentation)			
Current assets			
Cash and cash equivalents	3	211,219,868	275,536,508
Other current financial assets	4	19,518,703	18,292,516
Other current non-financial assets	5	88,613,455	69,469,511
Current trade and other accounts receivable	6	1,460,886,123	1,359,023,097
Current accounts receivable from related parties	7	14,382,645	3,608,843
Inventory	8	1,019,199,966	916,670,685
Current tax assets	9	49,566,343	42,523,671
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to the owners		2,863,387,103	2,685,124,831
Non-current assets or disposal groups classified as held for sale	2.16	5,150,100	-
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners		5,150,100	-
Total current assets		2,868,537,203	2,685,124,831
Non-current assets			
Other non-current financial assets	4	71,524,973	12,982,996
Other non-current non-financial assets	16	32,688,857	30,799,590
Non-current entitlement receivables	6	206,165,723	165,509,701
Investments accounted for using the equity method	11	163,334,299	148,775,246
Intangible assets other than goodwill	12	233,503,315	185,852,765
Goodwill	13	462,525,345	298,112,966
Property, plant and equipment	14	2,119,695,908	1,671,176,569
Investment properties	15	2,122,042,651	1,928,060,213
Deferred tax assets	10	68,168,041	45,891,584
Total non-current assets		5,479,649,112	4,487,161,630
Total Non-banking Business Assets		8,348,186,315	7,172,286,461
Banking Business Assets (Presentation)			
Cash at banks and deposits	3	347,215,192	342,345,059
Operations with settlement in progress	3	10,125,348	47,396,787
Instruments held for trading	3	55,864,410	83,084,118
Financial derivative contracts		14,503,691	6,607,804
Loans and advances to banks		29,977,748	-
Loans and accounts receivable from customers	6	2,180,384,460	1,886,630,217
Investment securities available for sale	41	264,017,567	260,038,309
Investments in companies	11	1,910,151	1,621,617
Intangibles	12	23,769,265	19,978,641
Property, plant and equipment	14	36,934,564	36,175,090
Current tax	9	1,873,669	288,608
Deferred tax	10	14,509,536	10,717,632
Other assets	17	16,184,783	16,595,992
Total Banking Business Assets		2,997,270,384	2,711,479,874
Total Assets		11,345,456,699	9,883,766,335

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



For the years ended December 31, 2014 and December 31, 2013.

	Note No.	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
Net Liabilities and Shareholders' Equity			
Non-banking Business (Presentation)			
Current Liabilities			
Other current financial liabilities	18	736,529,589	641,297,879
Trade and other accounts payable	19	966,061,609	877,521,250
Current accounts payable to related parties	7	9,894,036	3,746,778
Other current provisions	20	10,248,584	6,147,851
Current tax liabilities	9	25,734,030	20,186,730
Current employee benefits allowances	21	110,578,122	93,750,401
Other current non-financial liabilities	22	129,538,281	109,688,812
Total Current Liabilities		1,988,584,251	1,752,339,701
Non-current Liabilities			
Other non-current financial liabilities	18	2,316,360,511	1,720,465,349
Non-current liabilities	19	2,686,255	2,300,188
Non-current accounts payable to related entities	7	-	340,547
Other non-current provisions	20	14,898,205	4,839,707
Deferred tax liabilities	10	369,652,474	247,097,078
Non-current employee benefits provisions	21	19,717,004	14,934,866
Other non-current non-financial liabilities	22	30,706,165	23,744,207
Total Non-current Liabilities		2,754,020,614	2,013,721,942
Total Non-banking Business Liabilities		4,742,604,865	3,766,061,643
Banking Business Liabilities (Presentation)			
Deposits and other demand obligations		241,347,479	160,428,104
Transactions with settlement in progress	3	4,852,755	55,361,946
Deposits and other time deposits	23	1,671,548,562	1,502,609,515
Financial derivative contracts		8,637,377	4,486,973
Obligations with banks	24	66,923,264	52,451,222
Debt instruments issued	25	240,739,591	277,114,232
Other financial obligations	25	175,729,113	188,589,350
Current tax	9	59,511	3,846,203
Deferred tax	10	-	615,453
Provisions	20	5,491,575	6,049,741
Other liabilities	26	49,257,187	41,506,288
Total Banking Business Liabilities		2,464,586,414	2,293,059,027
Total Liabilities		7,207,191,279	6,059,120,670
Net Equity			
Issued capital	34	533,409,643	530,806,267
Retained earnings		2,913,524,436	2,676,678,527
Issuance premiums	34	93,482,329	67,679,807
Treasury shares		(3,495,432)	-
Other reserves	34	(92,000,283)	(123,136,318)
Shareholders' Equity Attributable to Owners of the Parent		3,444,920,693	3,152,028,283
Non-controlling interests		693,344,727	672,617,382
Total Shareholders' Equity		4,138,265,420	3,824,645,665
Total Liabilities and Shareholders' Equity		11,345,456,699	9,883,766,335

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income by Function
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



For the years ended December 31, 2014 and December 31, 2013.

	Note No.	For the year ended Dec-31-2014 ThCh\$	For the year ended Dec-31-2013 ThCh\$
Income Statement			
Non-banking Businesses (Presentation)			
Income from operating activities	27	7,009,490,611	6,196,082,713
Cost of sales	28	(4,658,040,208)	(4,100,822,221)
Gross Margin		2,351,450,403	2,095,260,492
Distribution costs		(82,824,778)	(79,320,118)
Administrative expenses	29	(1,426,230,449)	(1,241,427,742)
Other expenses, by function		(134,883,570)	(118,483,907)
Other profits (losses)	31	7,308,466	9,329,110
Finance income		20,194,586	15,513,561
Finance costs	30	(139,425,348)	(104,786,206)
Share of profits (losses) of associates and joint ventures accounted for using the equity method	11	26,155,945	17,988,643
Foreign currency translation		(40,225,714)	(12,781,186)
Income from indexation units	30	(41,114,681)	(17,570,335)
Profit before tax		540,404,860	563,722,312
Income tax expense	10	(101,425,824)	(122,197,121)
Profit from Non-banking Business		438,979,036	441,525,191
Banking Business (Presentation)			
Interest and readjustment income	27	445,605,716	365,731,910
Interest and readjustment costs	28	(129,938,794)	(112,945,337)
Net income from interest and readjustments		315,666,922	252,786,573
Commissions income	27	106,875,474	93,114,776
Commissions costs	28	(29,218,656)	(22,513,884)
Net income from commissions		77,656,818	70,600,892
Financial transactions profit (loss), net		(1,118,943)	5,002,324
Foreign currency translation profit (loss), net		10,760,905	8,591,990
Other operating income		827,146	639,814
Credit risk allowance	28	(89,422,063)	(88,134,145)
Total operating income, net		314,370,785	249,487,448
Employee payroll and expenses	29	(83,551,772)	(69,274,623)
Administrative expenses	29	(101,215,795)	(82,306,633)
Depreciation and amortization	29	(15,489,687)	(11,738,118)
Other operating expenses	29	(10,502,339)	(9,327,880)
Total operating expenses		(210,759,593)	(172,647,254)
Operating income		103,611,192	76,840,194
Income from investments in companies	11	358,358	305,005
Income before income tax		103,969,550	77,145,199
Income tax	10	(25,843,026)	(21,562,991)
Profit from banking business		78,126,524	55,582,208
Profit		517,105,560	497,107,399
Profit attributable to			
Profit attributable to owners of the parent	32	464,728,694	443,827,493
Profit attributable to non-controlling interests		52,376,866	53,279,906
Profit		517,105,560	497,107,399
Profit per share			
Basic profit per share			
Basic profit per share from continuing operations	32	0.1911	0.1833
Basic profit per share		0.1911	0.1833
Diluted profit per share			
Diluted profit per share from continuing operations	32	0.1903	0.1831
Diluted profit per share		0.1903	0.1831

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements



Consolidated Statement of Comprehensive Income

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

For the years ended December 31, 2014 and December 31, 2013

	For the year ended Dec-31-2014 ThCh\$	For the year ended Dec-31-2013 ThCh\$
Comprehensive Income Statement		
Profit	517,105,560	497,107,399
Components of other comprehensive income that will not be reclassified to income for the year, before tax		
Actuarial profits (losses) on defined benefits plans, before tax	(2,920,125)	608,491
Other comprehensive income that will not be reclassified to income for the year	(2,920,125)	608,491
Components of other comprehensive income that will be reclassified to income for the year, before tax		
Foreign currency translation		
Profits (losses) from foreign currency translation, before tax	19,951,067	(19,821,630)
Other comprehensive income, before tax, foreign currency translation	19,951,067	(19,821,630)
Profits from re-measurement of financial assets available for sale, before tax	(12,322)	787,763
Other comprehensive income, before tax, financial instruments available for sale	(12,322)	787,763
Cash flow hedges		
Profits (losses) on cash flow hedges, before tax	9,910,716	(6,505,220)
Other comprehensive income, before tax, cash flow hedges	9,910,716	(6,505,220)
Other components of other comprehensive income that will be reclassified to income for the year, before tax	29,849,461	(25,539,087)
Income tax related to components of other comprehensive income		
Income tax related to other comprehensive income defined benefits plans	613,226	(121,698)
Total of income tax related to components of other comprehensive income that will not be reclassified to income for the year	613,226	(121,698)
Income tax related to components of other comprehensive income		
Income tax related to other comprehensive income financial assets available for sale	2,588	(157,553)
Income tax related to other comprehensive income cash flow hedges	(2,081,250)	1,301,044
Sum of income tax related to components of other comprehensive income	(2,078,662)	1,143,491
Total other comprehensive income	25,463,900	(23,908,803)
Total comprehensive income	542,569,460	473,198,596
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	489,649,857	421,703,086
Comprehensive income attributable to non-controlling interests	52,919,603	51,495,510
Total comprehensive income	542,569,460	473,198,596

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

Statement of Changes in Equity

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



a) The Statement of Changes in Net Equity for the year ended December 31, 2014 is as follows:

	Issued capital	Issuance premiums	Treasury shares (Note 21.d)	Foreign currency translation reserves	Cash flow hedges reserves	Actuarial gains or losses on defined benefits plans	Gain or loss reserves on re-measurement of financial assets available for sale	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Shareholders' equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Current period beginning balance 01/01/2014	530,806,267	67,679,807	-	(70,771,186)	(9,420,227)	(2,476,763)	630,210	(41,098,352)	(123,136,318)	2,676,678,527	3,152,028,283	672,617,382	3,824,645,6
Changes in equity													
Comprehensive income													
Profit (loss)										464,728,694	464,728,694	52,376,866	517,105,5
Other comprehensive income				19,316,260	7,921,536	(2,306,899)	(9,734)		24,921,163		24,921,163	542,737	25,463,9
Comprehensive income				19,316,260	7,921,536	(2,306,899)	(9,734)		24,921,163	464,728,694	489,649,857	52,919,603	542,569,4
Equity issuance	2,603,376	25,802,522									28,405,898	24,974,043	53,379,9
Dividends										(102,588,955)	(102,588,955)	(16,914,815)	(119,503,7)
Effect of Chilean tax reform (Official Circular No. 856) (Note 2, 25, 2 and Note 10)										(46,716,849)	(46,716,849)	(29,300,833)	(76,017,6)
Increase (decrease) due to transfers and other changes								6,214,872	6,214,872	(78,576,981)	(72,362,109)	(10,950,653)	(83,312,7)
Increase (decrease) due to share transactions			(3,495,432)								(3,495,432)		(3,495,4)
Total changes in equity	2,603,376	25,802,522	(3,495,432)	19,316,260	7,921,536	(2,306,899)	(9,734)	6,214,872	31,136,035	236,845,909	292,892,410	20,727,345	313,619,7
Current Period Ending Balance 12/31/2014	533,409,643	93,482,329	(3,495,432)	(51,454,926)	(1,498,691)	(4,783,662)	620,476	(34,883,480)	(92,000,283)	2,913,524,436	3,444,920,693	693,344,727	4,138,265,4

b) The Statement of Changes in Net Equity for the year ended December 31, 2013 is as follows:

	Issued capital	Issuance premiums	Treasury shares (Note 21.d)	Foreign currency conversion reserves	Cash flow hedges reserves	Actuarial gains or losses on defined benefits plans	Gain or loss reserves on re-measurement of financial assets available for sale	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Shareholders' equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Current period beginning balance 01/01/2013	529,966,655	59,607,170	-	(52,327,229)	(4,622,774)	-	-	(44,215,601)	(101,165,604)	2,396,861,551	2,885,269,772	589,103,273	3,474,373,045
Increase (decrease) due to changes in accounting policies						(2,963,556)			(2,963,556)	2,963,556			
Recalculated beginning balance	529,966,655	59,607,170		(52,327,229)	(4,622,774)	(2,963,556)		(44,215,601)	(104,129,160)	2,399,825,107	2,885,269,772	589,103,273	3,474,373,045
Changes in equity													
Comprehensive income													
Profit (loss)										443,827,493	443,827,493	53,279,906	497,107,399
Other comprehensive income				(18,443,957)	(4,797,453)	486,793	630,210		(22,124,407)		(22,124,407)	(1,784,396)	(23,908,803)
Comprehensive income				(18,443,957)	(4,797,453)	486,793	630,210		(22,124,407)	443,827,493	421,703,086	51,495,510	473,198,596
Equity issuance	839,612	8,072,637									8,912,249	13,088,183	22,000,432
Dividends										(111,342,797)	(111,342,797)	(22,509,482)	(133,852,279)
Increase (decrease) from transfers and other changes								3,117,249	3,117,249	(55,631,276)	(52,514,027)	41,439,898	(11,074,129)
Total changes in equity	839,612	8,072,637		(18,443,957)	(4,797,453)	486,793	630,210	3,117,249	(19,007,158)	276,853,420	266,758,511	83,514,109	350,272,620
Current Period Ending Balance 12/31/2013	530,806,267	67,679,807	-	(70,771,186)	(9,420,227)	(2,476,763)	630,210	(41,098,352)	(123,136,318)	2,676,678,527	3,152,028,283	672,617,382	3,824,645,665

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



For the years ended December 31, 2014 and December 31, 2013

SVS Statement of Cash Flows - Direct Method	Dec-31-2014	Dec-31-2013
	ThCh\$	ThCh\$
Statement of Cash Flows		
Cash Flows Provided By (Used In) Operating Activities		
Non-banking Businesses (Presentation)		
Proceeds from operating activities		
Proceeds from sale of goods and services	8,423,131,674	7,212,795,306
Classes of payments		
Payments to suppliers for goods and services provided	(6,600,826,090)	(5,871,689,181)
Payments to and on behalf of employees	(854,213,160)	(729,010,101)
Income tax paid	(96,087,932)	(88,134,666)
Other cash outflows	(182,442,277)	(46,222,351)
Subtotal Net Cash Flows Provided by Operating Activities from Non-banking Business	689,562,215	477,739,007
Banking Business (Presentation)		
Consolidated profit for the year	78,126,524	55,582,208
Charges (credits) to income that do not involve cash movements		
Depreciation and amortization	15,489,687	11,738,118
Credit risk provisions	111,964,182	91,735,477
Net profit from investments in companies with significant influence	(358,358)	(305,005)
Other charges that do not involve cash movements	13,604,448	6,177,558
Net change in interest, readjustments and commissions accrued on assets and liabilities	(5,317,759)	(11,829)
Changes in assets and liabilities that affect operating cash flows		
Net increase in loans and advances to banks	(29,977,748)	-
Increase in loans and accounts receivable from customers	(371,398,995)	(263,491,511)
Net decrease (increase) in instruments held for trading	32,388,060	(172,932,166)
Increase in deposits and other demand obligations	74,182,743	37,033,961
Increase in deposits and other time deposits	166,881,822	306,558,654
Decrease in obligations with banks	19,909,293	50,683
Other	(16,237,180)	(7,256,411)
Subtotal Net Cash Flows Provided By Banking Business Operating Activities	89,256,719	64,879,737
Net Cash Flows Provided By Operating Activities	778,818,934	542,618,744
Cash Flows Provided By (Used In) Investing Activities		
Non-banking Business (Presentation)		
Cash flows used to obtain control of subsidiaries or other businesses	(290,890,488)	(31,880,694)
Cash flows used to purchase non-controlling interests	(4,571,220)	(5,281,209)
Other proceeds from disposal of equity or debt instruments of other entities	-	5,000,000
Loans to related parties	(1,161,013)	(1,032,497)
Proceeds from disposal of property, plant and equipment	3,342,178	20,800,399
Additions to property, plant and equipment	(368,093,957)	(333,737,406)
Proceeds from the sale of intangible assets	-	26,504
Additions to intangible assets	(31,274,803)	(18,061,444)
Proceeds from other non-current assets	488,038	1,788,051
Addition of other non-current assets	(175,579,140)	(195,595,955)
Dividends received	4,544,614	6,347,408
Interest received	19,826,717	27,022,731
Other cash inflows (outflows)	18,574,471	(695,517)
Subtotal Net Cash Flows Used In Non-banking Business Investing Activities	(824,794,603)	(525,299,629)
Banking Business (Presentation)		
Net increase in investment instruments available for sale	(2,958,934)	(38,425,898)
Additions to property, plant and equipment	(20,735,628)	(19,303,844)
Disposal of property, plant and equipment	1,192,444	-
Dividends received from investments in companies	202,870	569,812
Other	1,733,156	(1,255,915)
Subtotal Net Cash Flows Used In Banking Business Investing Activities	(20,566,092)	(58,415,845)
Net Cash Flows Used In Investing Activities	(845,360,695)	(583,715,474)



Consolidated Statement of Cash Flows

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

SVS Statement of Cash Flows - Direct Method	Dec-31-2014	Dec-31-2013
	ThCh\$	ThCh\$
Cash Flows Provided By (Used In) Financing Activities		
Non-banking Business (Presentation)		
Proceeds from share issuances	53,379,941	22,000,432
Payments to acquire shares of the entity	(3,495,432)	-
Proceeds from long-term loans	833,657,276	824,308,835
Proceeds from short-term loans	2,599,217,628	1,303,207,432
Total proceeds from loans	3,432,874,904	2,127,516,267
Loan payments	(3,101,725,973)	(1,781,628,504)
Payment of financial lease liabilities	(17,297,516)	(16,096,399)
Dividends paid	(179,029,165)	(171,186,004)
Interest paid	(88,246,885)	(66,205,522)
Other cash inflows	4,235,845	3,570,636
Subtotal Net Cash Flows Provided By Non-banking Business Financing Activities	100,695,719	117,970,906
Banking Business (Presentation)		
Redemption of letters of credit	(6,246,302)	(12,266,273)
Payment of bonds and other long-term borrowings	(40,303,374)	40,837,546
Other	(38,741,239)	(35,101,326)
Subtotal Net Cash Flows Used In Banking Business Financing Activities	(85,290,915)	(6,530,053)
Net Cash Flows Provided by Financing Activities	15,404,804	111,440,853
Net (Decrease) Increase in Cash and Cash Equivalents, Before the Effect of Changes in the Exchange Rate	(51,136,957)	70,344,123
Effect of Changes in the Exchange Rate on Cash and Cash Equivalents		
Effect of changes in the exchange rate on cash and cash equivalents	13,573,178	9,039,881
Net (Decrease) Increase in Cash and Cash Equivalents	(37,563,779)	79,384,004
Cash and Cash Equivalents, Beginning of Year	647,689,942	568,305,938
Cash and Cash Equivalents, End of Year	610,126,163	647,689,942

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements



(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

Note 1 - Company Information

S.A.C.I. Falabella (the “Parent Company”) is a Publicly Traded Company established in Santiago, Chile on March 19, 1937 in accordance with Law No. 18,046. Its formation was legally authorized by Supreme Decree No. 1,424 of April 14, 1937. The Company is registered in the Securities Registry under No. 582 and is subject to the supervision of the Superintendency of Securities and Insurance of Chile (“SVS”). Its main offices and legal domicile are located at Manuel Rodríguez Norte 730, Santiago, Chile.

The subsidiaries registered in the Securities Registry of the SVS and the Registry of the Chilean Superintendency of Banks and Financial Institutions (“SBIF”) are as follows:

SUBSIDIARIES	TAXPAYER ID	REGISTRATION No.
Sodimac S.A.	96.792.430 - K	850
Plaza S.A.	76.017.019 - 4	1,028
Banco Falabella	96.509.660-4	051
Promotora CMR Falabella S.A.	90.743.000-6	1,092

S.A.C.I. Falabella and its subsidiaries (hereinafter the “Company” or the “Group”) have operations in Chile, Argentina, Peru, Colombia, Uruguay and Brazil.

The Company’s business is comprised of the sale of a varied array of products, including the retail sale of clothing, accessories, home products, electronics, beauty products and others. A significant portion of sales in this segment occurs during the second half of each year. In addition it sells retail and wholesale construction and home improvement products, including building materials, hardware, tools, kitchen accessories, bathroom, gardening and decorative products, as well as food products in Superstores and Supermarkets. It also operates in the real estate segment through constructions, administration, management, operations, and the leasing and subleasing of stores and malls, and is renowned for providing integral comprehensive supply of goods and services in world class malls, working with the main commercial operators in the countries where it operates. It also works with other businesses that support its main business such as financial services (CMR, insurance brokers and banking), and in textile manufacturing (Mavesa).

As of December 31, 2014 and as of December 31, 2013, the group has the following number of employees:

COUNTRY	Dec-31-14	Dec-31-13
Chile	51,968	53,028
Peru	30,403	27,642
Colombia	7,348	6,586
Argentina	5,392	5,444
Brazil	3,172	3,484
Uruguay	41	-
TOTAL	98,324	98,184
Main Executives	3,291	2,956



Note 2 - Summary of Significant Accounting Policies

2.1. Basis for preparation of the financial statements

These consolidated financial statements of S.A.C.I. Falabella and subsidiaries include the consolidated statements of financial position, the statements of comprehensive income by function, the statements of changes in equity, and the cash flow statements as of December 31, 2014 and December 31, 2013, along with their corresponding notes, which have been prepared and presented in accordance with International Financial Reporting Standards (“IFRS,”) considering the additional reporting requirements of the Chilean Securities Regulator (“SVS,”) which do not conflict with the IFRS, save for the instructions contained in Circular No. 856 mentioned in number 2.25.2 that changed the financial reporting preparation and presentation standards adopted to date, considering that the previous standards (IFRS) require the comprehensive, explicit and unqualified adoption thereof.

For the convenience of the reader, these financial statements and their accompanying notes have been translated from Spanish to English.

The Consolidated Financial Statements have been prepared on the basis of historical cost, except for certain financial instruments, employee benefit obligations and share-based payment obligations, which are measured at fair value.

The preparation of these consolidated financial statements in accordance with IFRS requires the use of estimates and critical assumptions that could affect the reported amounts of certain assets and liabilities, as well as certain income and expenses. It also requires that management exercise judgment in the process of applying the Company’s accounting policies. Subsection 2.27 discloses the areas that entail a greater degree of judgment or complexity, and the areas where the assumptions and estimates are significant for the consolidated financial statements.

The Company uses a mixed presentation criteria, separating the balances of the companies with a banking line of business (Banking business) from the rest of the consolidated companies (Non-banking business). The companies of the Falabella Group with a banking line of business which were included in this separation are: Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia.

The consolidated financial statements of S.A.C.I. Falabella for the year 2013 were approved by its Board of Directors during a meeting held on March 4, 2014 and subsequently presented for the consideration of the General Shareholders’ Meeting held on April 29, 2014, which definitively approved them.

Certain items from the previous year’s financial statements have been reclassified for the purpose of ensuring comparability with the current year presentation. Reclassifications of the statement of financial position and statement of comprehensive income are not significant.

2.2. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in preparing the consolidated interim financial statements are consistent with those applied in preparing the annual consolidated financial statements of the Group for the fiscal year ended December 31, 2013, except for the adoption of the new standards and interpretations in effect as of January 1, 2014.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The new standards adopted by the Group on January 1, 2014 are IFRS 10 “Consolidated Financial Statements”, IFRS 12 “Disclosure of interests in other entities,” the changes to IAS 27 “Separate financial statements,” the changes to IAS 32 “Financial instruments: presentation”, the changes to IAS 36 “Impairment of assets,” and the changes to IAS 39 “Financial instruments: recognition and measurement”. As required by the IFRS, the nature and effect of these changes is described below:

- **IFRS 10 “Consolidated financial statements”, IFRS 12 “Disclosure of interests in other entities”, IAS 27 “Separate financial statements”**

The changes to IFRS 10 *Consolidated Financial Statements*, IFRS 12 *Disclosure of Interests in Other Entities* and IAS 27 *Separate Financial Statements* are a result of proposals that were made in the draft of *Investment Entities* standards published in August 2011. The changes define an investment entity and introduce an exception for consolidating certain subsidiaries that belong to investment entities. These changes require an investment entity to register these subsidiaries at fair value with changes in income, in accordance with IFRS 9 *Financial Instruments*, in its separate and consolidated financial statements. The changes also introduce new reporting requirements to be disclosed in relation to investment entities under IFRS 12 and IAS 27. It is required that entities apply the changes to the annual periods beginning as of January 1, 2014. Early application is permitted.

The Company evaluated the impacts that the aforementioned change could cause, and concluded that it does not significantly affect the consolidated financial statements.

- **IAS 32 “Financial Instruments: Presentation”**

The changes to IAS 32, which were issued in December 2011, are intended to clarify differences in application which relate to offsetting balances, and thereby reduce the degree of difference currently in practice. The standard is applicable as of January 1, 2014, and may be adopted in advance.

The Company evaluated the impacts that the aforementioned modification could cause, and concluded that it does not significantly affect the consolidated financial statements.

- **IAS 36 “Impairment of Assets”**

The changes to IAS 36, issued in May 2013, are intended to reveal information on the recoverable amount of impaired assets, if this amount is based on fair value less disposal costs. These changes relate to the issuance of IFRS 13 “Measurement of Fair Value”. The amendments must be applied retrospectively for annual periods beginning on or after January 1, 2014. Early application is permitted when the entity has already applied IFRS 13.

The Company has evaluated the impacts of applying the aforementioned standard, and has concluded that it will not significantly affect the consolidated financial statements.

- **IAS 39 “Financial Instruments: Recognition and Measurement”**

The changes to IAS 39, which were issued in June 2013, provide an exception to the requirement of suspending hedge accounting in situations where over-the-counter derivatives that have been designated in hedge relations are directly or indirectly renewed for a central counterparty, due to laws or regulations, or the introduction of laws or regulations. It is required that entities apply the modifications to annual periods beginning as of January 1, 2014. Early application is permitted.

The Company has evaluated the impacts of applying the aforementioned standards, and has concluded that this does not significantly affect the financial statements.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



2.3. Presentation Currency and Functional Currency

The Consolidated Financial Statements are presented in Chilean pesos, which is the functional currency of the Parent Company S.A.C.I. Falabella and the Group's presentation currency. Chilean pesos are rounded to the closest thousand pesos.

Each of the Group's entities has determined its own functional currency in accordance with the requirements of IAS 21 "The Effects of Changes in Foreign Currency Exchange Rates". The items included in the financial statements of each entity are measured using that functional currency, and are then converted to the presentation currency of the group in accordance with the terms of IAS 21.

2.4. Period Covered by the Financial Statements

The Consolidated Financial Statements comprise the statements of financial position, the statement of comprehensive income, the statements of cash flows, and the statements of changes in equity for the periods ended December 31, 2014 and December 31, 2013.

2.5. Basis for Consolidation of the Financial Statements

The Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries, including all of its assets, liabilities, income, expenses and cash flows after performing the adjustments and eliminations related to transactions between the companies that form part of the consolidation. The consolidated financial statements also include structured entities created in asset securitization processes, for which the Company has not transferred all the risks of associated assets and liabilities.

Subsidiaries are all companies over which the Group has control, in accordance with the terms of IFRS 10. In order to comply with the definition of control in IFRS 10, three criteria must be met, which include: (a) an investor must have power over the relevant activities of an investee, (b) an investor must have exposure, or rights to variable returns resulting from its involvement in the investee, and (c) an investor must have the ability to use its power over the investee to influence the amount of the investor's returns. The non-controlling interest represents the portion of net assets and net income or losses that are not property of the Group, which is presented separately in the statement of comprehensive income and in equity in the consolidated statement of financial position.

The acquisition of subsidiaries is recorded in accordance with IFRS 3 "Business Combinations", using the acquisition method. This method requires recognition of identifiable assets (including intangible assets not previously recognized and goodwill) and business liabilities acquired at fair value on the date of acquisition. The non-controlling interest is recognized by the share of the minority shareholders in the fair values of recognized assets and liabilities.

The excess of the acquisition cost over the fair value of the Company's share in the net identifiable assets acquired is recognized as Goodwill. If the cost of acquisition is lower than the fair value of the net assets of the acquired subsidiary, the difference is recognized directly in the statement of income.

The Company has not consolidated the financial statements of Aventura Plaza S.A. which is located in Peru where it directly and indirectly owns 60% interest (49% effective participation). The associate agreement indicates that the Board of Directors shall be comprised of five directors, of which the Company may appoint two, and it cannot appoint the management without the favorable vote of at least one additional director. In light of the above, it does have control in accordance with the terms of IFRS 10. The investment in Aventura Plaza S.A. has been recorded using the equity method in accordance with IAS 28 "Investments in Associates".

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements



(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

The financial statements of subsidiaries have been prepared on the same date as the Parent Company and uniform accounting policies have been applied, considering the specific nature of each business unit.

Subsidiaries included in the consolidation are detailed as follows:

TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST			Dec-31-13 TOTAL %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		December-31-14 DIRECT %	December-31-14 INDIRECT %	December-31-14 TOTAL %			
99.500.360-0	HOMETRADING S.A.		100.000	100.000	100.000	CHILE	CH\$
76.020.391-2	INVERSIONES FALABELLA LTDA.	99.978	0.022	100.000	100.000	CHILE	CH\$
99.593.960-6	DESARROLLOS INMOBILIARIOS S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.020.385-8	INVERSIONES PARMIN S. p A.	100.000	-	100.000	100.000	CHILE	CH\$
0-E	FALABELLA SUCURSAL URUGUAY S.A.	100.000	-	100.000	100.000	URUGUAY	CH\$
0-E	FALLBROOKS PROPERTIES LTD	-	99.999	99.999	99.999	BRITISH V.I	CH\$
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	-	100.000	100.000	100.000	CHILE	CH\$
76.882.330-8	NUEVOS DESARROLLOS S.A.	-	45.940	45.940	45.940	CHILE	CH\$
99.555.550-6	PLAZA ANTOFAGASTA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
76.882.090-2	PLAZA CORDILLERA S.A.	-	45.940	45.940	45.940	CHILE	CH\$
96.653.660-8	PLAZA DEL TRÉBOL S.A.	-	59.278	59.278	59.278	CHILE	CH\$
96.795.700-3	PLAZA LA SERENA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
96.653.650-0	PLAZA OESTE S.A.	-	59.278	59.278	59.278	CHILE	CH\$
76.017.019-4	PLAZA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
76.034.238-6	PLAZA S. p A.	-	59.278	59.278	59.278	CHILE	CH\$
96.791.560-2	PLAZA TOBALABA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
76.677.940-9	PLAZA VALPARAÍSO S.A.	-	45.940	45.940	45.940	CHILE	CH\$
96.538.230-5	PLAZA VESPUCIO S.A.	-	59.278	59.278	59.278	CHILE	CH\$
76.099.956-3	SERVICIOS GENERALES CATEDRAL LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
79.990.670-8	ADMINISTRADORA PLAZA VESPUCIO S.A.	-	59.252	59.252	59.252	CHILE	CH\$
76.883.720-1	DESARROLLOS E INVERSIONES INTERNACIONALES S.A.	-	59.278	59.278	59.278	CHILE	CH\$
99.564.380-4	DESARROLLOS URBANOS S.A.	-	45.940	45.940	45.940	CHILE	CH\$
76.299.850-5	INVERSIONES PLAZA LTDA.	-	59.278	59.278	59.278	CHILE	CH\$
76.044.159-7	AUTOPLAZA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
96.792.430-K	SODIMAC S.A.	-	100.000	100.000	100.000	CHILE	CH\$
99.556.180-8	SODIMAC TRES S.A.	-	100.000	100.000	100.000	CHILE	CH\$
96.678.300-1	SOC. ADM. DE TARJETAS DE CRÉDITOS COMERCIALES LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
79.530.610-2	COMERCIALIZADORA E IMPORTADORA IMPOMAC LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
96.681.010-6	TRAINEEMAC S.A.	-	100.000	100.000	100.000	CHILE	CH\$
76.054.094-3	INVERSIONES SODMIN S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.054.151-6	TRAINEEMAC NUEVA S.A.	-	100.000	100.000	100.000	CHILE	CH\$
78.582.500-4	HOMELET LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
96.520.050-9	HOMECENTER LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.821.330-5	IMPERIAL S.A.	-	60.000	60.000	60.000	CHILE	CH\$
79.553.230-7	SOC. DE CRÉDITOS COMERCIALES LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
96.665.150-4	SODILOG S.A.	-	100.000	100.000	100.000	CHILE	CH\$
78.611.350-4	SERVICIOS DE COBRANZA CYSER LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.007.327-K	INVERSIONES VENSER DOS LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.033.206-2	INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.033.208-9	INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.033.211-9	INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.222.370-8	SERVICIOS GENERALES BASCUÑÁN LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.015.722-8	ALAMEDA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.644.120-3	APORTA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.046.439-2	APYSER RETAIL S. p A	-	100.000	100.000	100.000	CHILE	CH\$
76.665.890-3	CALE LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.661.890-1	CERRILLOS LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.662.120-1	CERRO COLORADO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.910.520-4	COLINA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
96.579.870-6	ECOCYCOSA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.033.452-9	EL BOSQUE LTDA.	-	88.000	88.000	88.000	CHILE	CH\$

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST			Dec-31-13 TOTAL %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		December-31-14 DIRECT %	December-31-14 INDIRECT %	December-31-14 TOTAL %			
76.014.726-5	ESTACIÓN CENTRAL LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.009.382-3	MANQUEHUE LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.811.460-9	MELIPILLA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.012.536-9	MULTIBRAND LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.973.030-3	PUNTA ARENAS LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.033.294-1	SAN BERNARDO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.033.466-9	SAN FERNANDO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.767.330-2	ANTOFAGASTA CENTRO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.553.390-2	FONTOVA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.557.960-0	LA CALERA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.318.540-0	LA DEHESA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.662.280-1	LA FLORIDA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.429.990-6	NATANIEL LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.383.840-4	PRESETEL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.035.886-K	SERTEL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.406.360-7	PROALTO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.526.990-K	OESTE LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
96.811.120-5	PASEO CENTRO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.839.160-9	PROSECHIL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
89.627.600-K	PROSEGEN LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.334.680-K	PROSEÑOR LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.565.820-7	PROSER LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.636.190-7	PROSEVAL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.662.220-8	PLAZA PUENTE ALTO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.429.790-3	PUENTE ALTO 37 LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.291.110-8	PUENTE LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.583.290-K	PUERTO ANTOFAGASTA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
77.880.500-6	SEGEÁNGELES LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.625.160-5	SEGEVOL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.039.380-9	SEGEVOL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.462.160-1	SEGEVOL LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.962.250-9	SEGEHUECHURABA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.423.730-5	SEGEI LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.598.800-2	SEGEVOLTT LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.991.740-K	SEGENAN LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.151.550-7	SEGEPRO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.622.370-0	SEGEVOLTT LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
79.731.890-6	SEGEVOLTT LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.150.440-8	SEGEVOLTT LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.665.660-5	SEGESORNO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.904.400-7	SEGETALCA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.212.050-8	SEGEVOLTT LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.152.390-0	TOBALABA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.738.460-9	TRADIS LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.919.640-0	TRADISUR LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.745.900-5	TRASCIENDE LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.015.390-3	VESPUCIO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.166.470-9	SERENA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.042.509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.046.445-7	CONFECCIONES INDUSTRIALES S. p A	-	100.000	100.000	100.000	CHILE	CH\$
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.039.672-9	DINALSA S. p A	-	100.000	100.000	100.000	CHILE	CH\$
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	-	88.000	88.000	88.000	CHILE	CH\$
78.722.910-7	TOTTUS S.A.	-	88.000	88.000	88.000	CHILE	CH\$
76.046.433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100.000	100.000	100.000	CHILE	CH\$
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	-	99.996	99.996	99.996	CHILE	CH\$
77.612.410-9	ADESA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
79.598.260-4	ADMINISTRADORA CMR FALABELLA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
96.827.010-9	SERVICIOS DE EVALUACIÓN DE CRÉDITOS EVALCO LTDA.	-	-	-	100.000	CHILE	CH\$
77.235.510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST			Dec-31-13 TOTAL %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		December-31-14 DIRECT %	December-31-14 INDIRECT %	December-31-14 TOTAL %			
76.027.815-7	SERVICIOS Y ASISTENCIAS LIMITADA	-	100.000	100.000	100.000	CHILE	CH\$
76.027.825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100.000	100.000	100.000	CHILE	CH\$
78.566.830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
96.847.200-3	SERVICIOS E INVERSIONES FALABELLA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.099.010-6	SEGUROS FALABELLA CORREDORES LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.512.060-8	SOLUCIONES CREDITICIAS CMR LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
78.997.060-2	VIAJES FALABELLA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
77.261.280-K	FALABELLA RETAIL S.A.	-	100.000	100.000	100.000	CHILE	CH\$
76.000.935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65.000	65.000	65.000	CHILE	CH\$
96.951.230-0	INMOBILIARIA MALL CALAMA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
77.132.070-8	SOUTH AMÉRICA TEXTILES S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
0-E	SHEARVAN CORPORATE S.A.	-	100.000	100.000	100.000	BRITISH V.I.	USD
77.072.750-2	COMERCIAL MONSE LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.042.371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES S. p A	-	100.000	100.000	100.000	CHILE	CH\$
96.647.930-2	INVERSIONES INVERFAL PERÚ S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.023.147-9	NUEVA INVERFIN S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.007.317-2	INVERCOL S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
0-E	INVERSORA FALKEN S.A.	-	100.000	100.000	100.000	URUGUAY	CH\$
0-E	TEVER CORP.	-	100.000	100.000	100.000	URUGUAY	CH\$
0-E	INVERSIONES FALABELLA ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
0-E	FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
0-E	CMR FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
0-E	VIAJES FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
0-E	CLAMIJU S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
0-E	CENTRO LOGÍSTICO APLICADO S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
0-E	GARCÍA HERMANOS Y CIA. S.A.	-	-	99.850	99.850	ARGENTINA	ARS
0-E	SERVICIO DE PERSONAL LOGÍSTICO S.A.	-	100.000	100.000	100.000	ARGENTINA	ARS
0-E	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	100.000	100.000	100.000	COLOMBIA	COP
0-E	FALABELLA COLOMBIA S.A.	-	65.000	65.000	65.000	COLOMBIA	COP
0-E	AGENCIA DE SEGUROS FALABELLA LTDA.	-	65.000	65.000	65.000	COLOMBIA	COP
0-E	AGENCIA DE VIAJES Y TURISMO FALABELLA SAS	-	65.000	65.000	65.000	COLOMBIA	COP
0-E	ABC DE SERVICIOS S.A.S.	-	65.000	65.000	65.000	COLOMBIA	COP
0-E	FALABELLA PERÚ S.A.A.	-	94.183	94.183	94.183	PERU	PEN
0-E	SAGA FALABELLA S.A.	-	89.002	89.002	89.002	PERU	PEN
0-E	HIPERMERCADOS TOTTUS S.A.	-	94.183	94.183	94.183	PERU	PEN
0-E	SODIMAC PERÚ S.A.	-	94.183	94.183	94.183	PERU	PEN
0-E	OPEN PLAZA S.A.C.	-	94.183	94.183	94.183	PERU	PEN
0-E	VIAJES FALABELLA S.A.C.	-	89.002	89.002	89.002	PERU	PEN
0-E	PATRIMONIO AUTÓNOMO S.A.	-	-	-	92.818	PERU	PEN
0-E	CORREDORES DE SEGUROS FALABELLA S.A.C.	-	94.183	94.183	94.183	PERU	PEN
0-E	FALABELLA SERVICIOS GENERALES S.A.C.	-	94.089	94.089	94.089	PERU	PEN
0-E	FALACUATRO S.A.C.	-	94.188	94.188	94.188	PERU	PEN
0-E	INMOBILIARIA KAINOS S.A.C.	-	94.183	94.183	94.183	PERU	PEN
0-E	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	94.183	94.183	94.183	PERU	PEN
0-E	INVERSIONES CORPORATIVAS BETA S.A.	-	94.183	94.183	94.183	PERU	PEN
0-E	INVERSIONES CORPORATIVAS GAMMA S.A.	-	94.183	94.183	94.183	PERU	PEN
76.075.082-4	HIPERPUENTE LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.080.519-K	QUILLOTA LTDA	-	88.000	88.000	88.000	CHILE	CH\$
96.509.660-4	BANCO FALABELLA S.A.	-	100.000	100.000	100.000	CHILE	CH\$
0-E	BANCO FALABELLA PERÚ S.A.	-	92.817	92.817	92.817	PERÚ	PEN
0-E	BANCO FALABELLA S.A. (COLOMBIA)	-	65.000	65.000	65.000	COLOMBIA	COP
76.099.954-7	SERVICIOS GENERALES PADRE HURTADO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
0-E	SALÓN MOTORPLAZA PERÚ S.A.	-	59.278	59.278	59.278	PERU	PEN
76.011.659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA.	-	100.000	100.000	100.000	CHILE	CH\$

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST			Dec-31-13 TOTAL %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		December-31-14 DIRECT %	December-31-14 INDIRECT %	December-31-14 TOTAL %			
76.112.525-7	SERVICIOS GENERALES PEÑALOLÉN LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.112.533-8	SERVICIOS GENERALES SAN FELIPE LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.112.537-0	SERVICIOS GENERALES VIÑA DEL MAR LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.112.543-5	SERVICIOS GENERALES TALCA DOS LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.112.548-6	SERVICIOS GENERALES LLOLLEO LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.113.257-1	SERVICIOS GENERALES CORDILLERA LIMITADA	-	100.000	100.000	100.000	CHILE	CH\$
0-E	SERVICIOS INFORMÁTICOS FALABELLA S.A.C.	-	92.817	92.817	92.817	PERU	PEN
76.141.045-8	INVERSIONES INVERFAL COLOMBIA S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.141.046-6	INVERSIONES INVERFAL ARGENTINA S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.153.987-6	ADMYSER S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.153.976-0	CAPYSER S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.153.405-K	SEGUNDA INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	-	-	100.000	CHILE	CH\$
76.153.863-2	SEGUNDA INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	-	-	100.000	CHILE	CH\$
76.153.864-0	SEGUNDA INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	-	-	100.000	CHILE	CH\$
76.153.572-2	TERCERA INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	-	-	100.000	CHILE	CH\$
76.153.865-9	TERCERA INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	-	-	100.000	CHILE	CH\$
0-E	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	41.495	41.495	41.495	COLOMBIA	COP
0-E	MALL PLAZA COLOMBIA S.A.S.	-	59.278	59.278	59.278	COLOMBIA	COP
0-E	CENTRO COMERCIAL MANIZALES S.A.S.	-	47.422	47.422	47.422	COLOMBIA	COP
76.142.721-0	GIFT CORP. S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.149.308-6	INVERSIONES BRASIL S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.154.299-0	SERVICIOS GENERALES RANCAGUA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.154.491-8	SERVICIOS GENERALES SANTA MARTA DE HUECHURABA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.159.664-0	INVERSIONES URUGUAY S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.159.684-5	INVERFAL URUGUAY S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.166.215-5	SERVICIOS GENERALES CALAMA CENTRO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
0-E	COMPAÑÍA SAN JUAN S.A.C.	-	94.183	94.183	94.183	PERU	PEN
76.166.208-2	SERVICIOS GENERALES CALAMA MALL LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.169.826-5	SERVICIOS GENERALES COSTANERA LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.308.853-7	NUEVA INVERFAL ARGENTINA S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.179.527-9	FALABELLA MOVIL S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.167.965-1	SERVICIOS LOGISTICOS SODILOG LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.201.304-5	RENTAS HOTELERAS S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
0-E	CONTACT CENTER FALABELLA S.A.C.	-	92.818	92.818	92.818	PERÚ	PEN
0-E	OPEN PLAZA ORIENTE S.A.C	-	94.184	94.184	94.184	PERÚ	PEN
76.212.895-0	SERVICIOS GENERALES BÍO-BÍO MALL LTDA	-	88.000	88.000	88.000	CHILE	CH\$
76.232.164-5	SERVICIOS GENERALES VICUÑA MACKENNA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.232.178-5	SERVICIOS GENERALES MP TOBALABA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.232.172-6	SERVICIOS GENERALES VITACURA LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.232.689-2	SERVICIOS GENERALES MAIPÚ LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
76.240.391-9	SERVICIOS GENERALES CHILLÁN LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.233.398-8	SERVICIOS GENERALES MP LOS ANGELES LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76.254.205-6	SERVICIOS GENERALES RANCAGUA CENTRO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
96.824.450-7	INMOBILIARIA MALL LAS AMÉRICAS S.A.	-	42.890	42.890	42.890	CHILE	CH\$
76.231.579-3	INMOBILIARIA LOS TILOS S.A.	-	-	-	45.940	CHILE	CH\$

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST			Dec-31-13 TOTAL %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		December-31-14 DIRECT %	December-31-14 INDIRECT %	December-31-14 TOTAL %			
76.318.636-9	SERVICIOS GENERALES MP EGAÑA LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.337.217-0	SERVICIOS GENERALES QUILPUÉ DOS LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.337.209-k	SERVICIOS GENERALES CON CON LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.362.983-k	SERVICIOS GENERALES MP COPIAPÓ LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
0-E	SERVICIOS GENERALES REÑACA LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.318.627-k	SERVICIOS GENERALES RECOLETA LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76.349.709-7	SERVICIOS GENERALES OVALLE LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
0-E	SHEARVAN COMMERCIAL (SHANGAI)	-	100.000	100.000	100.000	CHINA	CNY
76.283.127-9	SERVICIOS GENERALES PLAZA EGAÑA LIMITADA	-	100.000	100.000	100.000	CHILE	CH\$
0-E	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	94.183	94.183	94.183	PERU	PEN
0-E	SODIMAC ORIENTE S.A.C.	-	94.183	94.183	94.183	PERU	PEN
76.319.068-4	INVERSIONES DESREG S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.319.054-4	DESREG S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
0-E	FALABELLA BRASIL LTDA.	-	100.000	100.000	100.000	BRASIL	BRL
0-E	SODIMAC BRASIL LTDA.	-	100.000	100.000	100.000	BRASIL	BRL
0-E	INVERSIONES FALABELLA URUGUAY S.A.	-	100.000	100.000	100.000	URUGUAY	UYU
0-E	HOMECENTER SODIMAC S.A.	-	100.000	100.000	100.000	URUGUAY	UYU
0-E	JOSMIR S.A.	-	100.000	100.000	100.000	URUGUAY	UYU
76.335.739-2	INVERSIONES DESNNE S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.335.749-k	DESNNE S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76.282.188-5	INVERFAL BRASIL S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
0-E	SAGA FALABELLA IQUITOS S.A.C.	-	89.002	89.002	89.002	PERU	PEN
0-E	SAGA FALABELLA ORIENTE S.A.C.	-	89.002	89.002	89.002	PERU	PEN
0-E	CONSTRUDECOR S.A.	-	50.100	50.100	50.100	BRASIL	BRL
0-E	CONSTRUDECOR SERVICIOS LTDA.	-	50.100	50.100	50.100	BRASIL	BRL
0-E	CONSTRUDECOR PROPERTIES LTDA.	-	50.100	50.100	50.100	BRASIL	BRL
0-E	SEGUROS FALABELLA PRODUCTORES S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
76.327.526-4	SERVICIOS GENERALES ATACAMA LIMITADA	-	100.000	100.000	100.000	CHILE	CH\$
76.327.698-8	SERVICIOS GENERALES LIMARÍ LIMITADA	-	100.000	100.000	100.000	CHILE	CH\$
76.328.138-8	SERVICIOS GENERALES MP EL TRÉBOL DE TALCAHUANO LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
0-E	LILLE INVESTIMENTOS	-	50.100	50.100	-	BRASIL	BRL
76.379.784-8	SERVICIOS LEGALES S. p A.	-	100.000	100.000	-	CHILE	CH\$
76.377.255-1	SERVICIOS GENERALES WALKER MARTINEZ LTDA.	-	88.000	88.000	-	CHILE	CH\$
0-E	SHEARVAN PURCHASING INDIA	-	100.000	100.000	-	INDIA	INR
76.434.317-4	PROMOTORA INVERSIONES S.A.	-	99.996	99.996	-	CHILE	CH\$
76.389.515-7	SERVICIOS GENERALES COLCHAGUA LTDA.	-	100.000	100.000	-	CHILE	CH\$
0-E	MAESTRO PERÚ S.A.	-	94.183	94.183	-	PERU	PEN
0-E	MAESTRO PERÚ AMAZONIA S.A.C.	-	94.183	94.183	-	PERU	PEN
0-E	INMOBILIARIA DOMEL S.A.C.	-	94.183	94.183	-	PERU	PEN
0-E	INDUSTRIAS DELTA S.A.	-	94.183	94.183	-	PERU	PEN
0-E	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	38.531	38.531	-	COLOMBIA	COP
76.414.847-9	SERVICIOS GENERALES CHAMISEROS LTDA.	-	88.000	88.000	-	CHILE	CH\$

The consolidation includes subsidiaries of subsidiaries controlled by the group, even when the total direct and indirect participation represents less than a 50% of voting rights.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



2.6. Conversion of Foreign Subsidiaries

According to the terms of IAS 21, the reporting date, the assets and liabilities of foreign subsidiaries with a functional currency other than the Chilean peso are converted to the presentation currency of S.A.C.I. Falabella (the Chilean peso) at the exchange rate as of the date of the statement of financial position. Their statements of income are converted at the average exchange rates of each month. Foreign currency translation arising from the conversion is recorded as “Other Reserves” as a separate component of equity. At the time of disposal of the foreign entity, the accumulated deferred amount recognized in equity in relation to this foreign operation in particular shall be recognized in the statement of income. Any goodwill arising from the acquisition of a foreign operation and any adjustment to fair value in the carrying values of assets and liabilities that arise from the acquisition is treated as an asset and liability of the foreign operation in the functional currency of this entity and is converted to Chilean pesos at the closing date exchange rate.

2.7. Foreign Currency Translation

Foreign currency is any currency other than the functional currency of an entity. Transactions in foreign currencies are initially recorded at the exchange rate of the entity’s functional currency as of the transaction date. Monetary assets and liabilities denominated in foreign currency are converted at the exchange rate of the functional currency as of their settlement date or closing date of the statement of financial position. All these conversion differences are included in net income or losses with the exception of differences in liabilities in foreign currency that provide hedges for the net investment in a foreign entity and/or assets and liabilities in foreign currency that are an integral part of the investment in foreign subsidiaries. These are recorded directly in equity, in the “Other Reserves” account, until disposal of the net investment, at which time they are recognized as net income or losses.

The exchange rates of foreign currencies and the Unidad de Fomento (an inflation-indexed, Chilean monetary unit) as compared to the Chilean peso as of December 31, 2014 and December 31, 2013 are detailed as follows:

	Dec-31-14	Dec-31-13
US Dollar (USD)	606.75	524.61
Peruvian Nuevo Sol (PEN)	202.93	187.49
Argentinean Peso (ARG)	70.97	80.49
Uruguayan Peso (UYU)	25.02	24.41
Euro (EUR)	738.05	724.30
Colombian Peso (COP)	0.25	0.27
Real (BRL)	228.27	222.71
Indian Rupi (IR)	9.57	8.47
Yuan (CNY)	97.59	86.49
Unidad de Fomento (UF)	24,627.10	23,309.56

2.8. Financial Information by Operating Segment

Segment information is presented in accordance with IFRS 8 “Operating Segments,” in a manner that is consistent with the internal reports that are regularly reviewed by the Group’s management for use in decision-making regarding the allocation of resources and evaluation of the performance of each of the operating segments. Income attributed to geographic regions is based on the location of the respective businesses. Note 35 presents the reporting requirements for IFRS 8 and Information on Assets, Liabilities and Income by Segments in detail.

2.9. Investments in Associates

Associates are all entities over which the Company exercises significant influence but not control, which is generally accompanied by a share of between 20% and 50% of the voting rights, as stated in IAS 28 “Investment in Associates.” Investments in associates are accounted for using the equity method and are initially recognized

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



at cost. Investments in associates are presented in the statement of financial position together with goodwill identified in the acquisition of the associate, net of any accumulated impairment loss.

Under the equity method, the investment in an associate is recorded in the statement of financial position at cost plus the Company's share in the increase or decrease in the equity of the associate. The statement of income reflects the Company's interest in the income of the associate. When there has been a change recognized directly in the associate's equity, the Company recognizes its interest in that change and discloses it in the statement of changes in equity. The accounting policies of associates conform to those used by the Company.

2.10. Property, plant and equipment

Property, plant and equipment items are recorded at cost and are presented net of accumulated depreciation and impairment as applicable, except for land which does not depreciate.

Cost includes the acquisition price and all costs directly related to the location of the asset in the place and under the conditions necessary for it to be able to operate in the manner foreseen by management, in addition to the initial estimate for the dismantling, withdrawal or partial or total removal of the asset, as well as reconditioning of the place where it is located, when the Company is obligated to do so. For construction in progress, the cost includes expenses of directly related employees and others of an operating nature attributable to the construction, as well as finance expenses related to external financing accrued during the construction period. The interest rate used to capitalize finance expenses is that corresponding to specific financing or, when not available, the Company's average financing rate.

Costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency, and therefore an extension of the useful lives of the assets, are capitalized as higher cost of the corresponding assets. Periodic maintenance, conservation and repair expenses are imputed to income as expenses for the period in which they are incurred. A property, plant and equipment item is written off at the time of its disposal or when no future economic benefits are expected from its use or disposal. Any net income or loss that arises from the write-off of the asset (calculated as the difference between the net disposal value or the book value of the asset) is included in the statement of income in the year in which the asset is written off.

Depreciation begins when the assets are available for use, i.e. when they are at the location and under the conditions necessary to be able to operate in the manner foreseen by management. Depreciation is calculated using the straight-line method over the estimated useful economic lives of the assets, up to their residual amount. Estimated economic useful lives by category are as follows:

Category	Range
Land	-
Buildings	50 to 80 years
Exterior work	20 years
Furniture and supplies	3 to 10 years
Fixed installations and accessories	10 to 35 years
Machinery and equipment	2 to 20 years
Vehicles	5 to 7 years

Assets located on leased properties, structural work and facilities depreciate over the term of the lease or their estimated useful economic life under the corresponding category, including contract renewals, whichever is less. Probable residual values of assets, their useful lives and depreciation methods are reviewed as of each statement of financial position date and adjusted if applicable as a prospective change in estimate.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



2.11. Investment properties

Investment properties are real estate (land and buildings) that are held by the Group to obtain economic benefits derived from their rental or to obtain capital appreciation by merely holding them, which are measured at cost. Investment properties and investment properties under construction are recorded at cost and presented net of their accumulated depreciation and accumulated impairment as applicable, except for land which is not subject to depreciation.

The Group has shopping centers in which it has its own stores and stores leased to third parties. In these cases, only the portion leased to third parties is considered investment properties. The company's own stores are recognized as property, plant and equipment in the statement of financial position.

The acquisition cost and all other costs associated with investment properties, as well as the effects of depreciation and the treatment of asset write-offs are recorded in the same manner as the property, plant and equipment, described in point 2.10.

The estimated economic useful lives for the main elements of investment properties are detailed as follows:

Category	Range
Land	-
Buildings	80 years
Exterior work	20 - 30 years
Facilities	20 years
Machinery and equipment	5 - 8 years

Residual values of assets, their useful lives and depreciation methods are reviewed as of each statement of financial position date and adjusted prospectively if applicable as a change in estimate.

2.12. Goodwill

At the date of transition to IFRS, the Company chose not to reissue the combinations of business prior to this date, in accordance with the permissions of IFRS 1.

After adopting the standards, Goodwill represents the excess total value of the consideration transferred for the acquisition of an investment in a subsidiary or associate, for the fair value of the net identifiable assets at the date of acquisition.

Following the initial recognition, goodwill is measured at cost less any accumulated impairment loss, as applicable.

Goodwill related to acquisition of subsidiaries is subject to annual impairment testing. For impairment testing purposes, Goodwill is allocated to the cash generating units (or groups of cash generating units, or "CGUs") that are expected to benefit from the synergies of a business combination.

Goodwill related to acquisition of interests in Associates is presented together with the respective investment under "Investments Accounted for Using the Equity Method" in the statement of financial position, and is subject to impairment testing together with the value of the investment in the Associate should there be any indicators of a potential loss of value.

In September 2014, the subsidiary Sodimac Perú S.A. acquired 100% of Maestro Perú S.A., valuing the operation using the purchase method (See Note No. 40).

In 2013, subsidiary Plaza S.A. acquired 93.36% of Inmobiliaria Mall Las Américas S.A., valuing the operation using the purchase method, which did not generate any Goodwill between the value paid and the net assets recognized in the acquisition of the subsidiary at fair value (See Note. No. 40).

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



In 2013, S.A.C.I. Falabella, through its subsidiaries, acquired 50.1% of Construdecor Brasil, valuing the operation by the purchase method (See Note No. 40).

The Company tests Goodwill impairment annually in accordance with IFRS, and has found no impairment in the annual testing that has been conducted to date.

2.13. Other Intangible Assets

Intangible assets acquired separately are measured at acquisition cost. The cost of intangible assets acquired in a business combination is their fair value as of the date of acquisition. After initial recognition, intangible assets are recorded at cost less any accumulated amortization and any accumulated impairment loss, as applicable. Intangible assets generated internally correspond to software developed for the Company's use. Costs associated with software development are capitalized when the completion of their development is considered possible, management has the intention and the capacity to use the intangible asset in question, or to sell it, disbursements attributable to the asset can be valued and it has been determined that the intangible asset will generate future economic benefits. Research costs are directly incorporated into income.

Useful lives of intangible assets are evaluated as finite or indefinite. Intangible assets with defined useful lives are amortized using the straight-line method over their estimated useful economic lives and their impairment is evaluated whenever there is an indication that the intangible asset might be impaired. The amortization period and method of an intangible asset with a defined useful life are reviewed as of each closing date. Changes resulting from these evaluations are treated prospectively as changes in the accounting estimates.

Intangible assets with indefinite useful lives are not amortized and their impairment is evaluated annually. The useful life of an intangible asset with indefinite useful life is reviewed annually. Currently, since the commercial trademarks have no expiration date, and may be used, and there is intention to use them in an indefinite manner, the Company has determined to allocate an indefinite useful life to them. If applicable, the change in evaluation of useful lives from indefinite to definite is made on a prospective basis.

The Company tests impairment of intangibles with indefinite useful lives annually as required by IFRS, and has not identified any impairment whatsoever.

The estimated useful lives for each category of intangible asset are detailed as follows:

Category	Range
Commercial trademarks (acquired in business combinations)	Indefinite
Internally developed software	4 - 6 years
Patents, registered trademarks and other rights	5 - 10 years
IT programs	4 - 10 years
Other intangible assets	5 - 10 years

2.14. Impairment of Non-Current Assets

As of each closing date the Company evaluates whether there are any indicators that an asset might be impaired. If such indicators exist, or the impairment is identified as a product of annual testing of impairment of goodwill and intangible assets with indefinite useful lives, the Company estimates the recoverable amount of the asset. When the book value of an asset exceeds its recoverable amount, the asset is considered impaired and is decreased to its recoverable value. The recoverable amount is the fair value of an asset less selling costs or value in use, whichever is greater.

2.15. Inventory

Inventory is recorded at cost or net realizable value, whichever is less. Costs include the purchase price plus additional costs necessary to bring each product to its current location and condition, net of trade discounts and

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



other types of discounts. The net realizable value is the estimated selling price during the ordinary course of business, less estimated costs required to complete the sale. The net realizable value is also measured in terms of obsolescence based on the particular characteristics of each inventory item. Cost is determined using the weighted average method.

2.16. Assets available for sale and discontinued operations

Non-current assets with a book value that will be recovered through a sales operation and not through ongoing use are classified as available for sale and discontinued operations. This condition is considered to have been satisfied only when the sale is highly probable and the asset is available for immediate sale with its current status.

These assets are valued at the book value or the realizable fair value, whichever is less.

As of December 31, 2014, the assets presented under this category belong to two subsidiaries, Sodimac S.A. and Plaza S.A. and include properties held for sale that comply with the criteria stated in the preceding paragraph.

2.17 Financial Instruments

The Group recognizes financial assets and liabilities at the time it assumes the obligations or acquires the contractual rights to them.

2.17.1. Financial Assets

2.17.1.1. Recognition, Measurement and Derecognition of Financial Assets

Financial assets within the scope of IAS 39 “Financial Instruments: Recognition and Measurement,” are classified upon initial recognition as financial assets at fair value through profit and loss, loans and accounts receivable, investments held to maturity or investments available for sale. Where allowed and appropriate, this designation is reevaluated as of each financial period. When financial instruments are initially recognized, they are measured at fair value, and the costs or gains directly attributable to the transaction are recognized under income. Financial assets are subsequently measured at their fair value, except for loans and accounts receivable, and investments classified as held to maturity, which are measured at amortized cost using the effective rate method.

The adjustment of assets recorded at fair value is recorded in income, except for investments available for sale whose mark-to-market is recognized as a separate component of equity, net of applicable deferred tax.

Financial assets are derecognized in the accounting when the rights to receive cash flows derived from them have expired or have been transferred, and the Group has substantially transferred all risks and benefits derived from their ownership.

2.17.1.2. Cash and Cash Equivalents

Cash equivalents comprise cash, banks, short-term deposits with original maturity of three months or less and other money-market securities, easily convertible in cash which are subject to insignificant risk of changes in their value.

The cash flow statement classifies cash-generating activities as follows:

- Operating activities: constitute the main source of ordinary income and expenses of businesses in subsidiaries, as well as activities that cannot be classified as investing or financing.

Movements of operating activities are determined using the direct method.

- Investing activities: involve acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- Financing activities: activities that produce changes in the size and composition of equity and liabilities of a financial nature.

2.17.1.3. Assets pledged as guarantee subject to sale or a new pledge

The statement of financial position includes balances of financial assets, loans, accounts receivable and cash equivalents that cover debt obligations maintained by the company through a securitized portfolio. The Company cannot freely dispose of these balances since they are restricted to the payment of related obligations.

2.17.1.4. Impairment of Financial Assets

As of each closing date, the company assesses whether a financial asset or group of financial assets is impaired. The main financial assets subject to impairment due to contractual non-compliance of the counterpart are assets recorded at amortized cost (loans and accounts receivable).

If there is objective evidence that an impairment loss has been incurred on loans and accounts receivable recorded at amortized cost, the amount of the loss is measured as the difference between the book value of the asset and the present value of future estimated cash flows (excluding expected future credit losses that have not been incurred) discounted at the original effective interest rate of the financial asset (i.e. the effective interest rate computed upon initial recognition). The carrying amount of the asset is reduced through the use of a reserve account. Loan receivables are written off when they are between 150 and 180 days overdue.

The Company evaluates whether there is objective evidence of impairment, individually for financial assets that are individually significant or collectively for financial assets that are not individually significant. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event that occurs after recognition of the impairment, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in income, to the extent that the book value of the asset does not exceed its amortized cost as of the reversal date.

2.17.2. Financial Liabilities

2.17.2.1. Recognition, Measurement and Derecognition of Financial Liabilities

All obligations and loans with the public and with financial institutions are initially recognized at fair value, net of costs incurred in the transaction. After initial recognition, obligations and loans that accrue interest are subsequently measured at amortized cost, recognizing in income any higher or lower placement value on the term of the respective debt using the effective interest rate method, unless they are designated items hedged in a fair value hedge.

The subsidiary CMR Falabella S.A. classifies within the bank loan balance “confirming” financial operations, which consist of obtaining advance bank financing for commercial checking accounts, with a financial cost at a market interest rate; therefore, this operation is presented in “interest-bearing loans” in the financial statements.

Financial liabilities are derecognized in the accounting when the obligations specified in the contracts are settled, expired or are exempt.

2.17.3. Financial Derivatives and Hedge Instruments

The Company uses derivative financial instruments such as currency forward contracts and swaps to hedge its risks associated with fluctuations in interest rates and exchange rates. Those derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is signed and are subsequently

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



remeasured at fair value in an ongoing manner. Any gain or loss during the year arising from changes in the fair value of derivatives that do not qualify for hedge accounting is recorded directly in the statement of income.

2.17.4. Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, as of the closing date of the statement of financial position there is a legal right to receive or pay the net value, and there is the intention of settling on a net basis or to realize the assets and settle the liabilities in a simultaneous manner.

2.18. Leases

Financial leases which transfer to the Company substantially all the risks and benefits inherent to ownership of the leased item are capitalized at inception of the contract at the fair value of the asset, or the present value of minimum lease payments, whichever is lower. Financial lease assets are depreciated over the estimated economic lives of the asset or the term of the agreement, if lower, if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term, and are presented under property, plant and equipment in the statement of financial position.

Operating leases are those in which the lessor substantially retains all the risks and benefits inherent to ownership of the leased asset. Operating lease payments are recognized as expenses in the statement of income over the term of the contract, using the straight-line method, as a function of the term of the lease agreements for the portion corresponding to fixed income. Income that is contingent in nature is recognized as an expense for the period in which its payment is probable.

The Company has undertaken certain sales transactions with leaseback agreements, which qualify as financial leases. Profits or losses derived from the initial sale of the assets are deferred over the term of the lease.

2.19. Provisions

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Provisions are discounted at the present value if it is estimated that the discount effect is significant.

2.20. Minimum Dividend

According to Article 79 of Law 18,046, publicly traded corporations in Chile must annually distribute at least 30% of their net income for each year to their shareholders. By virtue of the Company's legal obligation, an equivalent liability has been recorded which also includes the portion of the minimum dividend of subsidiaries that are publicly traded corporations, in which there is a non-controlling interest. This liability is recorded in "Current Trade and Other Accounts Payable" as of December of each year, and the movement for the year is recorded in the Statement of Changes in Equity in the "Increase (decrease) due to transfers and other changes" line.

2.21. Defined Employee Benefits Plans

The Company provides certain short-term benefits to its employees in addition to remunerations, such as bonuses, vacations and holiday bonuses. In addition, the Company operates certain defined benefits plans with some of its employees. The cost of providing benefits under defined benefits plans is determined separately for each plan using the projected credit unit method, in accordance with IAS 19 "Employee Benefits." Employee benefits liabilities represent the present value of obligations under the plans, which are discounted using the interest rates of government bonds denominated in the currency in which the benefits will be paid with similar terms to the duration of the respective obligations. Actuarial profits or losses that are related to adjustments for experience and changes in variables are recognized as "Other Comprehensive Income" and form part of the "Other Reserves" balance under equity.



2.22. Share-Based Compensation Plans

The Company has implemented certain compensation plans for its executives involving the granting of purchase options on the shares of the Parent Company. The cost of these transactions is measured in reference to the fair value of the options on the date on which they were granted. The fair value is determined using an appropriate option valuation model, in accordance with IFRS 2 “Share-based Payment.”

The cost of benefits granted that will be settled by providing share options is recognized with a credit to “Other Reserves” in equity during the period in which the performance and/or conditions of service are vested, ending on the date on which the relevant employees are fully entitled to exercise the option. The charge or credit to the comprehensive statements of income is recorded in “Administrative Expenses” in the entity where the executive provides the related services.

2.23. Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amounts involved can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, deductions and other sales tax. The following specific recognition criteria must also be fulfilled before recognizing revenue:

- Sale of goods

Revenue from sale of goods is recognized when the significant risks and benefits of ownership of the goods have been transferred to the purchaser, which generally occurs at the time of physical delivery of the goods.

- Services provided (includes fees from bank services)

Revenue is recognized in accordance with the stage of completion method. When the results of contracts cannot be reliably measured, revenue is recognized only to the extent that expenses incurred are recoverable.

- Interest income

Interest income related to the Financial Retail business is recognized to the extent that interest is accrued using the effective interest rate method. The Company stops recognizing interest income when it considers that its recoverability is improbable, this generally occurs when it is 90 days overdue.

- Lease income

Lease income is recognized on an accrual basis, except for minimum income arising from the leasing of investment properties, which is recognized using the straight-line method over the term of the lease.

2.24. Cost of sales

Cost of sales includes the acquisition cost of the products sold and other costs incurred to bring inventory to the locations and in the conditions necessary for their sale. These costs mainly include the acquisition costs net of the discounts obtained, non-recoverable import expenses and duties, insurance and transportation of products to the distribution centers.

Cost of sales also includes interest expenses and impairment losses on the receivable loans portfolio related to our Financial Retail business and the depreciation cost of the Group’s investment properties.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements



(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

For bank subsidiaries costs include interest and indexation expenses and commission expenses in addition to credit risk provisions, which are presented on separate lines in the banking business section of the statement of comprehensive income.

2.25. Income Tax

2.25.1. Income Tax

Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities of each country. Tax rates and tax laws used to compute the amount are those enacted as of the date of the statement of financial position. Income tax related to items recognized directly in income is recognized in equity and not in the statement of income.

2.25.2. Deferred Tax

Deferred tax is calculated considering the temporary differences between the tax base of assets and liabilities and their book values for the purpose of financial reporting. Deferred tax assets are recognized on all deductible temporary differences, including tax losses, to the extent that it is probable that there will be taxable net income against which deductible temporary differences and the unused tax credits and tax loss carried forward can be recovered.

The book value of deferred tax assets is reviewed as of the date of the statement of financial position and reduced to the extent that it is no longer probable that there will be sufficient taxable net income available to allow the use of all or part of the deferred tax asset. Deferred tax related to items recorded directly in equity, are recognized in equity and not in the statement of income.

Deferred tax assets and deferred tax liabilities are presented net in the statement of financial position if there is a legally enforceable right to offset tax assets against tax liabilities and the deferred tax is related to the same entity and the same tax authority.

On October 17, 2014 the SVS issued Circular No. 856 stating that in spite of the instructions in IAS 12 (Income Tax) and the relevant interpretations, Deferred Tax asset and liability differences directly resulting from the increase in the first category tax rate introduced by Law No. 20780 published on September 29, 2014 (Tax Reform Law in Chile), must be accounted for during the respective year against equity. The effects of the referred Circular are addressed in the line “Effect of the tax reform in Chile (Circular No. 856)” in the statement of net equity for the year ended December 31, 2014, and amount to a decrease in “Total Equity” of Th\$76,017,682.

2.26. Deferred Income

The Company records deferred income on various transactions for which it receives cash, but for which the conditions for revenue recognition described in subsection 2.23 above have not been fulfilled, such as advance payment of services in the process of being provided, sales of products for which dispatch has not occurred, gift cards and cash initially received in the issuance of lease agreements on the Group’s investment properties. In addition, the portion of the sale associated with the subsequent delivery of products in customer loyalty programs is recognized as deferred income. Deferred income from customer loyalty programs is recognized at the market value of the benefits provided to customers, adjusted by their historical maturity experience. Deferred income is presented under “Other Non-Financial Liabilities” in the statement of financial position.



2.27. Use of Estimates, Judgment and Key Assumptions

Key assumptions with respect to the future and other key sources of uncertainty in estimates as of the date of the statement of financial position, which have a significant risk of causing a material adjustment to the book values of assets and liabilities are presented below:

- **Useful lives and residual values of Intangible Assets, Property, Plant and Equipment, and Investment Properties**

Determination of the useful lives and residual values of the components of Intangible Assets with defined useful lives, Property, Plant and Equipment, and Investment Properties involve judgment and assumptions that might be affected should circumstances change. Management reviews these assumptions periodically and adjusts them on a prospective basis if a change is identified.

- **Impairment of Goodwill and Intangible Assets with indefinite useful lives**

The Company determines annually whether goodwill and intangible assets with indefinite useful lives are impaired. This test requires an estimate of the 'value in use' of cash generating units to which Goodwill and Intangible Assets with indefinite useful lives are associated. The "value in use" estimate requires that management make an estimate of future expected cash flows of the cash generating unit (or group of CGUs), and in addition choose an appropriate discount rate to calculate the present value of these cash flows.

- **Deferred Tax Assets**

Deferred tax assets are recognized for all temporary deductible differences between the financial and tax base of assets and liabilities, and for unused tax losses to the extent that it is probable that there will be taxable net income against which the losses can be used, and whether there are sufficient taxable temporary differences that can absorb them. The use of significant judgment is required on the part of management to determine the value of deferred tax assets that can be recognized, on the basis of the probable timeliness and level of projected taxable net income.

- **Employee Benefits**

The cost of employee benefits that qualify as defined benefit plans in accordance with IAS 19 "Employee Benefits" is determined using actuarial valuations. The actuarial valuation involves assumptions regarding discount rates, future salary increases, employee turnover rates and mortality rates, among other things. Due to the long-term nature of these plans, those estimates are subject to a significant amount of uncertainty.

- **Fair Value of Assets and Liabilities**

In certain cases IFRS require that assets and liabilities be recorded at fair value. Fair value is defined as the price at which an asset would be sold, or the price paid to transfer a liability in a transaction ordered between market participants at the date of measurement (disposal price). When measuring the fair value, the company considers the characteristics of the asset or liability in the same way that market participants would take those characteristics into account when determining the price of said asset or liability on the measurement date. The basis for measurement of assets and liabilities at their fair value is their current prices in active markets. In their absence, the Company estimates those values on the basis of the best information available, including the use of models or other valuation techniques.

Derivative instruments are assets and liabilities that are measured at fair value in the statement of financial position; the notes to the financial statements disclose the fair value of Investment Properties (Note 15) and the market value of financial liabilities (Note 33). The form of determining fair value is established by applying the following hierarchies:

- Level 1: List price (not adjusted) in an active market for identical assets and liabilities.
- Level 2: Different inputs to list prices which are included in Level 1 and which may be observed for assets and liabilities, whether directly (i.e. as price) or indirectly (i.e. price derivative).
- Level 3: Inputs for assets or liabilities which are not based on observable market information (unobservable inputs).

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements



(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

- Share-based payments

The Company determines the fair value of share options provided to their executives. That value is estimated as of the date of granting using a binomial prices model, taking into consideration the terms and conditions under which the instruments were granted.

- Loan Provisions

The Company records provisions on its doubtful collection loans in accordance with the requirements of IAS 39. The provision is calculated on the basis of estimates of losses incurred which derive from the incapacity of clients to make contractual payments on the loans granted. The estimate of losses incurred is calculated using historical statistics on payment and default behavior, adjusted to the circumstances of the markets where the Group operates, if applicable. The cash flows expected to be received are discounted at the present value at the original rate.

- Obsolete Inventory

The Company records provisions for obsolete inventory based on the specific characteristics of each inventory item, according to their rotation levels. This provision is reviewed at the close of each accounting year.

- Customer Loyalty Programs

The Company has loyalty programs for the use of its credit card, through which “points” are given which can be exchanged for products in a certain period of time. Points granted in sales transactions are recorded as a separate component of the sale, equivalent to the recording of the sale of products pending dispatch, in accordance with IFRIC 13 “Customer Loyalty Programs.” The market value of the points granted is recorded as deferred income, adjusted by the estimated rate of non-exchange due to expiration of the benefit. The estimated rate of non-exchange is determined using historical data on expiration of unused points.

Although these estimates have been performed using the best information available on the date of issuance of these consolidated financial statements, it is possible that events that might take place in the future could force them to be modified (upward or downward) in future periods, which would be carried out prospectively, recognizing the effects of changes in estimate in the corresponding future consolidated financial statements.

2.28. New Accounting Pronouncements (IFRS and Interpretations of the IFRS Interpretations Committee)

Improvements and modifications to the IFRS, as well as interpretations that have been published during the period are detailed below. At the date of these financial statements, these standards have not yet taken effect and the Company has not applied them in advance:

	New Accounting Standards	Date of Mandatory Obligation
IFRS 9	Financial Instruments: Classification and Measurement	January 1, 2018
IFRS 14	Regulatory Deferral Accounts	January 1, 2016
IFRS 15	Revenue from Contracts with Customers	January 1, 2017

IFRS 9 “Financial Instruments”

This Standard introduces new requirements for the classification and measurement of financial assets, it introduces a “more prospective” model of expected credit losses for the impairment accounting and a substantially reform approach for the hedge accounting. Entities will also have the option to early apply the profit and loss accounting due to changes in fair value related to the “own credit risk” for financial liabilities at fair value with changes in income, not applying the other IFRS 9 requirements. This standard is effective on January 1, 2018 and early adoption is permitted.

The Company is evaluating the potential impact of the aforementioned standard.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements



(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

IFRS 14 “Regulatory Deferral Accounts”

This standard, which was issued in January 2014, is a provisional standard which seeks to improve the comparability of financial information of entities that are involved in activities with regulated prices. Many countries have industrial sectors that are subject to price regulation (for example, gas, water and electricity) which can have a significant impact on the recognition of income (time and amount) of the entity. This standard allows entities that are adopting IFRS for the first time to continue to recognize the amounts related to price regulation according to the previous GAAP requirements, albeit showing them in a separate form. An entity which has already filed its financial statements under IFRS should not apply this standard. Its application goes into effect as of January 1, 2016, and early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IFRS 15 “Revenue from Contracts with Customers”

This standard, which was issued in May 2014, is a new standard that applies to all contracts with customers, except for leases, financial instruments and insurance contracts. It is a joint project with the FASB to eliminate differences in the recognition of revenue between IFRS and US GAAP. This new standard seeks to reduce the inconsistencies and weaknesses of IAS 18 and to provide a model which will facilitate the comparability of companies from different industries and regions. It provides a new model for recognizing revenue, and more detailed requirements for contracts with multiple elements. Furthermore, it requires more detailed disclosures. Its application takes effect as of January 1, 2017 and early application is permitted.

The Company is evaluating the potential impact of the aforementioned standard.

	Improvements and Modifications	Date of Mandatory Application
IAS 19	Employee Benefits	July 1, 2014
IAS 40	Investment Properties	July 1, 2014
IFRS 3	Business Combinations	July 1, 2014
IAS 16	Property, Plant and Equipment	January 1, 2016
IAS 38	Intangible Assets	January 1, 2016
IAS 41	Agriculture	January 1, 2016
IFRS 11	Joint Arrangements	January 1, 2016
IAS 27	Separate Financial Statements	January 1, 2016
IAS 28	Investments in Associates and Joint Ventures	January 1, 2016
IFRS 10	Consolidated Financial Statements	January 1, 2016
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations	January 1, 2016
IFRS 7	Financial Instruments: Disclosures	January 1, 2016
IAS 34	Interim Financial Reporting	January 1, 2016
IFRS 12	Disclosures of Interests in Other Entities	January 1, 2016
IAS 1	Presentation of Financial Statements	January 1, 2016

IAS 19 “Employee Benefits”

The modifications to IAS 19, which were issued in November 2013, are applied to employee or third party contributions to defined benefit plans. The changes seek to simplify the accounting of contributions that are independent of the employee’s years of service; for example, employee contributions that are calculated according to a fixed percentage of salary. The modifications are applicable as of July 1, 2014. Early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



IAS 40 “Investment Properties”

“Annual Improvements cycle 2011-2013,” issued in December 2013, clarifies that judgment must be used to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination under the scope of IFRS 3 Business Combinations, and that this judgment is based on the guidelines of IFRS Business Combinations. Furthermore, the IASB concludes that IFRS 3 Business Combinations and IAS 40 Investment Properties are not mutually exclusive, and require judgment to determine whether the transaction is only an acquisition of an investment property, or if it is the acquisition of a group of assets or a business combination that includes an investment property. The modifications are applicable as of July 1, 2014. Early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IFRS 3 “Business Combinations”

“Annual Improvements cycle 2010-2012,” issued in December 2013 clarifies certain aspects of the accounting of contingent considerations in a business combination. The IASB note that IFRS 3 Business Combinations requires that the subsequent measurement of a contingent consideration be carried out at fair value, and therefore eliminates the references to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, or other IFRS that potentially have other valuation bases which are not at fair value. The reference to IFRS 9 Financial Instruments is discarded; however, IFRS 9 Financial Instruments is modified, clarifying that a contingent consideration, be it a financial asset or liability, is measured at fair value with changes in income or other comprehensive income, depending on the requirements of IFRS 9 Financial Instruments. The modifications are applicable as of July 1, 2014. Early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets”

IAS 16 and IAS 38 establish the principle of the depreciation and amortization basis, which is the expected model of consumption of an asset’s future economic benefits. In its amendments to IAS 16 and IAS 38, which were published in May 2014, the IASB clarified that the use of revenue-based methods to calculate an asset’s depreciation is not adequate, because the revenue generated by an activity which includes the use of an asset generally reflects factors that are distinct from the consumption of the economic benefits incorporated into the asset. The IASB also clarified that revenue generally presents an inadequate basis for measuring the consumption of economic benefits that are incorporated into an intangible asset. However, the assumption may be refuted in certain limited cases. The modifications are applicable as of January 1, 2016. Early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IAS 16 “Property, Plant and Equipment” and IAS 41 “Agriculture”

The modifications to IAS 16 and IAS 41 establish that the accounting treatment of carrying plants must be equal to property, plant and equipment, due to the fact that their operations are similar to the manufacturer’s operations. The modifications are applicable as of January 1, 2016. Early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



IFRS 11 “Joint Arrangements”

The modifications to IFRS 11, issued in May 2014, apply to the acquisition of an equity interest in a joint operation which constitutes a business. The amendments clarify that the purchasers of these units must apply all accounting principles for business combinations as indicated in IFRS 3 “*Business Combinations*” and other standards which do not conflict with the guidelines of IFRS 11 “*Joint Arrangements*.” The modifications are applicable as of January 1, 2016. Early application is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IAS 27 “Separate Financial Statements”

Amendments to IAS 27 issued in August 2014 reestablish the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in separate financial statements. Amendments are mandatorily effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IAS 28 “Investments in Associates and Joint Ventures”, IFRS 10 “Consolidated Financial Statements” e IFRS 12 “Disclosure of Interests in Other Entities”

Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” address an inconsistency between the requirements of IFRS 10 and IAS 28 that prescribe the treatment applicable to the sale or contribution of goods between an investor and its associate or joint venture. Pursuant to the amendments issued in September 2014 transactions involving a business (whether in an associate or not), a profit or loss is to be fully recognized. A partial profit or loss is recognized when a transaction involves assets that do not constitute a business, even if assets are in a subsidiary. Amendments are effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company is evaluating the potential impact of the aforementioned standard.

IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations”

“Annual Improvements cycle 2012-2014” issued in September 2014, prescribes that if an entity reclassifies an asset (or group of assets for sale) held for sale directly as held for distribution to owners, or an asset held for distribution to owners directly as held for sale, then the change in classification is considered a continuation of the original sales plan. According to the IASB the accounting requirements for changes in a sales plan do not apply in these cases. Amendments are effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IFRS 7 “Financial Instruments: Disclosure”

“Annual Improvements cycle 2012-2014” issued in September 2014 prescribes that service agreements may constitute continued implication in a transferred asset for purposes of disclosing the transfers of financial assets. Typically this will be the case when the administrator has interests in the future return of financial assets transferred as a result of such agreement. Amendments are effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company is evaluating the potential impact of the aforementioned standard.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



IAS 34 “Interim Financial Reporting”

“Annual Improvements cycle 2012-2014”, issued in September 2014 prescribes that required disclosures must be included in the interim financial statements or indicated as cross-references among interim financial statements and any other report containing them. Amendments are effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IFRS 12 “Disclosures of Interests in Other Entities”, IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”

Amendments to IFRS 12, IFRS 10 and IAS 28 provide for minor explanations about the requirements to account for investment entities. In addition, these amendments bring some relief in some circumstances, reducing the cost of applying these standards. Amendments are effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company has determined that the aforementioned standard will not significantly affect the financial statements.

IAS 1 “Presentation of Financial Statements”

In December 2014 the IASB published the amendments to IAS 1 “*Disclosure Initiative*”. These amendments to IAS 1 address some of the concerns about the presentation and disclosure requirements and ensure that entities have the option to exercise their judgment in applying IAS 1. Amendments are effective for annual periods beginning on January 1, 2016. Early adoption is permitted.

The Company is evaluating the potential impact of the aforementioned standard.

Note 3 - Cash and Cash Equivalents

Consolidated cash and cash equivalents are detailed as follows:

	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Total Consolidated Cash and Cash Equivalents	610,126,163	647,689,942
a) Cash and cash equivalents - non-banking business	211,219,868	275,536,508
b) Cash and cash equivalents - banking business	398,906,295	372,153,434

a) Information on Cash and Cash Equivalents - Non-Banking Business:

Classes of Cash and Cash Equivalents	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Cash	38,558,049	31,149,468
Bank balances	107,623,263	88,824,315
Time deposits	54,667,043	140,985,508
Repurchase agreements	10,371,513	14,577,217
Total	211,219,868	275,536,508

**Information on Cash and Cash Equivalents by Currency - Non-Banking Business:**

Currency	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Chilean pesos	102,748,690	165,470,015
US dollars	15,217,674	16,838,886
Euros	2,220,715	245,783
Argentinean pesos	3,047,200	5,278,978
Peruvian nuevo soles	44,331,950	5,278,978
Colombian pesos	33,671,323	26,044,067
Yen	1,021,773	201,386
Rupia	64,618	-
Uruguayan pesos	35,715	48,674
Brazilian reals	8,860,210	22,878,470
Total	211,219,868	275,536,508

b) Information on Cash and Cash Equivalents for Banking Business

Classes of Cash and Cash Equivalents	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Cash	117,653,400	104,017,469
Bank balances	187,604,324	177,585,338
Time deposits	41,957,468	60,742,252
Cash and deposits in banks	347,215,192	342,345,059
Highly liquid financial instruments ⁽¹⁾	46,418,510	37,773,534
Transactions with settlement in process, net ⁽²⁾	5,272,593	(7,965,159)
Total	398,906,295	372,153,434

Information on Cash and Cash Equivalents by Currency for Banking Business

Currency	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Chilean pesos	143,252,756	232,077,776
US dollars	158,536,264	26,631,527
Peruvian nuevo soles	82,549,173	102,204,048
Colombian pesos	14,568,102	11,240,083
Total	398,906,295	372,153,434

⁽¹⁾ Corresponds mainly to deposits and funds managed by third parties maturing in less than 90 days. The difference produced with the balance sheet line "instruments held for trading" corresponds to Financial Instruments of Banco Falabella Chile, maturing in more than 90 days, in the amount of ThCh\$ 9,445,900 as of December 31, 2014 and ThCh\$ 45,310,584 as of December 31, 2013.

⁽²⁾ Presents net difference between Asset and Liability operations.

Note 4 - Other Current Financial Assets

a) This category includes the following current financial assets of the Non-Banking Business.

Description of Other Current Financial Assets	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
Held for Trading		
Derivative instruments (non-hedging)	2,369,483	2,998,234
Mutual funds	150,324	3,443,872
Funds with restriction	3,372,305	2,656,161
Collection in transit	8,927,659	26,934,971
Collection in transit allowance ⁽¹⁾	-	(20,748,539)
Other	346	346
Other Financial Assets	14,820,117	15,285,045
Hedging assets	4,698,586	3,007,471
Total Other Current Financial Assets	19,518,703	18,292,516

Description of Other Non-current Financial Assets	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
Held for Trading		
Hedging assets	71,342,907	12,799,867
Other	182,066	183,129
Total Other Non-current Financial Assets	71,524,973	12,982,996

The Company takes positions in derivative financial instruments with counterparts that have a minimal risk rating and are subject to credit analysis before entering into any operation. Those analyses are required on the basis of internal procedures established by the Company.

The types of derivative instruments entered into by the Company contain valuation inputs that are observable in the market.

Instruments used correspond to swap contracts and currency forward contracts, tax and/or inflation. The Company has valuation models which are applied to determine the market value of the derivatives. The valuation methodology used includes price models using present value calculations. Those models require market financial data for their calculation and are obtained through public and private access information platforms. The information required for the calculation mainly includes spot and forward exchange rates and interest rate curves.

⁽¹⁾ In December 31, 2014, considering that almost three years ago the subsidiary Promotora CMR Falabella initiated all the necessary legal actions to recover the amount of Th\$20,748,539 appropriated by Cuentas Punto Com S.A., an entity of Grupo Cruzat, and after a long investigation where the public prosecutor charged Grupo Cruzat with misappropriation, the Board of Promotora CMR Falabella decided to accept the settlement proposed by the referred Group.

Grupo Cruzat did acknowledge it had used funds from CMR when it transferred them from Cuentas Punto Com to other entities of Grupo Cruzat instead of delivering them to CMR as it should have in its position as collector. The settlement included a payment amounting to Th\$3,675,300 as a compensation and for moral damages caused to Promotora CMR Falabella S.A. The Board decided to accept the compensation and not to continue with the legal proceeding as it was convinced that considering the financial position of Grupo Cruzat, that was a way to recover most of the appropriated funds, considering the circumstances.

As of December 31, 2014 Promotora CMR Falabella S.A. used the provision by derecognizing the associated account receivable. The effect derived from the settled compensation was presented in "Other profits (losses)" in the statement of income.



Note 5 - Other Current Non-Financial Assets

The following current non-financial assets of the Non-Banking Business are classified in this category.

Breakdown of Other Current Non-Financial Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Advertising contracts	2,138,629	1,425,305
Prepaid rent	8,782,063	7,799,300
VAT	60,225,732	49,893,338
Software maintenance contract	3,182,266	2,574,231
Insurance policies	5,450,771	3,560,836
Deposit guaranteeing the purchase of land	1,879,633	564,779
Other	6,954,361	3,651,722
Total	88,613,455	69,469,511

Note 6 - Trade and Other Accounts Receivable

The Company's net trade accounts receivable are detailed as follows:

	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
a) Non-Banking Business		
Current trade and other accounts receivable	1,460,886,123	1,359,023,097
Non-current receivables	206,165,723	165,509,701
b) Banking Business		
Loans and accounts receivable from clients	2,180,384,460	1,886,630,217
Total	3,847,436,306	3,411,163,015

a) The following is a breakdown for the Non-Banking Business of Current Trade and Other Accounts Receivable and Non-Current Receivables:

	Current		Non-Current	
	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Trade accounts receivable	203,096,673	201,204,059	174,653	197,115
Allowance for doubtful accounts	(8,751,994)	(7,332,513)	-	-
Subtotal of Trade Accounts Receivable, Net	194,344,679	193,871,546	174,653	197,115
Notes receivable	96,191,058	97,973,742	1,897,893	2,150,734
Allowance for doubtful accounts	(6,363,459)	(6,380,427)	(104,582)	(236,228)
Subtotal of Notes Receivable, Net	89,827,599	91,593,315	1,793,311	1,914,506
Miscellaneous receivables	64,804,806	64,366,655	2,947,119	2,421,020
Allowance for doubtful accounts	(2,741,332)	(1,758,045)	-	-
Subtotal of Miscellaneous Receivables, Net	62,063,474	62,608,610	2,947,119	2,421,020
Financial accounts receivable	1,159,349,873	1,050,638,054	202,841,903	162,258,412
Allowance for doubtful accounts	(44,699,502)	(39,688,428)	(1,591,263)	(1,281,352)
Subtotal of Financial Accounts Receivable, Net	1,114,650,371	1,010,949,626	201,250,640	160,977,060
Total Trade and Other Accounts Receivable	1,460,886,123	1,359,023,097	206,165,723	165,509,701

Due to the Financial Retail line of business, there are no real guarantees associated with accounts receivable, except for car loans which have an associated pledge.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Renegotiations are part of the credit strategy and allow for the regularization of debts, mainly for clients that are overdue due to a circumstantial event and who express a desire to pay, which is guaranteed through the requirement of a payment on the account prior to the regularization. As of December 31, 2014, the percentage of renegotiated loans is 4.06%, and as of December 31, 2013 is 4.33% of the total financial accounts receivable.

b) The composition of Loans and Accounts Receivable for Banking Business Clients is detailed as follows:

	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Loans and Accounts Receivable from Clients	2,303,577,156	1,988,779,376
Allowance for Doubtful Accounts	(123,192,696)	(102,149,159)
Total Loans and Accounts Receivable from Clients	2,180,384,460	1,886,630,217

The main types of guarantees in the Banking Business are: mortgages, CORFO for university student loans, state-guaranteed university student loans (CRUGE), FOGAPE for commercial bank loans (micro entrepreneurs) and public offer instruments on financial operations.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- c) Current Financial Accounts Receivable and their provisions by category within Current Trade and Other Current Accounts Receivable for the Non-Banking Business are as follows:

Current Financial Accounts Receivable	Assets Before Provisions		Provisions Established		Total, Net	
	Dec-31-14	Dec-31-13	Dec-31-14	Dec-31-13	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Consumer loans	95,875	988,730	(40,728)	(221,463)	55,147	767,267
Credit card receivables	1,159,253,998	1,049,649,324	(44,658,774)	(39,466,965)	1,114,595,224	1,010,182,359
Total Current Financial Accounts Receivable	1,159,349,873	1,050,638,054	(44,699,502)	(39,688,428)	1,114,650,371	1,010,949,626

- d) Non-Current Financial Accounts Receivable and their provisions by category, within Non-Current Receivables for the Non-Banking Business are as follows:

Non-Current Financial Accounts Receivable	Assets Before Provisions		Provisions Established		Total, Net	
	Dec-31-14	Dec-31-13	Dec-31-14	Dec-31-13	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Credit card receivables	202,841,903	162,258,412	(1,591,263)	(1,281,352)	201,250,640	160,977,060
Total Non-Current Financial Accounts Receivable	202,841,903	162,258,412	(1,591,263)	(1,281,352)	201,250,640	160,977,060

- e) The composition of Loans and Accounts Receivable and their provisions by category, within Loans and Accounts Receivable from Clients for the Banking Business is as follows:

Loans and Accounts Receivable from Clients	Assets Before Provisions		Provisions Established		Total, Net	
	Dec-31-14	Dec-31-13	Dec-31-14	Dec-31-13	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Commercial loans	97,494,925	89,098,426	(1,273,186)	(1,117,233)	96,221,739	87,981,193
Home loans	399,608,090	366,603,003	(3,442,566)	(1,555,866)	396,165,524	365,047,137
Consumer loans	958,838,886	843,693,646	(61,797,587)	(50,783,468)	897,041,299	792,910,178
Credit card receivables	847,635,255	689,384,301	(56,679,357)	(48,692,592)	790,955,898	640,691,709
Total Loans and Accounts Receivable from Clients	2,303,577,156	1,988,779,376	(123,192,696)	(102,149,159)	2,180,384,460	1,886,630,217

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



f) Maturity Analysis

As of each period-end the maturity analysis of Trade and Other Current Accounts Receivable, and Non-Current Receivables for the Non-Banking Business, prior to provisions, is detailed as follows:

	Total	Neither Overdue nor Impaired	<30 Days	30-60 Days	Overdue		
					60-90 Days	90-120 Days	>120 Days
Dec-31-14	1,731,303,978	1,490,060,464	136,065,089	40,447,849	18,633,921	13,462,923	32,633,732
Dec-31-13	1,581,209,791	1,372,651,969	106,631,244	40,453,664	18,010,582	12,564,968	30,897,364

As of each period-end, the maturity analysis of Loans and Accounts Receivable from Clients for the Banking Business, before provisions, is as follows:

	Total	Neither Overdue nor Impaired	<30 Days	30-60 Days	Overdue		
					60-90 Days	90-120 Days	>120 Days
Dec-31-14	2,303,577,156	2,153,525,036	18,349,723	18,503,127	20,041,393	80,539,728	12,618,149
Dec-31-13	1,988,779,376	1,853,836,206	17,873,980	18,528,519	18,310,541	71,211,876	9,018,254

The group uses models (for example Behavior Score) to classify the risk of each client. Depending on the actions taken on the portfolio, different scoring groups are used. In addition, there are ongoing reviews of the entire client portfolio with respect to external behavior (returned checks and delinquency).

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



g) Portfolio policies, provisions and write-offs

g.1) Financial accounts receivable credit policies

The policies presented below are those that the Company considers most adequate and were designed to ensure sustainable development of the business. That is why they are flexible—so that they can be modified should different financial market dynamics scenarios occur.

The information presented below corresponds to the business of credit cards issued by Promotora CMR S.A. Chile, CMR Argentina.

g.1.1) CMR Falabella Card

Through this single product the Company grants clients a line of credit that can be used in the following ways:

a. As a means of payment of goods and services at stores and affiliated entities and automatic payment of accounts:

In this mode the holder of a CMR Falabella card and the additional parties authorized by him/her can make purchases, pay for services or enroll in automatic payments for accounts at the commercial establishments affiliated with CMR, such as Falabella, Sodimac, Tottus, Copec, McDonalds, Fasa, Cruz Verde, etc. Clients that have a CMR Falabella Visa or MasterCard have the same previously mentioned ways to use the card, and are able to access a broader network of commercial members, considering that the stores are affiliated through Transbank, Visa International or MasterCard International.

b. To draw cash advances:

In this mode the client can use his/her CMR Falabella card to get cash advances at cashiers in commercial establishments equipped for that purpose, in the network of Red F and Redbank ATMs and through electronic transfers where the money is deposited directly into the account indicated by the client. This mode has certain limitations on amounts depending on the places the cash is dispensed and based on the risk models applied to the clients.

The types of cards are as follows:

i) CMR Falabella Card Agreed Installments: In this system, for each operation the clients choose the number of installments in which they wish to pay, from 1 to 48 months. Purchase terms in months are related to the type of asset acquired or the type of service paid. Therefore, for example, clothing, supermarket and fuel purchase terms do not exceed 12 months. When dealing with goods classified as “durable,” the terms can reach up to 48 months. With regards to payments for basic services, insurance charges and contributions to charitable institutions charged as an automatic payment to accounts, the payment by installments option is not applicable and 100% of the amount due must be paid within the month. There is also a deferred payment mode that consists in paying the first installment in the next or following months, which the client can request directly at the cashiers of enabled stores where they are using their CMR Falabella card. With this type of card, the interest rate applied is the rate at the time of the purchase, which is indicated to the client on the CMR Falabella website and at all the CMR offices. This interest rate is fixed for the entire term agreed upon for the payment. Likewise, the interest rate, number of installments, value of the installment and the date of the first payment are recorded in the voucher signed by the client and in the control copy provided to the client.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- ii) CMR Falabella card, CMR Falabella Visa and CMR Falabella MasterCard Saldo Refundido (revolving): In this system, the client can purchase with or without installments, and at the due date can choose to pay the total for the month or a minimum. This is the mode commonly used by international brand name cards operating in Chile and the world.

In Chile, the general conditions to be a client are: to be a Chilean citizen or foreigner with permanent residency, be more than 18 years old, with a stable domicile, have a minimum income (which can vary but is always higher than the minimum legal salary,) provide proof of years of employment service and have no record of returned documents or default.

People interested in obtaining a CMR Falabella credit card must fill out a credit request and take it to the Company's offices for processing. This request is processed at the CMR offices with an evaluation structure and go through different stages such as verification of information, credit check, application of the "application score" model (mathematical model based on the available variables of the requester of the card, which provides a risk score and credit limit based on income). Finally on the basis of all the previously mentioned information the credit evaluators approve, reject or ask for more information from the requester.

The client, holder of the CMR Falabella credit card, is assigned an initial limit which is distributed among the aforementioned methods of use, based on the income and risks of each client. The limits assigned are reported monthly in the statement of account. The company does not distinguish, for credit granting purposes, between the commercial facilities where the CMR Falabella credit card will be used.

Regarding increasing the limits, to the extent that the client fulfills his/her payment commitments and demonstrates good external behavior, the initial limit granted can be increased at the client's request at any CMR Falabella office in the country or through the Call Center or Internet channels. The limit can also be increased through an offer made by the Company to the client, who can accept or reject it at will. The specific parameters for assigning and increasing limits are reserved Company information, but the Company tries to maintain a balance between the usage needs of the clients and their real payment possibilities, which depends on their income and their compliance background in the financial market. The individual financial evaluation to determine the increase in the limit of each client uses a "behavior score," a mathematical model that on the basis of the client's variables and fundamental analysis of their internal behavior with the Company, assigns a score that is considered by the evaluator that increases the limit.

In addition to the mentioned modes of use, clients who are holders of the CMR Falabella credit card can access the "super advance" product which is offered monthly to the portfolio of clients with good internal and external credit behavior. Installments on this loan are charged against the limit assigned to purchases and are 100% payable in the minimum monthly payment.

Every month on the billing date the Company sends an account statement to the address specified by the client, which reflects all of the movements of the card, the amounts used, amounts available in the different use modes, and the amount payable on the next due dates. The account statements are also available on the CMR Internet site, where the client can access the account statement and all information on interest rates, promotions, etc. using the passwords provided. The days of the month that the clients can choose to pay on are the 5th, 10th, 15th, 20th, 25th and 30th of the month. The locations equipped to receive payment of the account statements are cashiers at CMR Falabella, cashiers at Falabella stores, cashiers at Sodimac, cashiers at Tottus, in addition to the electronic means available on Internet payment portals.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The cards remain operational as long as the client's payment of the account is not overdue. Operation authorizations are handled by a centralized computer system that verifies that the payment of the account is up to date, as well as that the amount of the transaction is within the client's authorized limit.

The Company also has a Call Center service where the client can make all types of inquiries regarding his/her account or the modes of use and where, in addition, clients can report the loss or misplacement of their card. The latter service is available 24 hours per day, 7 days per week, 365 days per year.

In Argentina, the general conditions to be a client are: to be a citizen of that country or foreigner with permanent residency, to be more than 21 years old and less than 75 years old, to have a minimum income (5,500 Argentinean pesos net) and to have no record of returned documents or default. A length of employment service of one year is required.

Concerning increases of limit, insofar as the client complies with his payment commitments and demonstrates good external behavior, the initial authorized limit may be increased if: the client has six month's seniority, a zero account balance, has not refinanced within the last year, has not renegotiated within the last six months, and has no negative allocations in the financial system.

The individual financial evaluation to determine an increase in each client's limit occurs via a "behavior score," a mathematical model which, based on client variables, and essentially on an analysis of the client's behavior within the company, assigns a score or mark which is considered by the evaluator that grants the increase in limit.

In addition to the terms of use indicated, clients holding a CMR Falabella credit card may access the "super-advance" product, which is offered monthly to a portfolio of clients that presents good internal and external credit behavior.

The cards are kept in operation while the client is not in arrears on payment of the account. Authorizations of operations are handled by a centralized computer system, which verifies that the account is up-to-date on its payment, as well as that the amount of the transaction is within the authorized limit.

g.1.2) Renegotiations

Correspond to the change in the debt structure for accounts that are one day overdue and up to before write-off (at six months overdue). After six months delay, when the account is written-off, no renegotiations are performed.

To perform these operations the following conditions must be met:

- i) Accounts up to 14 days overdue: do not require obligatory payment.
- ii) Accounts from 15 days to 6 months overdue: require mandatory payment of a percentage of the total debt.

In cases i) and ii), to perform a second operation of this type, it is necessary to have effectively paid an additional amount to what has been effectively paid in the previous operation.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



There is no minimum period between operations of this type, nor a maximum number of renegotiations, because the mandatory payments on account constitute a risk limitation.

Renegotiations, as part of the business policy, allow partial recovery of credit by requiring a payment of a percentage of the total debt. Clients with riskier credit behavior do, however, have their accounts blocked for new transactions for at least six months, until subsequent payment of obligations is proven.

g.1.3) Refinancing

We denominate refinancing as the change in structure of the debt for accounts that are up to date. They do not require mandatory payment on the account, and in order to carry out a second transaction of the same type, it is required that a percentage of the previous transaction is paid. There are no time limitations between refinancings nor a maximum number of refinancings.

g.1.4) Provisions

The Company records provisions for doubtful accounts on loans based on the requirements of IAS 39. The provision is calculated based on the estimate of losses incurred, derived from the incapacity of clients to make contractual payments on loans granted. The estimate of losses incurred is calculated using historical payment and default statistics, adjusted by the circumstances of the market where the Company operates, if applicable.

In accordance with the above, the Company uses set factors for each annual period, which can be modified at the beginning of each new financial year or in an interim manner if fluctuations are relevant. The Company makes a mobile monthly calculation, in order to monitor changes in market circumstances that would determine an advance adjustment of the factors for calculating the provision by tranche.

The methodology for calculating provisions consists of applying certain factors on loans distributed by days of delay. The factors are determined in accordance with the history of write-offs and their recoveries.

According to what has been requested by the Superintendency of Securities and Insurance, the Company has prepared a table which shows the average percent loss of the renegotiated and not renegotiated portfolio in a separate manner, as follows:

Promotora CMR

Overdue	Portfolio Dec-14 % Average Loss		Portfolio Dec-13 % Average Loss	
	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated
Up to date	0.62%	3.77%	0.61%	4.00%
1 to 30 days	5.54%	9.95%	5.22%	10.44%
31 to 60 days	19.67%	17.87%	18.89%	18.46%
61 a 90 days	38.77%	30.04%	38.24%	30.48%
91 to 120 days	64.20%	48.82%	65.60%	50.54%
121 to 150 days	71.89%	56.96%	74.54%	59.54%
151 to 180 days	86.23%	75.36%	91.46%	80.22%



CMR Argentina

Overdue	Portfolio Dec-14 % Average Loss		Portfolio Dec-13 % Average Loss	
	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated
Up to date	0.34%	6.09%	0.33%	6.12%
1 to 30 days	2.17%	12.83%	2.03%	12.78%
31 to 60 days	16.14%	26.84%	15.05%	26.47%
61 a 90 days	38.83%	38.15%	37.02%	37.82%
91 to 120 days	69.64%	52.52%	65.20%	52.27%
121 to 150 days	93.29%	72.34%	91.93%	72.27%
151 to 180 days	97.38%	85.07%	99.97%	84.79%

The provision model of the consolidated portfolio calculates the provision factors separately, both for the renegotiated portfolio and for the non-renegotiated portfolio. The consolidated renegotiated portfolio represents 4.06% of the total portfolio as of December 2014, which corresponds to ThCh\$ 55,366,939.

g.1.5) Write-offs

Loans receivable are written off between 180 days after the due date.

Recovery of write-offs goes through different collections actions that are entrusted to specialized collection companies, which use means such as telephone, letters, collectors in the field, and judicial processes.

g.1.6) Provision, write-offs and recoveries ratio

Promotora CMR and Soluciones Crediticias

	Dec-14 ThCh\$	Dec-13 ThCh\$
Total non-renegotiated portfolio provision	36,135,310	30,602,457
Total renegotiated portfolio provision	6,725,502	7,786,695
Total write-offs for the period	73,816,571	85,665,327
Total recoveries for the period	32,081,270	32,206,603

CMR Argentina

	Dec-14 ThCh\$	Dec-13 ThCh\$
Total non-renegotiated portfolio provision	2,803,991	2,273,978
Total renegotiated portfolio provision	625,962	306,650
Total write-offs for the period	5,311,095	3,674,925
Total recoveries for the period	1,532,735	963,999



g.1.7) Average ranges and terms

Average operation ranges and terms are detailed as follows:

	Range of Terms Months	Average Term Chile Months	Average Term Argentina Months
Purchases	1 to 36	4.0	6.4
Cash advances	1 to 48	24.3	7.9
Renegotiations (renegotiations for CMR)	1 to 48	14.9	17.4
Refinancing	1 to 36	18.1	-

g.1.8) Total refinanced amounts receivable

Promotora CMR

	Dec-14 ThCh\$	Dec-13 ThCh\$
Total amount of refinanced receivables	20,018,437	16,465,059
% refinanced receivables for non-renegotiated portfolio	1.71%	1.63%
No. of refinanced receivables	17,595	16,302
% refinanced receivables for non-renegotiated receivables	0.76%	0.75%

g.2) Stratification of portfolio

g.2.1) Stratification of total portfolio

As of December 31, 2014

Promotora CMR and Soluciones Crediticias

Overdue	No. of Clients Non- Renegotiated Portfolio	Gross Non- Renegotiated Portfolio ThCh\$	No. Clients Renegotiated Portfolio	Gross Renegotiated Portfolio ThCh\$	Total Gross Portfolio ThCh\$
Up-to-date	2,086,162	1,071,145,300	45,523	29,519,634	1,100,664,934
1 to 30 days	113,478	43,872,896	12,924	9,273,804	53,146,700
31 to 60 days	41,238	20,638,454	7,001	5,277,187	25,915,641
61 to 90 days	23,343	12,135,213	4,179	3,092,236	15,227,449
91 to 120 days	16,623	9,150,106	2,703	2,007,440	11,157,546
121 to 150 days	13,753	8,097,492	2,130	1,717,566	9,815,058
151 to 180 days	12,610	7,555,298	1,528	1,140,614	8,695,912
Total	2,307,207	1,172,594,759	75,988	52,028,481	1,224,623,240



CMR Argentina

Overdue	No. of Clients Non-Renegotiated Portfolio	Gross Non-Renegotiated Portfolio ThCh\$	No. Clients Renegotiated Portfolio	Gross Renegotiated Portfolio ThCh\$	Total Gross Portfolio ThCh\$
Up-to-date	435,542	114,175,811	6,213	1,701,004	115,876,815
1 to 30 days	57,102	15,305,601	1,985	705,840	16,011,441
31 to 60 days	8,842	2,117,678	844	314,055	2,431,733
61 to 90 days	3,877	1,049,838	553	229,927	1,279,765
91 to 120 days	2,380	659,031	390	158,588	817,619
121 to 150 days	1,713	518,574	338	143,929	662,503
151 to 180 days	1,328	403,545	208	85,115	488,660
Total	510,784	134,230,078	10,531	3,338,458	137,568,536

g.2.2) Stratification of securitized portfolio

CMR Argentina

Overdue	No. of Clients Non-Renegotiated Portfolio	Gross Non-Renegotiated Portfolio ThCh\$	No. Clients Renegotiated Portfolio	Gross Renegotiated Portfolio ThCh\$	Portfolio Total ThCh\$
Up-to-date	198,264	14,687,277	-	-	14,687,277
1 to 30 days	25,931	1,657,224	-	-	1,657,224
31 to 60 days	3,380	202,300	-	-	202,300
61 to 90 days	1,246	68,941	-	-	68,941
91 to 120 days	565	27,530	-	-	27,530
121 to 150 days	209	10,175	-	-	10,175
Total	229,595	16,653,447	-	-	16,653,447

g.3) Number of cards

Promotora CMR

	Dec-14	Dec-13
Total No. of cards issued to holders	3,096,094	2,917,921
Total No. of cards with balance	2,383,074	2,247,160
Monthly Average No. of renegotiations	6,332	7,049

CMR Argentina

	Dec-14	Dec-13
Total No. of cards issued to holders	1,337,439	1,300,451
Total No. of cards with balance	521,315	560,551
Monthly Average No. of renegotiations	937	507



g.4) Risk indexes

Promotora CMR and Soluciones Crediticias

	% Provision/Non-Renegotiated Portfolio	% Provision/Renegotiated Portfolio	% Provision/Total Portfolio
Risk index Dec-14	3.08%	12.93%	3.50%

CMR Argentina

	% Provision/Non-Renegotiated Portfolio	% Provision/Renegotiated Portfolio	% Provision/Total Portfolio
Risk index Dec-14	2.09%	18.75%	2.49%

Promotora CMR and Soluciones Crediticias

	% Write-Off/Total Portfolio
Risk index Dec-14	6.03%

CMR Argentina

	% Write-Off/Total Portfolio
Risk index Dec-14	3.86%

g.5) Financial accounts receivable that are not overdue correspond to clients from different socioeconomic segments that are up-to-date on their credit obligations. This portfolio has a 99% expected recovery, and therefore the associated risk is significantly low. The Company establishes a provision for doubtful accounts for clients that are up-to-date, which represents the probability of default and statistical impairment of this portfolio.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



h) Changes in provision due to impairment

The following table shows the evolution of the provisions for impairment of the Non-Banking Business portfolio:

Changes in provision due to impairment - Trade and other accounts receivable	Separate Impairment		Group Impairment		Total ThCh\$
	Current	Non-Current	Current	Non-Current	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Balance as of January 1, 2014	15,470,985	236,228	39,688,428	1,281,352	56,676,993
Expense for the period	19,157,195	25,852	188,054,447	1,528,848	208,766,342
Amount used (less)	(6,959,725)	(157,498)	(182,750,930)	(1,215,489)	(191,083,642)
Reversal of unused amounts	(9,754,664)	-	-	-	(9,754,664)
Conversion adjustment	(57,006)	-	(292,443)	(3,448)	(352,897)
Balance as of December 31, 2014	17,856,785	104,582	44,699,502	1,591,263	64,252,132
Balance as of January 01, 2013	14,717,216	630,697	48,192,207	1,744,058	65,284,178
Expense for the period	12,491,165	-	193,029,418	1,020,848	206,541,431
Amount used (less)	(4,503,056)	(394,469)	(200,991,410)	(1,462,144)	(207,351,079)
Reversal of unused amounts	(7,131,378)	-	(53,608)	-	(7,184,986)
Conversion adjustment	(102,962)	-	(488,179)	(21,410)	(612,551)
Balance as of December 31, 2013	15,470,985	236,228	39,688,428	1,281,352	56,676,993

The following table shows the evolution of the provisions for impairment of the Bank Business portfolio:

Changes in provision for impairment - Loans and accounts receivable from clients	Group impairment ThCh\$
Balance as of January 1, 2014	102,149,159
Expense for the period	142,176,671
Amount used (less)	(94,923,355)
Reversal of unused amounts	(26,483,056)
Conversion adjustment	273,277
Balance as of December 31, 2014	123,192,696
Balance as of January 1, 2013	90,919,484
Expense for the period	111,921,798
Amount used (less)	(66,961,942)
Reversal of unused amounts	(33,708,640)
Conversion adjustment	(21,541)
Balance as of December 31, 2013	102,149,159

The Company is not exposed to risks associated to credit concentrations. This situation is explained mainly by atomization of the client portfolio of the Falabella Group as of December 31, 2014 and December 31, 2013.

The Company has certain financial assets as guarantee of compliance with banking and non-banking obligations with the public, in such a manner that the Group's associated cash flows must be destined only to liquidating the respective obligations as of December, 31 2014. This amount is ThCh\$ 16,653,447 and as of December 31, 2013 the amount is ThCh\$ 30,993,923.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 7 - Accounts Receivable from and Payable to Related Entities

a) Accounts receivable

Company taxpayer No.	Company name	Country of origin	Nature of the relationship	Current		Non-current		Type of currency
				Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$	
0-E	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	10,895,772	1,993,955	-	-	COP
0-E	AVENTURA PLAZA S.A.	PERU	ASSOCIATE	2,197,344	721,564	-	-	PEN
0-E	OTRAS SOCIEDADES	CHILE	RELATED DIRECTOR	404,973	281,678	-	-	Ch\$
94141000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	98,395	126,163	-	-	Ch\$
82995700-0	DERCOCENTER S.A.	CHILE	RELATED DIRECTOR	229,757	160,370	-	-	Ch\$
78057000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	151,958	64,213	-	-	Ch\$
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASÍS LTDA.	CHILE	RELATED DIRECTOR	10,748	153,310	-	-	Ch\$
76762740-8	SOC. COMERCIALIZADORA DE REPUESTOS S.A.	CHILE	RELATED DIRECTOR	56,312	27,808	-	-	Ch\$
79757460-0	AGRÍCOLA ANCALI LTDA.	CHILE	RELATED DIRECTOR	14,644	6,638	-	-	Ch\$
96955560-3	HALDEMAN MINING COMPANY S.A.	CHILE	RELATED DIRECTOR	19,221	13,344	-	-	Ch\$
93061000-3	INDUSTRIA AUTOMOTRIZ FRANCOMECÁNICA S.A.	CHILE	RELATED DIRECTOR	5,083	6,129	-	-	Ch\$
96545450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	10,584	17,841	-	-	Ch\$
76177760-2	MEGEVE CONSULTING S.A.	CHILE	RELATED DIRECTOR	6,067	251	-	-	Ch\$
76074938-9	DEPORTES SPARTA LTDA.	CHILE	RELATED DIRECTOR	281,187	-	-	-	Ch\$
79952350-7	RED TELEVISIVA MEGAVISIÓN S.A.	CHILE	RELATED DIRECTOR	600	35,579	-	-	Ch\$
TOTAL				14,382,645	3,608,843	-	-	

As of December 31, 2014, the Company has evaluated the recoverability of accounts receivable from related companies. As a product of this evaluation, no probability of non-compliance has been identified and therefore no allowance for doubtful accounts has been recorded.

b) Accounts payable

Company taxpayer No.	Company name	Country of origin	Nature of the relationship	Current		Non-current		Type of Currency
				Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$	
94141000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	1,195,810	1,383,482	-	-	Ch\$
0-E	BORCHESTER HOLDINGS LIMITED	COLOMBIA	ASSOCIATE	6,484,007	-	-	-	COP
0-E	AVENTURA PLAZA S.A.	PERU	ASSOCIATE	847,794	751,562	-	340,547	PEN
76074938-9	DEPORTES SPARTA LTDA.	CHILE	RELATED DIRECTOR	636,241	646,630	-	-	Ch\$
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASÍS LTDA.	CHILE	RELATED DIRECTOR	174,024	171,852	-	-	Ch\$
0-E	OTRAS SOCIEDADES	CHILE	RELATED DIRECTOR	241,404	234,248	-	-	Ch\$
95946000-0	SOCIEDAD INMOBILIARIA SAN BERNARDO LTDA.	CHILE	RELATED DIRECTOR	143,471	149,554	-	-	Ch\$
78057000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	119,541	237,126	-	-	Ch\$
0-E	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	31,519	-	-	-	COP
96812780-2	FRIOPAC S.A.	CHILE	RELATED DIRECTOR	392	5,393	-	-	Ch\$
96545450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	12,407	150,627	-	-	Ch\$
96573100-8	COMERCIAL THE ENGLISH FASHION LTDA.	CHILE	RELATED DIRECTOR	7,426	10,256	-	-	Ch\$
82995700-0	DERCOCENTER S.A.	CHILE	RELATED DIRECTOR	-	6,048	-	-	Ch\$
TOTAL				9,894,036	3,746,778	-	340,547	

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) The effects of transactions with non-consolidated related entities in the period ended as of December 31, 2014 and December 31, 2013 are detailed as follows:

Taxpayer No.	Company	Relationship	Country	Type of transaction	Dec-31-14		Dec-31-13	
					Amount	Effect on income	Amount	Effect on income
					ThCh\$	ThCh\$	ThCh\$	ThCh\$
					(Charge)/Credit		(Charge)/Credit	
0-E	AVENTURA PLAZA S.A.	ASSOCIATE	PERU	SALE OF PRODUCTS	933,370	922,315	626,297	620,879
0-E	AVENTURA PLAZA S.A.	ASSOCIATE	PERU	RENT AND COMMON EXPENSES	7,866,380	(6,755,732)	6,832,977	(5,826,591)
96938840-5	BLUE EXPRESS S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	545,264	(479,766)	928,856	(780,601)
96550660-8	CONSTRUCTORA SANTA MARÍA S.A.	COMMON SHAREHOLDERS	CHILE	SALE OF PRODUCTS	153,669	129,133	21,214	17,827
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	TRANSPORTATION SERVICES	302,364	254,087	319,863	268,793
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	189,589	159,319	176,395	148,231
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS, ADVERTISING AND PROMOTION	130,770	109,891	153,254	128,785
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	63,196	58,654	50,804	45,918
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	11,891,884	-	10,898,036	-
82995700-0	DERCOCENTER S.A.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,964,370	1,650,731	1,747,631	1,468,597
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	81,142	76,957	93,922	86,710
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	MACHINERY/EQUIPMENT MAINTENANCE	3,950,435	(3,318,187)	3,734,643	(3,138,486)
96955560-3	HALDEMAN MINING COMPANY S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	6,123	5,145	39,032	32,800
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASÍS LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,922,590	(1,628,682)	1,959,148	(1,659,082)
77693970-6	INVERSIONES E INMOBILIARIA SAN FRANCISCO DE EL MONTE LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	867,886	(794,654)	895,151	(752,511)
78391700-9	INVERSIONES E INMOBILIARIA SANTA CLARA LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	3,881,173	(3,261,490)	3,876,352	(3,257,439)
96577470-K	ITALMOD S.A. ⁽¹⁾	ASSOCIATE	CHILE	RUNIFORMS	-	-	402,616	(346,259)
96577470-K	ITALMOD S.A. ⁽¹⁾	ASSOCIATE	CHILE	PURCHASE OF PRODUCTS	-	-	398,623	-
96577470-K	ITALMOD S.A. ⁽¹⁾	ASSOCIATE	CHILE	RENT AND COMMON EXPENSES	-	-	285,992	240,330
96577470-K	ITALMOD S.A. ⁽¹⁾	ASSOCIATE	CHILE	PROMOTIONS	-	-	8,736	7,341
77072500-3	SOCIEDAD DE RENTAS COMERCIALES S.A.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	2,251,832	(2,089,017)	2,007,828	(1,852,653)
95946000-0	SOCIEDAD INMOBILIARIA SAN BERNARDO LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,475,023	(1,238,544)	1,575,641	(1,351,718)
0-E	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	COMPUTATIONAL SERVICES	2,492,957	2,492,957	2,091,772	2,091,772
0-E	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	SALE OF PRODUCTS	1,186,657	1,186,657	1,126,723	1,126,723
78057000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	155,444	134,290	120,458	105,792
78057000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	TRANSPORTATION SERVICES	2,651,686	(2,228,307)	3,421,428	(2,875,149)
78057000-8	COMERCIAL THE ENGLISH FASHION LTDA	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	96,809	-	94,135	-
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	3,091,648	-	2,848,879	-
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	771,446	648,275	-	-

⁽¹⁾ As indicated in Note 11 of June 6, 2013, the minority stake in Italmod S.A. was sold.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



d) Key management personnel:

Key employees are defined as those persons that have authority and responsibility to plan, direct and control the entity's activities, whether directly or indirectly, including any member (whether or not an executive) of the management council or equivalent governance body of the entity. The Company has determined that key management employees are Directors and those in the Private Payroll. The following table shows compensation received by key management employees by category:

	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Remuneration received by management	3,354,883	3,169,841
Directors' fees	331,108	317,754
Stock options	459,669	368,298

Note 8 - Inventory

Inventory is detailed as follows:

Description	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Raw materials	3,085,407	2,666,665
Products for sale	891,376,868	780,379,388
Work in progress	1,661,978	1,441,266
Materials, containers and spare parts	5,160,510	3,953,982
Merchandise in transit	117,915,203	128,229,384
Total Inventory	1,019,199,966	916,670,685

During the period ended as of December 31 2014, the Company recognized ThCh\$ 4,465,271,015 of inventory sold as cost of sales (ThCh\$ 3,929,742,231 as of December 31, 2013).

In addition, provisions for shortage, net realizable value and obsolescence of ThCh\$ 31,729,575 were recognized in income as of December 31, 2014 (ThCh\$ 29,572,493 as of December 31, 2013).

The company has no inventory delivered in guarantee to be disclosed in December 31, 2014 and December 31, 2013.



Note 9 - Current Tax Assets and Liabilities

Current tax assets, Non-Banking Business

Breakdown of Current Tax Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Prepaid monthly tax installments (income tax net balance)	15,593,068	14,944,379
Tax credits for training	4,341,405	4,217,778
Tax credits for absorption of past taxable income	5,617,295	2,362,764
Recoverable tax	20,497,201	20,398,317
Other recoverable tax	3,517,374	600,433
Total	49,566,343	42,523,671

Current tax assets - Banking Business

Breakdown of Current Tax Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Prepaid monthly tax installments (income tax net balance)	1,873,669	288,608
Total	1,873,669	288,608

Current tax liabilities - Non-Banking Business

Breakdown of Current Tax Liabilities	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Current income tax provision net of prepaid monthly tax installments paid	22,053,124	13,239,551
35% tax deductible expenses provision (nondeductible expenses)	104,021	7,089
Prepaid monthly tax installments payable	2,954,194	6,286,671
Stamp tax	478,690	318,725
Other tax payable	144,001	334,694
Total	25,734,030	20,186,730

Current tax liabilities - Banking Business

Breakdown of Current Tax Liabilities	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Current income tax provision net of prepaid monthly tax installments paid	59,511	3,846,203
Total	59,511	3,846,203



Note 10 - Current and Deferred Income Tax

- a) Income tax expense/income as of December 31, 2014 and 2013 for Non-Banking Business and Banking Business are composed as follows:

Non-Banking Business

Income Tax	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Current tax expense (tax provision)	122,361,717	117,726,130
Tax expense adjustment (previous year)	816,042	2,003,072
Tax credit on tax losses	(4,276,320)	(3,334,526)
Total net current tax expense	118,901,439	116,394,676
Deferred tax expense (credit) arising from temporary differences	(10,541,751)	390,465
Tax expense (credit) on tax losses	(2,606,411)	5,411,980
Deferred tax expense arising from changes in the tax rate or new rates	72,166,579	-
Effect of the Chilean tax reform (official circular No. 856)	(76,494,032)	-
Total net deferred tax expense (credit)	(17,475,615)	5,802,445
Total	101,425,824	122,197,121

Banking Business

Income Tax	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Current tax expense (tax provision)	28,197,166	24,479,551
Tax expense adjustment (previous year)	(42,104)	201,279
Total net current tax expense	28,155,062	24,680,830
Deferred tax expense (credit) arising from temporary differences	(2,679,219)	(3,117,839)
Deferred tax expense arising from changes in the tax rate or new rates	(109,167)	-
Effect of the Chilean tax reform (official circular No. 856)	476,350	-
Total net deferred tax expense (credit)	(2,312,036)	(3,117,839)
Total	25,843,026	21,562,991

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



On September 29, 2014, Law No. 20,780, that introduces several changes to the current taxation system in Chile (Tax Reform Law) was published in the Official Gazette.

The Tax Reform Law considers a progressive increase in the First Category Tax rate for commercial years 2014, 2015, 2016, 2017 and 2018 thereafter, changing the current applicable 20% rate to 21%, 22.5%, 24%, 25.5% and 27%, respectively, if the Semi-Integrated System is applied, or for commercial years 2014, 2015, 2016 and 2017 thereafter, rate increases will be 21%, 22.5%, 24% and 25%, respectively, if the Attributed Income System is selected.

Pursuant to Law No. 20,780, as a general rule and given the Company is an open stock company, the taxation system applicable to it is the Semi-Integrated System, unless in the future the Company selects to apply the Attributed Income System.

According to IAS 12 (Income Tax) deferred tax assets and liabilities must be measured using the fiscal rates the entity expects will apply during the period in which the asset is realized or the liability paid, based on the rates (and laws) that at the end of the period have been approved or are about to be approved. For these purposes and as said before, the Company has applied the current rates established under the Semi-Integrated System.

Notwithstanding, if in the future the Shareholders Meeting decides to be taxed under the Attributed Income System, the relevant accounting effects will be recognized the same period such change occurs.

On October 17, 2014 the SVS issued Circular No. 856 stating that in spite of the instructions in IAS 12 and the relevant interpretations, Deferred Tax asset and liability differences directly resulting from the increase in the first category tax rate must be accounted for during the relevant year against the equity.

The increase in the above mentioned tax rates resulted in a decrease of the “Total equity” of ThCh\$76,017,682, that includes a decrease in the “Equity attributable to the owners of the partner” amounting to ThCh\$ 46,716,849, and a decrease in “Non-controlling interests” amounting to ThCh\$ 29,300,833. The effect on Non-Banking Business resulted in a decrease in the “Total equity” amounting to ThCh\$ 76,494,032 and for Banking Business there is an increase in “Total equity” amounting to ThCh\$ 476,350.

The effects of the referred Circular are presented in line “Effects of the tax reform in Chile (Circular No. 856)” in the Statement of Changes in Net Equity for the year ended December 31, 2014.

In December 2014, Colombian Law No. 1,739 amended the income tax for equality rate (“CREE”) from fiscal year 2016. The rate changed from 8% to 9% indefinitely. This tax levies taxable profits for the year. In addition, the same law established the CREE surcharge of 5%, 6%, 8% and 9% for years 2015, 2016, 2017, and 2018, respectively. In addition, Peruvian Law No. 30,296 changed the income tax rate that after deducting the employees’ interests will be 28% for years 2015 and 2016, and 27% for years 2017 and 2018, and 26% for year 2019 thereafter. The effects of the changes mentioned above were imputed to the income for the year.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- b) The reconciliation of the income tax expense or income at the statutory rate in respect to the effective rate as of December 31, 2014 and of December 2013 is detailed as follows:

Non-Banking Business

Income before tax using the Chilean legal tax rate	Dec-31-14		Dec-31-13	
	ThCh\$	%	ThCh\$	%
INCOME BEFORE TAX AT THE CHILEAN LEGAL TAX RATE	113,485,021	21.00	112,744,462	20.00
Effect on the tax rate of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	12,775,761	2.36	15,191,941	2.69
Effect on tax rate for non-taxable income	(5,492,748)	(1.02)	(3,597,729)	(0.64)
Effect on tax rate of non-deductible expenses	7,016,483	1.30	7,267,507	1.29
Effect of use of tax losses	(4,276,320)	(0.79)	(3,334,526)	(0.59)
Deferred tax expense related to changes in the tax rate or new rates	72,166,579	13.35	-	-
Effect of Chilean tax reform (official circular No. 856)	(76,494,032)	(14.15)	-	-
Effect of tax provisioned by default in a previous period	816,042	0.15	2,003,071	0.36
Taxable price-level restatement (net)	(16,343,200)	(3.02)	(4,200,533)	(0.75)
Other increase (decrease)	(2,227,762)	(0.41)	(3,877,072)	(0.69)
TOTAL ADJUSTMENTS TO THE LEGAL TAX RATE	(12,059,197)	(2.23)	9,452,659	1.68
INCOME TAX EXPENSES (CREDIT) FOR THE YEAR	101,425,824	18.77	122,197,121	21.68
EFFECTIVE TAX RATE		18.77		21.68

Banking Business

Income before tax using the Chilean legal tax rate	Dec-31-14		Dec-31-13	
	ThCh\$	%	ThCh\$	%
INCOME BEFORE TAX AT THE CHILEAN LEGAL TAX RATE	21,833,606	21.00	15,429,040	20.00
Effect on the tax rate of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	6,692,670	6.44	6,171,279	8.00
Effect on tax rate for non-taxable income	(75,255)	(0.07)	(61,001)	(0.08)
Effect on tax rate of non-deductible expenses	412,174	0.40	234,678	0.30
Deferred tax expense related to changes in the tax rate or new rates	(109,167)	(0.10)	-	-
Effect of Chilean tax reform (official circular No. 856)	476,350	0.46	-	-
Effect of tax provisioned by default in a previous period	(42,104)	(0.04)	201,279	0.26
Taxable price-level restatement (net)	(2,600,270)	(2.50)	(714,272)	(0.93)
Other increase (decrease)	(744,978)	(0.72)	301,988	0.39
TOTAL ADJUSTMENTS TO THE LEGAL TAX RATE	4,009,420	3.86	6,133,951	7.95
INCOME TAX EXPENSES (CREDIT) FOR THE YEAR	25,843,026	24.86	21,562,991	27.95
EFFECTIVE TAX RATE		24.86		27.95

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Deferred tax balances by category are detailed as follows:

Non-banking Business

Concepts - Statement of Financial Position	Dec-31-14		Dec-31-13	
	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$
Leased assets	2,237,464	9,677,606	1,621,585	5,176,720
Intangible asset valuation difference	1,247,479	36,112,292	641,818	19,772,082
Property, plant and equipment valuation difference	-	336,116,009	-	239,785,194
Inventory valuation differences	6,300,861	-	2,611,334	-
Capitalized prepaid expenses	-	1,636,912	-	1,660,481
Termination benefits	4,279,116	-	2,404,449	-
Deferred income	8,309,456	-	8,267,678	-
Tax loss carry forward	22,318,790	-	18,267,828	-
Allowance for doubtful accounts	17,867,915	-	13,104,047	-
Obsolescence provision	3,451,599	-	2,305,659	-
Realization provision	5,944,958	-	4,938,048	-
Vacation accrual	7,454,321	-	5,130,989	-
Other provisions	9,106,022	-	9,624,700	-
Derivative instruments	28,110	-	-	559,110
Recoverable insurance claims	-	633,405	-	555,185
Other	-	5,854,300	-	2,614,857
Total	88,546,091	390,030,524	68,918,135	270,123,629
Net balance		301,484,433		201,205,494



Banking Business

Concepts - Statement of Financial Position	Dec-31-14		Dec-31-13	
	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$
Intangible asset valuation difference	-	862,518	-	1,038,607
Fixed assets valuation difference	-	9,795,640	-	5,169,893
Capitalized prepaid expenses	-	32,057	-	34,569
Derivative instruments	-	349,321	-	1,043,934
Allowance for bad debts	16,132,440	-	13,433,577	-
Vacation accrual	634,101	-	626,514	-
Other accruals	2,169,284	-	1,005,972	-
Provision for estimated expenses	6,613,247	-	2,323,119	-
Total	25,549,072	11,039,536	17,389,182	7,287,003
Net balance	14,509,536		10,102,179	

d) Reconciliation of balance sheet amounts and deferred tax details:

Non-Banking business

Net balance according to tables presented above	Dec-31-14	Dec-31-13
Deferred tax assets	68,168,041	45,891,584
Deferred tax liabilities	396,652,474	247,097,078
Total	301,484,433	201,205,494

Banking Business

Net balance according to tables presented above	Dec-31-14	Dec-31-13
Deferred tax assets	14,509,536	10,717,632
Deferred tax liabilities	-	615,453
Total	14,509,536	10,102,179



Note 11 - Investments in Associates

a) Investments in associates Non-Banking Business

Information regarding the Company's direct and indirect investments in Associates in the Non-Banking Business as of December 31, 2014 and December 31, 2013, and income recognized as of December 31, 2014 and 2013 are detailed as follows:

Company	Country of Origin	Functional Currency	Dec-31-14 Participation Percentage %	Dec-31-13 Participation Percentage %	Dec-31-14 Carrying Amount ThCh\$	Dec-31-13 Carrying Amount ThCh\$	Dec-31-14 Income for the Period ThCh\$	Dec-31-13 Income for the Period ThCh\$
Sodimac Colombia S.A.	Colombia	COL	49.00%	49.00%	79,216,520	82,810,858	17,943,797	13,675,811
Aventura Plaza S.A. ⁽¹⁾	Peru	PEN	60.00%	60.00%	83,822,215	65,670,471	8,196,356	4,155,270
Italmod S.A. ⁽²⁾	Chile	Ch\$	0.00%	0.00%	-	-	-	142,989
Inmobiliaria Cervantes S.A.	Chile	Ch\$	33.70%	33.70%	295,564	293,917	15,792	14,573
Total					163,334,299	148,775,246	26,155,945	17,988,643

⁽¹⁾ The Company directly or indirectly has 60% interest in Aventura Plaza S.A. (49% effective interest). This company has been recorded using the equity method and not as a subsidiary, since The Company does not have control over its operating and financial activities by agreement between its shareholders.

⁽²⁾ On June 6, 2013, the Company sold 50% of its stake in Italmod S.A. for ThCh\$ 5,000,000.

b) Investments in Associates - Banking Business

Information regarding the Company's direct and indirect investments in associates in the Banking Business as of December 31, 2014 and December 31, 2013, and income recognized as of December 31, 2014 and December 31, 2013 is detailed as follows:

Company	Country of Origin	Functional Currency	Dec-31-14 Participation Percentage %	Dec-31-13 Participation Percentage %	Dec-31-14 Carrying Amount ThCh\$	Dec-31-13 Carrying Amount ThCh\$	Dec-31-14 Income for the Period ThCh\$	Dec-31-13 Income for the Period ThCh\$
Unibanca S.A.	Peru	PEN	20.19%	20.19%	1,910,151	1,621,617	358,358	305,005
Total					1,910,151	1,621,617	358,358	305,005

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Summarized information on associates:

Summarized financial information on associates as of December 31, 2014 and as of December 31, 2013, and information about results as of December 31, 2014 and December 31, 2013 is detailed as follows:

Associate	Information as of December 31, 2014					Information as of December 31, 2014	
	Total Assets	Total Assets	Total Liabilities	Total Liabilities	Goodwill from	Revenues	Income for
	Current	Non-current	Current	Non-current	investments		the period
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Sodimac Colombia S.A.	184,072,598	278,797,528	183,156,085	127,919,998	4,837,439	816,641,004	36,619,993
Aventura Plaza S.A.	36,773,071	234,804,484	46,598,762	85,275,102	-	30,231,696	13,660,593
Unibanca S.A.	4,525,462	6,140,896	1,205,950	-	-	5,640,077	1,774,840
Inmobiliaria Cervantes S.A.	33,041	453,078	47,702	-	147,817	55,971	46,862
Total	225,404,172	520,195,986	231,008,499	213,195,100	4,985,256	852,568,748	52,102,288

Associate	Information as of December 31, 2013					Information as of December 31, 2013	
	Total Assets	Total Assets	Total Liabilities	Total Liabilities	Goodwill from	Revenues	Income for
	Current	Non-current	Current	Non-current	investments		the period
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Sodimac Colombia S.A.	189,689,396	284,624,910	181,408,887	134,565,778	5,224,434	682,849,119	27,909,819
Aventura Plaza S.A.	16,910,767	203,237,103	23,548,151	87,148,933	-	23,536,224	6,925,449
Unibanca S.A.	4,046,777	5,395,307	1,410,699	-	-	4,958,507	1,510,599
Inmobiliaria Cervantes S.A.	32,839	442,203	41,512	-	147,817	53,740	43,243
Total	210,679,779	493,699,523	206,409,249	221,174,711	5,372,251	711,397,590	36,389,110

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- d) Movements of investments in associates for the period ended December 31, 2014 are detailed as follows:

Changes in investments in associates	Non-banking Business ThCh\$	Banking Business ThCh\$	Consolidated Total ThCh\$
Beginning balance as of December 31, 2013	148,775,246	1,621,617	150,396,863
Share in profits (losses)	26,155,945	358,358	26,514,303
Dividends received	(14,834,699)	(202,870)	(15,037,569)
Investment contributions 2014	4,571,220	-	4,571,220
Conversion adjustment and other reserves	(1,333,413)	133,046	(1,200,367)
Total change in associated parties	14,559,053	288,534	14,847,587
Ending balance of investments in associates using the equity method as of December 31, 2014	163,334,299	1,910,151	165,244,450

- e) The movements of investments in associates for the fiscal year ended December 31, 2013 are as follows:

Change in investments in associates	Non-banking Business ThCh\$	Banking Business ThCh\$	Consolidated Total ThCh\$
Beginning balance as of December 31, 2012	135,636,671	1,900,837	137,537,508
Share in profit (loss) of investments in associates for 2013	17,988,643	305,005	18,293,648
Dividends received	(6,347,408)	(569,812)	(6,917,220)
2013 investment contributions	5,281,209	-	5,281,209
Derecognition due to sale of Italmod	(3,839,423)	-	(3,839,423)
Conversion adjustment and other reserves	55,554	(14,413)	41,141
Total changes in associated entities	13,138,575	(279,220)	12,859,355
Final balance for investments in associates using the equity method as of December 31, 2013	148,775,246	1,621,617	150,396,863

There are no significant restrictions for distribution of dividends and cancellation of debts on the part of associates, due to regulatory issues or related to their debt commitment.



Note 12 - Intangible Assets other than Goodwill

Intangible Assets other than Goodwill - Non-Banking Business

a) Intangible assets in the Non-Banking Business are detailed as follows:

Intangible assets, net	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Intangible assets with defined useful lives, net	103,996,635	56,761,693
Intangible assets with indefinite useful lives	129,506,680	129,091,072
Total Intangibles, Net	233,503,315	185,852,765

a.1) Intangible assets in the Non-Banking Business are detailed as follows:

Breakdown of Intangible Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Internal software development	63,985,978	44,619,508
Licenses and software programs	82,511,366	68,206,355
Patents, registered trademarks and other rights	20,794,336	5,065,520
Other identifiable intangible assets	22,612,534	7,686,947
Commercial brands (indefinite useful lives)	129,506,680	129,091,072
Subtotal	319,410,894	254,669,402
Accumulated amortization (less)	(85,907,579)	(68,816,637)
Total, net	233,503,315	185,852,765

a.2) Intangible assets with indefinite useful lives in the Non-Banking Business are detailed as follows:

Significant intangible assets that are individually identifiable	Remaining amortization period	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
Sodimac Commercial Brand	Indefinite	110,641,102	110,641,102
Imperial Commercial Brand	Indefinite	2,239,800	2,239,800
Dicico Commercial Brand	Indefinite	16,625,778	16,210,170
Total		129,506,680	129,091,072

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



a.3) Movements of Intangible Assets other than Goodwill in the Non-Banking Business as of December 31, 2014, are detailed as follows:

Gross balance	Internal development of software	Information licenses & programs	Patents, registered brands & other rights	Other identifiable intangible assets	Commercial brands (indefinite useful lives)	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-01-2014	44,619,508	68,206,355	5,065,520	7,686,947	129,091,072	254,669,402
Additions due to internal development	19,309,933	-	-	-	-	19,309,933
Purchased additions	-	12,921,432	124,656	3,173,160	-	16,219,248
Acquisitions through business combinations ⁽¹⁾	-	1,664,232	16,601,278	12,352,850	-	30,618,360
Transfer between headings	56,537	249,751	(306,288)	-	-	-
Withdrawals	-	(121,365)	(300,000)	-	-	(421,365)
Conversion adjustment	-	(409,039)	(390,830)	(600,423)	415,608	(984,684)
Balance as of Dec-31-2014	63,985,978	82,511,366	20,794,336	22,612,534	129,506,680	319,410,894

Amortization	Internal development of software	Information licenses & programs	Patents, registered brands & other rights	Other identifiable intangible assets	Commercial brands (indefinite useful lives)	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-01-2014	13,797,727	48,846,246	2,006,632	4,166,032	-	68,816,637
Amortization for the year	6,297,217	8,717,223	993,072	1,954,392	-	17,961,904
Withdrawals	-	(66,771)	(230,000)	-	-	(296,771)
Conversion adjustment	-	(34,853)	(202,496)	(336,842)	-	(574,191)
Balance as of Dec-31-2014	20,094,944	57,461,845	2,567,208	5,783,582	-	85,907,579
Carrying amount, net as of Jan-01-14	30,821,781	19,360,109	3,058,888	3,520,915	129,091,072	185,852,765
Carrying amount, net as of Dec-31-14	43,891,034	25,049,521	18,227,128	16,828,952	129,506,680	233,503,315

⁽¹⁾ Intangible Assets acquired along with Maestro Perú S.A. (Note 40)

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



a.4) Movements of Non-Banking Business Intangible Assets other than Goodwill as of December 31, 2013 are detailed as follows:

Gross balance	Internal software development	Licenses and information programs	Patents, registered trademarks and other rights	Other identifiable intangible assets	Commercial brands (indefinite useful lives)	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan.-01-13	37,961,478	58,763,458	3,225,353	4,966,638	112,880,902	217,797,829
Additions due to internal development	6,658,030	-	-	-	-	6,658,030
Additions due to purchases	-	8,535,312	965,828	2,603,997	-	12,105,137
Acquisitions through business combinations	-	1,810,321	854,674	-	16,210,170	18,875,165
Withdrawals	-	(19,461)	-	-	-	(19,461)
Disposals	-	(174,181)	-	-	-	(174,181)
Intangible transfer to Property, Plant and Equipment	-	(271,248)	-	-	-	(271,248)
Conversion adjustment	-	(438,522)	19,665	116,988	-	(301,869)
Other increases (decreases)	-	676	-	(676)	-	-
Balance as of Dec-31-13	44,619,508	68,206,355	5,065,520	7,686,947	129,091,072	254,669,402

Amortization	Internal software development	Licenses and information programs	Patents, registered trademarks and other rights	Other identifiable intangible assets	Commercial brands (indefinite useful lives)	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan.-01-13	8,392,525	40,724,496	1,334,390	2,873,507	-	53,324,918
Amortization for the year	5,405,202	7,828,190	347,557	1,193,649	-	14,774,598
Acquisitions through business combinations	-	865,833	300,208	-	-	1,166,041
Withdrawals	-	(2,612)	-	-	-	(2,612)
Disposals	-	(143,373)	-	-	-	(143,373)
Intangible transfer to Property, Plant and Equipment	-	(114,139)	-	-	-	(114,139)
Conversion adjustment	-	(312,149)	24,477	98,876	-	(188,796)
Balance as of Dec-31-13	13,797,727	48,846,246	2,006,632	4,166,032	-	68,816,637

Net carrying amount as of Jan.-01-13	29,568,953	18,038,962	1,890,963	2,093,131	112,880,902	164,472,911
Net carrying amount as of Dec-31-13	30,821,781	19,360,109	3,058,888	3,520,915	129,091,072	185,852,765

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



b) Intangibles - Banking Business:

b.1) Banking Business Intangible Assets are detailed a follows:

Breakdown of Intangible Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Internal software development	38,047,712	33,992,843
Licenses and IT programs	15,915,886	9,248,639
Subtotal	53,963,598	43,241,482
Accumulated amortization (less)	(30,194,333)	(23,262,841)
Total, net	23,769,265	19,978,641

b.2) The Banking Business Intangible Assets movements as of December 31, 2014 correspond to:

Gross balance	Internal software development ThCh\$	Licenses and IT programs ThCh\$	Total ThCh\$
Balance as of Jan.-01-14	33,992,843	9,248,639	43,241,482
Additions due to internal development	3,406,659	-	3,406,659
Additions due to purchases	-	7,044,250	7,044,250
Withdrawals	(186,832)	-	(186,832)
Conversion adjustment	835,042	(377,003)	458,039
Balance as of December-31-2014	38,047,712	15,915,886	53,963,598

Amortization	Internal software development ThCh\$	Licenses and information programs ThCh\$	Total ThCh\$
Balance as of Jan.-01-14	18,629,212	4,633,629	23,262,841
Amortization for the period	4,068,270	2,636,950	6,705,220
Withdrawals	(186,832)	-	(186,832)
Conversion adjustment	518,667	(105,563)	413,104
Balance as of December-31-2014	23,029,317	7,165,016	30,194,333

Net carrying amount as of Jan.-01-2014	15,363,631	4,615,010	19,978,641
Net carrying amount as of Dec-31-2014	15,018,395	8,750,870	23,769,265



b.3) The Banking Business Intangible Asset movements as of December 31, 2013 are detailed as follows:

Gross balance	Internal software development	Licenses and information programs	Total
	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan.-01-13	24,636,114	6,040,288	30,676,402
Additions due to internal development	4,855,578	-	4,855,578
Additions due to purchases	-	3,159,546	3,159,546
Transfer of Property, Plant and Equipment to Intangible Assets	4,480,497	-	4,480,497
Conversion adjustment	20,654	48,805	69,459
Balance as of Dec-31-2013	33,992,843	9,248,639	43,241,482

Amortization	Internal software development	Licenses and information programs	Total
	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan.-01-13	15,049,047	3,181,321	18,230,368
Amortization for the year	3,559,206	1,425,743	4,984,949
Conversion adjustment	20,959	26,565	47,524
Balance as of Dec-31-13	18,629,212	4,633,629	23,262,841

Net carrying amount as of Jan.-01-2013	9,587,067	2,858,967	12,446,034
Net carrying amount as of Dec-31-2013	15,363,631	4,615,010	19,978,641

c) Other information on intangible assets:

c.1) As of December 31, 2014 there are no identifiable intangible assets in use that are fully amortized.

c.2) Amortization of intangibles are presented in the statement of comprehensive income as follows:

- Th\$24,666,955 and Th\$19,759,547 under the category “Administrative expenses” as of December 31, 2014 and December 31, 2013, respectively as presented in Note 29.
- In addition the amount of Th\$169 is imputed to the category “Cost of sales” as of December 31, 2014.

c.3) The Company performs annual impairment tests on intangible assets with indefinite useful lives, which did not result in adjustments to values recognized by the Company.



Note 13 - Goodwill

Goodwill from Non-Banking Business is detailed as follows:

Goodwill description	Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
Sodimac S.A.	205,688,300	205,688,300
Imperial S.A.	13,836,495	13,836,495
Hipermercados Tottus S.A.	14,575,143	14,575,143
Inverfal S.A.	5,354,756	5,354,756
Plaza Oeste S.A.	10,770,845	10,770,845
Plaza Del Trébol S.A.	3,946,308	3,946,308
Clamijú S.A.	164,403	186,456
Plaza Tobalaba S.A.	1,558,544	1,558,544
Plaza La Serena S.A.	418,818	418,818
Mall Calama S.A.	357,778	357,778
Inmobiliaria Las Condes S.A.	3,457,846	3,457,846
Construdecor S.A.	38,909,397	37,961,677
Maestro Perú S.A. ⁽¹⁾	163,486,712	-
Total	462,525,345	298,112,966

⁽¹⁾ See Note 40.

Goodwill impairment is determined through evaluating the recoverable amount of the cash generating units (or group of cash generating units) to which goodwill is related.

When the recoverable amount of the cash generating units (or groups of cash generating units) is less than the carrying amount of the cash generating units (or group of cash generating units) to which the goodwill has been allocated, an impairment loss is recognized. Impairment losses related to goodwill cannot be reversed in future periods.

Impairment of intangible assets with indefinite useful lives is tested annually at an individual or cash generating unit level, as applicable.

The Company tests impairment of goodwill annually and these tests have not implied adjustments to the recognized values.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Goodwill by segments as of December 31, 2014 and as of December 31, 2013 is detailed as follows:

Segment	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Home improvement	421,920,904	257,486,472
Real estate	20,510,139	20,510,139
Supermarkets	14,575,143	14,575,143
Other business	5,354,756	5,354,756
Argentina	164,403	186,456
Total Goodwill by Segment	462,525,345	298,112,966

The company performed the goodwill impairment test on December 31, 2014, considering the terms of the accounting policies (Note 2.12). The value-in-use method was used, based on the future cash flows that are generated by the assets associated with goodwill.

The primary parameters and indicators used to evaluate impairment are:

- Growth of sales and operating margins.
- Administrative and sales expenses, as a function of sales growth.
- Investments in investment properties, and in property, plant and equipment.
- Discount rates applied in the December 2014 evaluation fluctuate between 6.5% and 16%.

As a result of the tests applied, no losses in the value of goodwill of S.A.C.I. Falabella were determined.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 14 - Property, Plant and Equipment

a) The composition by class of Non-Banking Business Property, Plant and Equipment is detailed as follows:

Description	Dec-31-14			Dec-31-13		
	Gross value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$	Gross Value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$
Land	540,221,009	-	540,221,009	352,903,418	-	352,903,418
Buildings	776,429,013	(85,172,376)	691,256,637	613,572,020	(69,545,203)	544,026,817
Plant and equipment	294,455,764	(128,894,849)	165,560,915	230,100,605	(106,863,966)	123,236,639
Information technology equipment	33,397,657	(20,277,883)	13,119,774	28,062,535	(17,314,770)	10,747,765
Fixed installations and accessories	722,523,127	(244,980,610)	477,542,517	595,318,426	(190,834,465)	404,483,961
Motor vehicles	4,759,136	(2,902,613)	1,856,523	4,371,909	(2,431,443)	1,940,466
Leasehold improvements	118,910,316	(46,666,717)	72,243,599	84,227,276	(32,844,160)	51,383,116
Construction in progress	60,500,615	-	60,500,615	87,883,544	-	87,883,544
Other property, plant and equipment ⁽¹⁾	186,528,641	(89,134,322)	97,394,319	165,953,009	(71,382,166)	94,570,843
Total Property, Plant and Equipment	2,737,725,278	(618,029,370)	2,119,695,908	2,162,392,742	(491,216,173)	1,671,176,569

⁽¹⁾ Correspond primarily to furniture and equipment.

b) The composition according to class of Property, Plant and Equipment for the Banking Business is as follows:

Description	Dec-31-14			Dec-31-13		
	Gross value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$	Gross Value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$
Plant and Equipment	12,879,418	(5,022,536)	7,856,882	10,614,188	(3,839,233)	6,774,955
Information technology equipment	21,419,817	(13,154,547)	8,265,270	17,815,931	(10,389,096)	7,426,835
Fixed installations and accessories	8,157,487	(3,485,289)	4,672,198	6,347,234	(2,794,971)	3,552,263
Motor vehicles	89,302	(74,857)	14,445	74,264	(71,031)	3,233
Leasehold improvements	22,190,126	(7,916,702)	14,273,424	19,934,393	(5,041,240)	14,893,153
Construction in progress	276,660	-	276,660	1,231,821	-	1,231,821
Other property, plant and equipment ⁽¹⁾	7,990,426	(6,414,741)	1,575,685	7,953,408	(5,660,578)	2,292,830
Total Property, Plant and Equipment	73,003,236	(36,068,672)	36,934,564	63,971,239	(27,796,149)	36,175,090

⁽¹⁾ Correspond primarily to furniture and equipment

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Movements of the Non-Banking Business for the period ended as of December 31, 2014 are detailed as follows:

Cost	Land	Buildings	Plant & equipment	Information technology equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant & equipment	Property, plant & equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-01-2014	352,903,418	613,572,020	230,100,605	28,062,535	595,318,426	4,371,909	84,227,276	87,883,544	165,953,009	2,162,392,742
Additions	(1) 62,590,168	33,717,693	38,544,770	6,520,069	90,125,783	621,237	28,793,316	75,641,024	18,257,951	354,812,011
Acquisitions through business combinations (2)	119,423,242	83,205,926	28,406,291	-	8,213,822	16,162	-	1,134,006	970,939	241,370,388
Transfer to investment property	-	-	-	-	-	-	-	(6,771,573)	-	(6,771,573)
Disposals	-	(3,390,435)	(3,829,821)	(323,825)	(2,413,661)	(185,535)	(132,854)	(148,836)	(1,206,096)	(11,631,063)
Withdrawals	(133,872)	(886,753)	(11,045,974)	(801,082)	(10,724,118)	(696)	(1,133,885)	-	(1,963,242)	(26,689,622)
Reclassification of concept and capitalization	-	48,188,829	11,263,125	220,154	37,658,286	(60,214)	12,999	(98,875,099)	1,591,920	-
Conversion adjustment	5,438,053	2,021,733	1,016,768	(280,194)	4,344,589	(3,727)	7,143,464	1,637,549	2,924,160	24,242,395
Balance as of Dec-31-2014	540,221,009	776,429,013	294,455,764	33,397,657	722,523,127	4,759,136	118,910,316	60,500,615	186,528,641	2,737,725,278

Depreciation	Land	Buildings	Plant & equipment	Information technology equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant & equipment	Property, plant & equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-01-2014	-	69,545,203	106,863,966	17,314,770	190,834,465	2,431,443	32,844,160	-	71,382,166	491,216,173
Depreciation for the year	-	17,259,491	33,681,395	3,635,807	60,647,217	600,371	12,634,115	-	18,330,405	146,788,801
Transfer to investment property	-	12,455	-	-	(51,359)	-	-	-	-	(38,904)
Disposals	-	(1,215,458)	(3,268,211)	(272,833)	(988,075)	(113,348)	(87,745)	-	(1,065,580)	(7,011,250)
Withdrawals	-	(814,106)	(8,871,050)	(736,217)	(7,835,296)	(440)	(866,259)	-	(1,550,331)	(20,673,699)
Conversion adjustment	-	384,791	488,749	336,356	2,373,658	(15,413)	2,142,446	-	2,037,662	7,748,249
Balance as of Dec-31-2014	-	85,172,376	128,894,849	20,277,883	244,980,610	2,902,613	46,666,717	-	89,134,322	618,029,370

Net balance as of Jan-01-2014	352,903,418	544,026,817	123,236,639	10,747,765	404,483,961	1,940,466	51,383,116	87,883,544	94,570,843	1,671,176,569
Net balance as of Dec-31-2014	540,221,009	691,256,637	165,560,915	13,119,774	477,542,517	1,856,523	72,243,599	60,500,615	97,394,319	2,119,695,908

(1) Includes ThCh\$ 25,944,825 for acquisition of a new company which is not a business combination.

(2) Property, Plant and Equipment acquired along with Maestro Perú S.A. (Note 40)

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



d) Movements of the Non-Banking Business for the fiscal year ended as of December 31, 2013 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Fixed Assets ThCh\$
Balance as of Jan.-01-13	333,458,074	551,768,883	210,850,068	23,576,736	517,209,007	3,284,251	49,376,980	60,313,759	139,600,469	1,889,438,227
Additions	20,241,668	42,524,723	36,345,886	3,916,167	51,368,104	911,920	706,732	157,083,469	14,543,125	327,641,794
Acquisitions through business combinations	4,731,471	4,709,485	1,608,863	1,283,658	6,042,431	330,116	17,733,886	816,627	595,090	37,851,627
Transfer from Intangible Assets	-	4,263,712	102,684	(12,742)	(3,106,300)	(61,995)	-	-	(914,111)	271,248
Disposals	(5,247,427)	(773,297)	(1,116,569)	(226,978)	(1,572,602)	(9,232)	-	(9,557,784)	(1,072,443)	(19,576,332)
Withdrawals	-	(3,056,996)	(38,383,015)	(649,958)	(9,962,194)	(61,702)	(4,109,770)	-	(3,787,739)	(60,011,374)
Reclassification of concept and capitalization	-	16,550,943	21,144,878	1,128,266	41,987,730	-	20,923,093	(120,610,001)	18,875,091	-
Conversion adjustment	(280,368)	(2,415,433)	(452,190)	(952,614)	(6,647,750)	(21,449)	(403,645)	(162,526)	(1,886,473)	(13,222,448)
Balance as of Dec-31-13	352,903,418	613,572,020	230,100,605	28,062,535	595,318,426	4,371,909	84,227,276	87,883,544	165,953,009	2,162,392,742

Depreciation	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Fixed Assets ThCh\$
Balance as of Jan.-01-13	-	53,805,059	114,086,780	13,751,548	147,553,556	1,959,552	20,808,732	-	59,069,370	411,034,597
Depreciation for the period	-	14,653,505	29,244,291	3,422,110	50,027,325	464,014	8,742,489	-	16,540,978	123,094,712
Acquisitions through business combinations	-	-	617,587	950,809	1,958,402	101,376	7,672,327	-	242,473	11,542,974
Transfer from Intangible Assets	-	1,181,956	122,694	(12,791)	(724,544)	(36,854)	-	-	(419,634)	110,827
Disposals	-	(5,967)	(905,479)	(212,922)	(390,111)	(9,232)	-	-	(771,670)	(2,295,381)
Withdrawals	-	(5,029)	(35,436,235)	(380,860)	(4,379,408)	(31,717)	(3,976,494)	-	(2,049,368)	(46,259,111)
Conversion adjustment	-	(84,321)	(865,672)	(203,124)	(3,210,755)	(15,696)	(402,894)	-	(1,229,983)	(6,012,445)
Depreciation as of Dec-31-13	-	69,545,203	106,863,966	17,314,770	190,834,465	2,431,443	32,844,160	-	71,382,166	491,216,173

Net balance as of Jan.-01-13	333,458,074	497,963,824	96,763,288	9,825,188	369,655,451	1,324,699	28,568,248	60,313,759	80,531,099	1,478,403,630
Net balance as of Dec-31-13	352,903,418	544,026,817	123,236,639	10,747,765	404,483,961	1,940,466	51,383,116	87,883,544	94,570,843	1,671,176,569

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



e) Banking Business movements for the period ended as of December 31, 2014 are detailed as follows:

Cost	Plant & equipment	Information technology equipment	Fixed installations & accessories	Motor vehicles	Leasehold improvements	Constructions in progress	Other property, plant & equipment	Property, plant & equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-01-2014	10,614,188	17,815,931	6,347,234	74,264	19,934,393	1,231,821	7,953,408	63,971,239
Additions	2,562,684	3,269,284	-	14,031	2,727,809	790,212	199,833	9,563,853
Disposals	(431,941)	(364)	-	-	-	-	(348,565)	(780,870)
Withdrawals	(6,214)	(1,822)	(460,422)	-	-	-	(60,384)	(528,842)
Reclassification of concept and capitalization	93,269	1,188	1,717,228	-	-	(1,831,155)	19,470	-
Conversion adjustment	47,432	335,600	553,447	1,007	(472,076)	85,782	226,664	777,856
Balance as of Dec-31-2014	12,879,418	21,419,817	8,157,487	89,302	22,190,126	276,660	7,990,426	73,003,236

Depreciation	Plant & equipment	Information technology equipment	Fixed installations & accessories	Motor vehicles	Leasehold improvements	Constructions in progress	Other property, plant & equipment	Property, plant & equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-01-2014	3,839,233	10,389,096	2,794,971	71,031	5,041,240	-	5,660,578	27,796,149
Depreciation for the year	1,447,523	2,481,585	723,409	3,005	3,128,326	-	1,000,619	8,784,467
Disposals	(302,998)	(127)	-	-	-	-	(338,443)	(641,568)
Withdrawals	(4,067)	-	(275,120)	-	-	-	(56,363)	(335,550)
Conversion adjustment	42,845	283,993	242,029	821	(252,864)	-	148,350	465,174
Balance as of Dec-31-2014	5,022,536	13,154,547	3,485,289	74,857	7,916,702	-	6,414,741	36,068,672

Net balance as of Jan-01-2014	6,774,955	7,426,835	3,552,263	3,233	14,893,153	1,231,821	2,292,830	36,175,090
Net balance as of Dec-31-2014	7,856,882	8,265,270	4,672,198	14,445	14,273,424	276,660	1,575,685	36,934,564

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



f) Banking Business movements for the period ended as of December 31, 2013 are detailed as follows:

Cost	Plant and equipment	Information technology equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Constructions in progress	Other property, plant and equipment	Fixed Assets
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan.-01-13	11,176,741	14,613,267	5,562,744	74,307	15,087,897	127,115	9,565,283	56,207,354
Additions	2,185,822	3,187,309	947,875	-	4,940,050	4,490,247	2,894,210	18,645,513
Transfer to Intangible Assets	-	-	-	-	-	-	(4,480,497)	(4,480,497)
Disposals and Transfers	(2,755,291)	-	-	-	(143,738)	(143,738)	(10,780)	(6,310,539)
Withdrawals	(200)	(11,137)	(162,507)	-	-	-	(11,695)	(185,539)
Conversion adjustment	7,116	26,492	(878)	(43)	50,184	50,189	(3,113)	94,947
Balance as of Dec-31-13	10,614,188	17,815,931	6,347,234	74,264	19,934,393	1,231,821	7,953,408	63,971,239

Depreciation	Plant and equipment	Information technology equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Constructions in progress	Other property, plant and equipment	Fixed Assets
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan.-01-13	2,985,061	8,787,630	2,355,838	68,153	2,529,489	-	4,548,946	21,275,117
Depreciation for the period	1,033,347	1,597,758	524,887	2,846	2,463,251	-	1,131,080	6,753,169
Disposals and Transfers	(184,004)	-	-	-	-	-	(10,659)	(194,663)
Withdrawals	-	(10,944)	(90,294)	-	-	-	(8,846)	(110,084)
Conversion adjustment	4,829	14,652	4,540	32	48,500	-	57	72,610
Depreciation as of Dec-31-13	3,839,233	10,389,096	2,794,971	71,031	5,041,240	-	5,660,578	27,796,149

Net balance as of Jan.-01-13	8,191,680	5,825,637	3,206,906	6,154	12,558,408	127,115	5,016,337	34,932,237
Net balance as of Dec-31-13	6,774,955	7,426,835	3,552,263	3,233	14,893,153	1,231,821	2,292,830	36,175,090

Property, plant and equipment that have been fully depreciated and are still used by the Company are not significant.

The total charge to income resulting from depreciation for the period ended December 31, 2014 and December 31, 2013 corresponds to ThCh\$ 155,573,268 and ThCh\$129,847,881 respectively. These values are presented in the Income Statement, by function, as follows:

- ThCh\$ 151,934,024 and ThCh\$ 126,029,355, under the item Administrative expenses as of December 31, 2014 and December 31, 2013, as presented in Note 29.
- Additionally, ThCh\$ 3,639,244 and ThCh\$ 3,818,528 are charged under the item Sales Cost as of December 31, 2014 and December 31, 2013, respectively, which corresponds to the depreciation of leased machinery.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- g) During the period from January to December 2014, the Company capitalized interest in the amount of ThCh\$2,434,924. The average financing interest rate applied for capitalization was 6.36% and during the period from January to December 2013, the Company capitalized interest in the amount of ThCh\$3,149,875. The average financing interest rate applied for capitalization was 7.61%.

As of December 31, 2014, the Company had assumed contractual commitments with providers for the acquisition of Property, Plant and Equipment totaling ThCh\$ 19,152,113.

The group maintains assets delivered in guarantee in an amount totaling ThCh\$ 64,189,878 as of December 31, 2014, which form part of Property, Plant and Equipment.

The Group has entered into financial leases to develop its activities. Assets under financial leases included as part of property, plant and equipment balances in the Non-Banking Business are detailed as follows:

Description of Assets under Financial Leases	Dec-31-14			Dec-31-13		
	Gross value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$	Gross value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$
Buildings	98,555,848	(8,886,888)	89,668,960	72,041,061	(7,185,687)	64,855,374
Plant and equipment	20,381,454	(5,991,223)	14,390,231	7,330,542	(5,647,678)	1,682,864
Information technology equipment	3,012,171	(2,668,632)	343,539	3,410,512	(3,035,885)	374,627
Fixed installations and accessories	79,402,270	(34,770,480)	44,631,790	54,658,805	(24,079,441)	30,579,364
Other property, plant and equipment	19,231,903	(13,949,882)	5,282,021	36,859,438	(21,227,113)	15,632,325
Total	220,583,646	(66,267,105)	154,316,541	174,300,358	(61,175,804)	113,124,554

The following table details the minimum payments associated to financial lease contracts and their present value, presented in the statement of financial position as Other Financial Liabilities (Note 18):

Description	Dec-31-14			Dec-31-13		
	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$
Up to one year	25,835,949	(4,795,656)	21,040,293	20,654,758	(4,819,790)	15,834,968
More than one up to five years	67,274,625	(9,940,495)	57,334,130	57,855,728	(10,414,720)	47,441,008
More than five years	26,367,896	(4,165,804)	22,202,092	15,614,889	(2,362,675)	13,252,214
Total	119,478,470	(18,901,955)	100,576,515	94,125,375	(17,597,185)	76,528,190

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



h) In addition, the Company has performed sales transactions with leaseback. These transactions are detailed as follows:

Purchaser	Seller	Assets involved	Nominal value	Contract period	Purchase price
CITIBANK PERU	SODIMAC PERU S.A.	FACILITIES / PLANT & SUPPLIES	13,547,546	28-12-2018	13,547,546
BANCO CONTINENTAL (PERU)	SODIMAC PERU S.A.	MACHINES AND EQUIPMENT	238,418	19-08-2015	238,418
BANCO CONTINENTAL (PERU)	SODIMAC PERU S.A.	MACHINES AND EQUIPMENT	635,682	29-10-2015	635,682
BANCO CONTINENTAL (PERU)	SODIMAC PERU S.A.	MACHINES AND EQUIPMENT	186,479	20-01-2016	186,479
SCOTIABANK (PERU)	OPEN PLAZA S.A.C.	BUILDING / FACILITIES	6,040,408	09-05-2028	6,040,408
AVENTURA PLAZA S.A.	SAGA FALABELLA S.A. (PERU)	BUILDING	796,420	01-10-2044	796,420
BANCO FINANCIERO DEL PERU, FINBANCO	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	2,685,651	01-09-2015	2,685,651
BANCO CONTINENTAL (PERU)	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	7,445,234	01-02-2015	7,445,234
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A.	BUILDING	2,982,397	01-01-2019	2,982,397
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	3,767,274	01-07-2015	3,767,274
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A.	BUILDING	3,582,969	01-02-2020	3,582,969
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	4,082,681	01-09-2015	4,082,681
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A.	BUILDING	2,480,549	01-12-2021	2,480,549
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	2,137,900	01-06-2017	2,137,900
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	9,784,329	27-02-2018	9,784,329
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMERCADOS TOTTUS S.A.	BUILDING	1,262,594	27-02-2018	1,262,594
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMERCADOS TOTTUS S.A.	BUILDING	992,612	27-02-2018	992,612
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS S.A.	BUILDING	2,680,780	05-10-2017	2,680,780
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	7,355,399	05-10-2017	7,355,399
BANCO INTERAMERICANO DE FINANZAS (BIF) PERU	HIPERMERCADOS TOTTUS S.A.	BUILDING	2,085,058	14-10-2016	2,085,058
TOTAL			74,770,380		74,770,380

There are no significant clauses in the current leases, since they operate under normal terms for these types of contracts.

When performing sales transactions with leaseback, there are no resulting effects, because the sale prices are equivalent to the accounting values of the assets involved at the date of the transaction.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



i) Group as lessee - Operating Lease

The Company leases certain assets under operating lease agreements to develop its activities. Obligations on minimum lease payments under operating lease contracts not cancelable as of December 31, 2014 and 2013 are detailed as follows:

Breakdown	Dec-31-14 Minimum payments ThCh\$	Dec-31-13 Minimum payments ThCh\$
Up to one year	84,919,542	67,929,699
From 1 year up to 5 years	296,708,183	256,007,477
More than five years	829,640,665	567,744,043
Total	1,211,268,390	891,681,219

The Company does not have individually significant operating lease contracts or contracts that impose restrictions on the distribution of dividends, incurring in other lease contracts or incurring debt.

Lease installments and operating subleases recognized as expenses in each period are detailed as follows:

Items	Dec31-14 ThCh\$	Dec-31-13 ThCh\$
Minimum third party lease expense	93,326,535	77,346,947
Variable third party lease expense	26,520,194	23,085,822
Total	119,846,729	100,432,769

j) Group as lessor - Operating lease

The Company leases its Investment Properties as part of its operations. As of December 31, 2014 and 2013, the Company has the following rights receivable under non-cancellable leases:

Breakdown	Dec-31-14 Minimum payments receivable ThCh\$	Dec-31-13 Minimum payments receivable ThCh\$
Up to one year	140,705,313	115,415,903
From one year up to five years	338,486,200	304,531,227
More than five years	381,745,232	305,140,212
Total	860,936,745	725,087,342

The Company leases to third parties under local operating leases that form part of their “Investment Properties.” The lease agreements establish their term, lease installments and their calculation, the characteristics of the leased assets and other obligations related to the promotion, services and correct operation of various stores.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Fixed and variable lease income from Investment Properties are as follows:

Lease charged to third parties	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Fixed income	177,716,883	147,200,545
Variable income	13,959,574	13,425,570
Total	191,676,457	160,626,115

Leasing income in the amount of ThCh\$ 191,676,457 as of December 31, 2014 and of ThCh\$ 160,626,115 as of December 31, 2013 corresponds to leasing income receivable from third parties for all real estate companies of the Falabella Group. Conversely, in Note 35 Financial Information by Segments, the ordinary income from the Chile Real Estate Property segment corresponds to the total income receivable from third parties, and related to real estate companies in Chile.

Note 15 - Investment Property

a) Movements in the Group's Investment Property for the period as of December 31, 2014, are detailed as follows:

Cost	
Balance as of Jan-01-2014	1,999,914,070
Additions	180,148,455
Acquisition through business combinations ⁽¹⁾	42,195,451
Withdrawals	(1,301,674)
Reclassification from property, plant & equipment to investment properties	6,771,573
Transfer to non-current assets or disposal groups classified as available for sale	(4,571,112)
Conversion adjustment	(5,087,488)
Balance as of Dec-31-2014	2,218,069,275

Depreciation	
Balance as of Jan-01-2014	71,853,857
Depreciation for the year	24,201,860
Withdrawals	(179,017)
Reclassification from property, plant & equipment to investment properties	38,904
Conversion adjustment	111,020
Balance as of Dec-31-2014	96,026,624

Net balance as of Jan-01-2014	1,928,060,213
Net balance as of Dec-31-2014	2,122,042,651

⁽¹⁾ Investment Property acquired along with Maestro Perú S.A. (Note 40)

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



b) Movements in the Group's investment properties as of December 31, 2013 are detailed as follows:

Cost	
Beginning balance as of Jan-01-2013	1,804,706,471
Additions	185,810,312
Acquisitions through business combinations	19,915,750
Withdrawals	(2,240,602)
Reclassification to Property, Plant and Equipment Occupied by the Group	(7,918,710)
Conversion adjustment	(198,151)
Final balance as of Dec-31-2013	1,999,914,070

Depreciation	
Beginning balance as of Jan-01-2013	54,032,745
Depreciation for the year	17,777,640
Conversion adjustment	43,472
Final balance as of Dec-31-2013	71,853,857

Net balance as of Jan-01-2013	1,750,673,726
Net balance as of Dec-31-2013	1,928,060,213

Note 28.1.c includes a breakdown of the Costs of Investment Properties, including the depreciation of these assets, separately.

Investment properties include shopping centers, works in progress and available land that will be destined to future malls.

Investment properties are depreciated using the straight-line method based on estimated useful lives.

Depreciation of the Company's investment properties for the periods January to December 2014 and January to December 2013 are recorded in the cost of sales line in the statement of comprehensive income.

During the period January through December, 2014, the Company has capitalized interest in the amount of ThCh\$15,611,311. The average financing interest rate applied for capitalization was 4.47%. During the period January through December 2013, the Company capitalized interest in the amount of ThCh\$ 7,177,824. The average financing interest rate applied for capitalization was 4.81%.

The estimated market value of investment properties as of December 31, 2014 and December 31, 2013 is ThCh\$ 2,788,718,558 and ThCh\$2,580,172,380, respectively.

As of December 31, 2014, the contractual obligations for purchasing, constructing, repairing, maintaining and developing Investment Properties totals ThCh\$ 141,977,823.

The Investment Properties that do not generate revenue as of December 31, 2014 and December 31, 2013 only comprise land without use in the amount of ThCh\$ 63,547,568 and ThCh\$ 50,695,861, respectively. There are no maintenance expenses associated with these properties, nor are there any restrictions on real estate investments, collection of income derived from the same or resources obtained from their disposal by other means.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The market value hierarchy according to IFRS 13 is as follows:

	Fair value measured at end of reporting period			
	Dec-31-14	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	2,788,718,558	-	2,788,718,558	-
Total	2,788,718,558	-	2,788,718,558	-

	Fair value measured at end of reporting period			
	Dec-31-13	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	2,580,172,380	-	2,580,172,380	-
Total	2,580,172,380	-	2,580,172,380	-

Note 16 - Other Non-Financial Non-Current Assets

The following Non-Current, Non-Financial Assets for the Non-Banking Business are classified in this category:

Breakdown of Other Non-Current, Non-Financial Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Guarantees	2,148,191	1,754,019
Prepaid Rent	26,911,697	25,270,805
Non-current receivable tax	1,883,854	2,800,779
Rights receivable	1,298,799	752,219
Prepaid expenses	446,316	221,768
Total	32,688,857	30,799,590

Note 17 - Other Banking Business Assets

The following Banking Business Assets are classified in this category:

Other Assets	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Advances to suppliers	46,045	71,973
Guarantee deposits	405,234	405,054
Accrued fees receivable	3,860,088	2,545,286
Deferred expenses	786,246	1,911,047
Affiliates fees	201,946	787,599
Receivable items, remote channels	1,575,949	1,192,699
Accounts and invoices receivable ⁽¹⁾	6,562,727	7,086,049
Investment in line of business auxiliary company	228,429	228,429
Assets acquired in auctions	629,428	744,988
Software maintenance contracts	116,611	54,521
Other ⁽²⁾	1,772,080	1,568,347
Total	16,184,783	16,595,992

⁽¹⁾ Correspond primarily to “pending operations” for daily transactions, accounts receivable for the use of ATMs, invoices for leasing of spaces in subsidiaries, and others.

⁽²⁾ Correspond primarily to license for use of Redbanc, subscriptions, advertising contracts, balances due to card theft and cloning under investigation, stationary and other.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 18 - Other Current and Non-Current Financial Liabilities

a) Other current and non-current financial liabilities for the Non-banking Business are detailed as follows:

Breakdown of Other Financial Liabilities	Dec-31-14		Dec-31-13	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Bank loans	673,675,359	586,679,955	472,654,086	557,299,439
Obligations with the public	35,457,212	1,663,451,417	147,036,596	1,101,386,809
Financial lease obligations	21,040,293	79,536,222	15,834,968	60,693,222
Other financial liabilities	6,356,725	4,692,917	5,772,229	1,085,879
Total	736,529,589	2,316,360,511	641,297,879	1,720,465,349

Dec-31-14

b) Bank loans as of December 31, 2014 are detailed as follow:

Creditor's Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of type of liabilities exposed to liquidity risk with expiration							Type of Amortization	Effective rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total non-Current				
BANCO BBVA (ARGENTINA)	ARS	10,927,160	-	-	10,927,160	-	-	-	Monthly	30.14	10,645,680	30.14
BANCO BBVA (ARGENTINA)	ARS	85,290	-	-	85,290	-	-	-	Monthly	27.00	85,290	27.00
BANCO BBVA (ARGENTINA)	ARS	32,678	-	-	32,678	-	-	-	Monthly	21.62	32,678	21.62
BANCO COMAFI (ARGENTINA)	ARS	2,525,395	-	-	2,525,395	-	-	-	Upon maturity	33.18	2,483,950	29.00
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	106,308	-	-	106,308	-	-	-	Monthly	24.25	106,308	24.25
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	29,331	-	-	29,331	-	-	-	Monthly	25.34	13,384	25.34
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	18,796	-	-	18,796	-	-	-	Monthly	25.00	18,770	25.00
BANCO DE LA CIUDAD DE BUENOS AIRES (ARGENTINA)	ARS	3,581,455	-	-	3,581,455	-	-	-	Monthly	27.06	3,539,248	27.06
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARS	54,270	106,132	-	160,402	-	-	-	Monthly	25.52	159,198	25.02
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARS	23,434	44,314	44,348	112,096	-	-	-	Monthly	21.31	110,891	19.93
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARS	16,251	31,931	-	48,182	-	-	-	Monthly	21.43	47,905	20.04
BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARS	4,278,933	-	-	4,278,933	-	-	-	Upon maturity	45.37	4,258,200	38.00
BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARS	2,321,835	-	-	2,321,835	-	-	-	Monthly	32.25	2,321,835	32.25
BANCO HSBC BANK ARGENTINA S.A.	ARS	6,059,788	-	-	6,059,788	-	-	-	Upon maturity	29.97	6,032,450	26.50
BANCO HSBC BANK ARGENTINA S.A.	ARS	23,988	1,963,008	-	1,986,996	-	-	-	Semiannual	24.88	5,890,510	23.50
BANCO HSBC BANK ARGENTINA S.A.	ARS	54,040	-	-	54,040	-	-	-	Monthly	18.00	53,869	18.00
BANCO ICBC (ARGENTINA)	ARS	180,140	1,954,998	5,819,734	7,954,872	17,504,096	-	17,504,096	Monthly	31.78	25,263,740	30.64
BANCO ICBC (ARGENTINA)	ARS	5,142,532	-	-	5,142,532	-	-	-	Monthly	32.46	5,008,514	32.46
BANCO ICBC (ARGENTINA)	ARS	29,992	827,983	1,655,967	2,513,942	-	-	-	Upon maturity	33.68	2,483,950	29.38
BANCO ICBC (ARGENTINA)	ARS	494,913	-	1,397,634	1,892,547	1,880,731	945,110	2,825,841	3 times a year	34.73	7,097,000	31.34

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor's Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of type of liabilities exposed to liquidity risk with expiration							Type of Amortization	Effective rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total non-Current				
BANCO ICBC (ARGENTINA)	ARS	11,672	173,495	520,485	705,652	694,136	-	694,136	Monthly	16.66	1,388,115	15.25
BANCO ICBC (ARGENTINA)	ARS	9,355	157,665	472,996	640,016	473,138	-	473,138	Monthly	16.32	1,103,800	15.25
BANCO ICBC (ARGENTINA)	ARS	150,274	-	442,724	592,998	495,311	-	495,311	Quarterly	35.10	2,483,950	31.24
BANCO ICBC (ARGENTINA)	ARS	173,618	-	-	173,618	-	-	-	Monthly	25.00	172,939	25.00
BANCO ICBC (ARGENTINA)	ARS	53,708	-	-	53,708	-	-	-	Monthly	25.00	53,708	25.00
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	66,322	4,253,650	-	4,319,972	-	-	-	Upon maturity	36.54	4,258,200	31.55
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	55,527	4,253,081	-	4,308,608	-	-	-	Upon maturity	36.71	4,258,200	31.68
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	2,035,723	-	-	2,035,723	-	-	-	Upon maturity	33.83	2,022,645	29.50
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	60,322	-	11,405,325	11,465,647	-	-	-	Upon maturity	39.15	11,568,110	33.50
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	10,809,065	-	-	10,809,065	-	-	-	Monthly	25.68	10,807,604	25.68
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	263,783	506,929	2,027,714	2,798,426	-	-	-	Monthly	15.87	2,788,107	15.01
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	19,689	-	-	19,689	-	-	-	Monthly	25.00	19,612	25.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	9,693	-	-	9,693	-	-	-	Monthly	25.00	9,693	25.00
BANCO SANTANDER RÍO S.A. (ARGENTINA)	ARS	3,992,061	-	-	3,992,061	-	-	-	Monthly	27.50	3,900,894	27.50
BANCO SANTANDER RÍO S.A. (ARGENTINA)	ARS	40,759	-	-	40,759	-	-	-	Monthly	24.00	40,759	24.00
BANCO SANTANDER RÍO S.A. (ARGENTINA)	ARS	1,153	-	-	1,153	-	-	-	Monthly	25.00	1,153	25.00
NUEVO BANCO DE SANTA FE S.A	ARS	65,573	-	2,120,609	2,186,182	-	-	-	Upon maturity	36.50	2,129,100	31.53
NUEVO BANCO DE SANTA FE S.A	ARS	89,759	-	-	89,759	-	-	-	Monthly	25.00	89,759	25.00
BANCO BBVA CHILE	Ch\$	43,924,262	-	-	43,924,262	-	-	-	Upon maturity	0.28	43,916,064	0.28
BANCO BBVA CHILE	Ch\$	40,084,466	-	-	40,084,466	-	-	-	Upon maturity	3.62	40,000,000	3.62
BANCO BBVA CHILE	Ch\$	10,851,158	-	-	10,851,158	-	-	-	Upon maturity	4.11	10,828,022	3.70
BANCO BBVA CHILE	Ch\$	-	69,405	7,968,007	8,037,412	-	-	-	Upon maturity	7.72	8,000,000	7.35
BANCO BBVA CHILE	Ch\$	7,234,105	-	-	7,234,105	-	-	-	Upon maturity	4.11	7,218,681	3.70
BANCO BBVA CHILE	Ch\$	1,249,507	-	-	1,249,507	-	-	-	Upon maturity	4.70	1,250,000	3.89
BANCO CORPBANCA	Ch\$	-	-	2,641,882	2,641,882	49,745,851	-	49,745,851	Annual	7.27	50,000,000	7.10
BANCO DE CHILE	Ch\$	5,381,738	-	4,372,455	9,754,193	34,987,928	4,374,640	39,362,568	Semiannual	4.91	48,124,108	4.89
BANCO DE CHILE	Ch\$	1,975,060	-	-	1,975,060	-	-	-	Upon maturity	0.02	1,975,060	0.02
BANCO DE CHILE	Ch\$	75,512	-	-	75,512	8,792,449	-	8,792,449	Upon maturity	4.15	8,792,449	4.15
BANCO DE CHILE	Ch\$	74,352	-	-	74,352	9,081,898	-	9,081,898	Upon maturity	4.15	9,081,898	4.15
BANCO DE CHILE	Ch\$	33,549	-	-	33,549	4,095,099	-	4,095,099	Upon maturity	4.15	4,095,099	4.15
BANCO DE CHILE	Ch\$	24,806	-	-	24,806	3,030,554	-	3,030,554	Upon maturity	4.15	3,030,553	4.15
BANCO DE CRÉDITO E INVERSIONES (CHILE)	Ch\$	941	-	-	941	-	-	-	Upon maturity	8.28	941	8.28
BANCO ESTADO (CHILE)	Ch\$	12,934,982	-	-	12,934,982	-	-	-	Upon maturity	0.29	12,914,846	0.29
BANCO ESTADO (CHILE)	Ch\$	-	1,143,410	-	1,143,410	37,814,017	7,629,048	45,443,065	Semiannual	7.19	45,673,700	7.05
BANCO ESTADO (CHILE)	Ch\$	279,292	-	-	279,292	24,172,850	-	24,172,850	Semiannual	2.29	24,172,850	2.29
BANCO ESTADO (CHILE)	Ch\$	-	53,900	-	53,900	-	7,953,484	7,953,484	Upon maturity	7.02	8,000,000	6.79
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	44,693,229	-	-	44,693,229	-	-	-	Upon maturity	0.90	44,605,345	0.90
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	-	11,448	13,646,641	13,658,089	-	-	-	Upon maturity	3.77	13,646,641	3.77
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	-	10,756	11,353,359	11,364,115	-	-	-	Upon maturity	3.77	11,353,359	3.77
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	-	-	365,799	365,799	24,106,855	-	24,106,855	Upon maturity	5.13	24,131,850	5.10
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	74,666	-	-	74,666	10,069,259	-	10,069,259	Upon maturity	4.13	10,069,259	4.13
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	61,356	-	-	61,356	7,837,222	-	7,837,222	Upon maturity	4.13	7,837,222	4.13

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor's Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of type of liabilities exposed to liquidity risk with expiration							Type of Amortization	Effective rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total non-Current				
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	56,839	-	-	56,839	7,093,519	-	7,093,519	Upon maturity	4.13	7,093,519	4.13
BANCO SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	19,543,875	-	-	19,543,875	-	-	-	Upon maturity	3.00	19,500,000	3.00
BANCO SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	17,682,358	-	-	17,682,358	-	-	-	Upon maturity	3.00	17,650,000	3.00
BANCO AV VILLAS (COLOMBIA)	COP	109,507	-	-	109,507	9,842,024	-	9,842,024	Upon maturity	6.35	11,810,429	6.17
BANCO BBVA COLOMBIA	COP	66,342	-	-	66,342	-	-	-	Monthly	28.70	66,342	28.70
BANCO BOGOTÁ (COLOMBIA)	COP	83,139	-	-	83,139	12,500,000	-	12,500,000	Upon maturity	6.84	15,000,000	6.63
BANCO CORPBANCA	COP	312,938	-	-	312,938	-	-	-	Monthly	6.87	312,938	6.87
BANCO CORPBANCA	COP	-	-	-	-	4,349,672	23,487,103	27,836,775	Upon maturity	9.66	27,836,775	9.14
BANCO CORPBANCA	COP	-	-	-	-	650,000	-	650,000	Upon maturity	8.43	650,000	8.43
BANCO DE CRÉDITO (COLOMBIA)	COP	16,165	-	-	16,165	3,711,357	-	3,711,357	Upon maturity	7.68	4,453,629	7.42
BANCOLOMBIA	COP	57,613	-	-	57,613	10,360,026	-	10,360,026	Upon maturity	7.34	12,432,031	7.10
BANCO BBVA CHILE	EUR	-	7,826	-	7,826	-	-	-	Upon maturity	0.83	7,826	0.03
BANCO DE CHILE	EUR	359,650	-	-	359,650	-	-	-	Upon maturity	1.69	363,857	0.59
BANCO CONTINENTAL (PERÚ)	PEN	-	26,531,101	-	26,531,101	-	-	-	Upon maturity	4.35	26,380,900	4.35
BANCO CONTINENTAL (PERÚ)	PEN	18,367,685	-	-	18,367,685	-	-	-	Annual	4.35	18,263,700	4.35
BANCO CONTINENTAL (PERÚ)	PEN	-	8,173,077	-	8,173,077	-	-	-	Monthly	4.35	8,117,200	4.35
BANCO CONTINENTAL (PERÚ)	PEN	-	6,938,903	-	6,938,903	-	-	-	Monthly	4.35	6,899,620	4.35
BANCO CONTINENTAL (PERÚ)	PEN	3,069,086	-	-	3,069,086	-	-	-	Annual	4.45	3,043,950	4.45
BANCO CONTINENTAL (PERÚ)	PEN	2,046,058	-	-	2,046,058	-	-	-	Annual	4.45	2,029,300	4.45
BANCO CONTINENTAL (PERÚ)	PEN	-	2,040,852	-	2,040,852	-	-	-	Monthly	4.35	2,029,300	4.27
BANCO CONTINENTAL (PERÚ)	PEN	-	818,423	-	818,423	-	-	-	Monthly	4.45	811,720	4.36
BANCO DE CRÉDITO (PERÚ)	PEN	32,803,247	-	-	32,803,247	-	-	-	Annual	4.48	32,671,730	4.48
BANCO DE CRÉDITO (PERÚ)	PEN	-	11,460,990	-	11,460,990	-	-	-	Annual	4.53	11,364,080	4.53
BANCO DE CRÉDITO (PERÚ)	PEN	-	9,209,724	-	9,209,724	-	-	-	Annual	4.53	9,131,850	4.53
BANCO DE CRÉDITO (PERÚ)	PEN	-	5,121,015	-	5,121,015	-	-	-	Annual	4.42	5,073,250	4.42
BANCO DE CRÉDITO (PERÚ)	PEN	-	4,706,613	-	4,706,613	-	-	-	Annual	4.53	4,667,390	4.53
BANCO DE CRÉDITO (PERÚ)	PEN	-	3,795,725	-	3,795,725	-	-	-	Monthly	4.53	3,794,791	4.44
BANCO DE CRÉDITO (PERÚ)	PEN	3,259,950	-	-	3,259,950	-	-	-	Annual	4.48	3,246,880	4.48
BANCO DE CRÉDITO (PERÚ)	PEN	-	3,069,530	-	3,069,530	-	-	-	Annual	4.53	3,043,950	4.53
BANCO DE CRÉDITO (PERÚ)	PEN	-	-	3,065,849	3,065,849	-	-	-	Annual	4.55	3,043,950	4.55
BANCO DE CRÉDITO (PERÚ)	PEN	-	-	3,062,063	3,062,063	-	-	-	Annual	4.55	3,043,950	4.55
BANCO DE CRÉDITO (PERÚ)	PEN	-	-	3,057,601	3,057,601	-	-	-	Annual	4.45	3,043,950	4.45
BANCO DE CRÉDITO (PERÚ)	PEN	92,589	184,414	832,608	1,109,611	5,249,125	5,796,232	11,045,357	Monthly	6.60	13,190,450	6.60
BANCO DE CRÉDITO (PERÚ)	PEN	87,301	174,603	785,712	1,047,616	4,872,820	693,875	5,566,695	Annual	6.05	8,117,200	6.05
BANCO DE CRÉDITO (PERÚ)	PEN	-	918,619	-	918,619	-	-	-	Monthly	4.55	913,185	4.46
BANCO DE CRÉDITO (PERÚ)	PEN	58,107	119,728	552,584	730,419	3,521,626	1,896,051	5,417,677	Monthly	7.17	8,289,893	7.17
BANCO DE CRÉDITO (PERÚ)	PEN	52,804	108,254	498,101	659,159	2,091,392	-	2,091,392	Monthly	7.25	4,376,794	7.25
BANCO DE CRÉDITO (PERÚ)	PEN	47,740	99,821	449,732	597,293	2,843,067	3,054,907	5,897,974	Monthly	6.60	7,102,550	6.60
BANCO DE CRÉDITO (PERÚ)	PEN	34,741	69,482	312,668	416,891	2,005,113	1,127,592	3,132,705	Annual	7.17	4,726,848	7.17
BANCO DE CRÉDITO (PERÚ)	PEN	-	409,272	-	409,272	-	-	-	Annual	4.53	405,860	4.53
BANCO DE CRÉDITO (PERÚ)	PEN	-	405,860	-	405,860	-	-	-	Annual	4.76	405,860	4.76
BANCO DE CRÉDITO (PERÚ)	PEN	28,922	57,845	260,300	347,067	696,909	-	696,909	Annual	6.32	2,025,850	6.32

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor's Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of type of liabilities exposed to liquidity risk with expiration							Type of Amortization	Effective rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total non-Current				
BANCO DE CRÉDITO (PERÚ)	PEN	22,422	45,506	210,639	278,567	534,421	-	534,421	Monthly	6.32	1,620,599	6.32
BANCO SCOTIABANK (PERÚ)	PEN	-	-	20,412,448	20,412,448	-	-	-	Monthly	4.50	20,293,000	4.50
BANCO SCOTIABANK (PERÚ)	PEN	-	-	12,072,613	12,072,613	-	-	-	Monthly	4.49	11,972,870	4.49
BANCO SCOTIABANK (PERÚ)	PEN	-	-	9,739,938	9,739,938	-	-	-	Annual	4.49	9,659,468	4.49
BANCO SCOTIABANK (PERÚ)	PEN	-	8,388,836	-	8,388,836	-	-	-	Monthly	4.45	8,320,130	4.45
BANCO SCOTIABANK (PERÚ)	PEN	-	-	5,378,294	5,378,294	-	-	-	Upon maturity	4.44	5,377,645	4.44
BANCO SCOTIABANK (PERÚ)	PEN	-	-	3,074,219	3,074,219	-	-	-	Monthly	4.44	3,043,950	4.44
BANCO SCOTIABANK (PERÚ)	PEN	-	-	769,109	769,109	7,954,852	-	7,954,852	Monthly	7.00	11,567,010	6.79
BANCO SCOTIABANK (PERÚ)	PEN	-	-	572,938	572,938	-	-	-	Monthly	4.49	568,204	4.40
BANCO SCOTIABANK (PERÚ)	PEN	-	-	211,923	211,923	1,745,420	-	1,745,420	Monthly	7.98	2,555,211	7.70
BANCO CITIBANK N.A. (CHILE)	UF	-	-	2,853,736	2,853,736	11,260,401	7,083,414	18,343,815	Semiannual	3.94	29,547,670	3.64
BANCO DE CHILE	UF	535,763	-	-	535,763	28,198,030	-	28,198,030	Upon maturity	3.80	28,198,030	3.80
BANCO DE CHILE	UF	-	233,290	-	233,290	23,334,843	-	23,334,843	Upon maturity	3.91	23,477,827	3.60
BANCO DE CHILE	UF	-	2,330	-	2,330	10,309,655	-	10,309,655	Upon maturity	4.07	10,343,382	3.98
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	222,883	-	-	222,883	30,302,058	-	30,302,058	Semiannual	2.28	30,302,058	2.28
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	144,022	-	144,022	5,741,536	3,437,178	9,178,714	Semiannual	4.45	9,178,714	4.10
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	-	47,127	47,127	28,217,250	-	28,217,250	Upon maturity	4.01	28,321,165	3.84
BANCO ESTADO (CHILE)	UF	-	607,440	49,168,475	49,775,915	-	-	-	Upon maturity	3.74	49,254,200	3.51
BANCO ESTADO (CHILE)	UF	-	544,117	-	544,117	49,034,811	-	49,034,811	Upon maturity	3.92	49,254,200	3.73
BANCO BBVA CHILE	USD	-	1,295,346	-	1,295,346	-	-	-	Upon maturity	1.43	1,294,899	0.63
BANCO BRADESCO (BRASIL)	USD	-	-	9,859,458	9,859,458	-	-	-	Upon maturity	11.51	9,130,800	11.51
BANCO BRADESCO (BRASIL)	USD	-	-	7,424,516	7,424,516	-	-	-	Upon maturity	11.52	6,848,500	11.52
BANCO CONTINENTAL (PERÚ)	USD	-	3,044,318	-	3,044,318	-	-	-	Upon maturity	4.45	3,043,950	4.45
BANCO CORPBANCA	USD	-	46,312	-	46,312	-	-	-	Upon maturity	1.43	46,271	0.75
BANCO DE CHILE	USD	8,094,956	1,213,500	-	9,308,456	-	-	-	Upon maturity	0.91	9,232,972	0.69
BANCO DE CHILE	USD	-	693,369	-	693,369	-	-	-	Upon maturity	0.99	685,542	0.97
BANCO DE CHILE	USD	-	320,271	-	320,271	-	-	-	Upon maturity	1.43	320,271	0.76
BANCO DE CHILE	USD	35,528	-	-	35,528	-	-	-	Upon maturity	1.65	35,528	1.65
BANCO ESTADO (CHILE)	USD	11,257	-	3,037,516	3,048,773	-	-	-	Upon maturity	2.96	3,037,516	2.90
BANCO ESTADO (CHILE)	USD	-	19,848	2,430,013	2,449,861	-	-	-	Upon maturity	2.96	2,430,013	2.90
BANCO HSBC BANK USA (CHILE)	USD	-	200,478	-	200,478	-	-	-	Upon maturity	0.95	191,454	0.93
BANCO SANTANDER - SANTIAGO (CHILE)	USD	11,827,363	-	-	11,827,363	-	-	-	Upon maturity	0.95	11,827,363	0.95
BANCO SANTANDER - SANTIAGO (CHILE)	USD	564,747	364,050	-	928,797	-	-	-	Upon maturity	1.67	925,286	0.56
BANCO SANTANDER - SANTIAGO (CHILE)	USD	-	851,009	-	851,009	-	-	-	Upon maturity	0.95	851,009	0.95
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	-	1,265,537	-	1,265,537	-	-	-	Upon maturity	15.00	1,251,000	15.00
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	754,065	-	-	754,065	-	-	-	Upon maturity	15.50	750,600	15.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	512,104	-	-	512,104	-	-	-	Upon maturity	14.50	500,400	14.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	507,421	-	-	507,421	-	-	-	Upon maturity	14.75	500,400	14.75
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	50,636	-	-	50,636	-	-	-	Upon maturity	15.50	50,040	15.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	50,636	-	-	50,636	-	-	-	Upon maturity	15.50	50,040	15.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	50,636	-	-	50,636	-	-	-	Upon maturity	15.50	50,040	15.50
BANCO ITAÚ URUGUAY S.A.	UYU	253,490	-	-	253,490	-	-	-	Upon maturity	16.00	250,200	16.00

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor's Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of type of liabilities exposed to liquidity risk with expiration							Type of Amortization	Effective rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total non-Current				
BANCO ITAÚ URUGUAY S.A.	UYU	251,077	-	-	251,077	-	-	-	Upon maturity	16.00	250,200	16.00
BANCO ITAÚ URUGUAY S.A.	UYU	251,077	-	-	251,077	-	-	-	Upon maturity	16.00	250,200	16.00
BANCO SANTANDER S.A. (SUC. URUGUAY)	UYU	-	892,551	-	892,551	-	-	-	Upon maturity	14.50	875,700	14.50
BANCO SANTANDER S.A. (SUC. URUGUAY)	UYU	-	887,925	-	887,925	-	-	-	Upon maturity	14.50	875,700	14.50
BANCO SANTANDER S.A. (SUC. URUGUAY)	UYU	642,708	-	-	642,708	-	-	-	Upon maturity	11.50	625,500	11.50
BANCO SANTANDER S.A. (SUC. URUGUAY)	UYU	512,672	-	-	512,672	-	-	-	Upon maturity	14.50	500,400	14.50
Total Bank Loans		346,235,663	121,043,837	206,395,859	673,675,359	501,201,321	67,478,634	568,679,955				

In the tables presented above, when the nominal rate is equal to the effective rate, it means that there were no costs or income directly associated to the transaction that will affect the original rate of the instrument.

The confirming instruments entered into by the subsidiary Promotora CMR consist of the assignment of credits coming due from lenders of Promotora CMR to banking entities. Due to these assignments, Promotora CMR becomes a debtor of the banking entities being assigned the credits. The underlying documents delivered to the bank correspond to simple credits owed by Promotora CMR, which correspond to goods sold and services provided by another company to Promotora CMR clients, who paid using the CMR card. The credits acquired by the banks consist of settlements through proof of sale. The total volume of credits assigned to the banks for the purpose of taking on confirming instruments as of December 31, 2014 was ThCh\$ 75,423,283 and as of December 2013 was ThCh\$ 50,267,687.

The risk associated with these operations is similar to that of bank credits. Promotora CMR maintains adequate capital indexes and monitors them continuously. Confirming instruments, along with the rest of CMR's financing, are part of this continuous monitoring of the capital structure.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Obligations with the Public (bonds) as of December 31, 2014 are detailed as follows:

Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiration							Type of Amortization	Effective Rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
MISCELLANEOUS CREDITORS	ARS	3,911,235	4,149,893	2,265,883	10,327,011	-	-	-	Monthly	30.69	13,242,049	23.00
MISCELLANEOUS CREDITORS	ARS	1,002,445	1,108,087	240,069	2,350,601	-	-	-	Monthly	33.99	7,440,023	23.00
MISCELLANEOUS CREDITORS	Ch\$	-	1,036,415	-	1,036,415	-	93,803,603	93,803,603	Upon maturity	6.63	95,613,209	6.50
MISCELLANEOUS CREDITORS	PEN	428,667	-	1,082,207	1,510,874	3,246,880	2,232,230	5,479,110	Quarterly	5.52	8,117,200	5.41
MISCELLANEOUS CREDITORS	PEN	-	397,014	1,082,206	1,479,220	3,616,744	-	3,616,744	Quarterly	7.83	10,146,500	7.56
MISCELLANEOUS CREDITORS	PEN	-	378,218	1,084,381	1,462,599	2,899,000	-	2,899,000	Quarterly	6.50	10,146,500	6.34
MISCELLANEOUS CREDITORS	PEN	-	356,798	910,984	1,267,782	3,978,636	-	3,978,636	Quarterly	7.28	10,146,500	7.09
MISCELLANEOUS CREDITORS	PEN	340,825	-	759,120	1,099,945	4,055,058	3,547,733	7,602,791	Quarterly	5.12	10,146,500	5.00
MISCELLANEOUS CREDITORS	PEN	-	249,856	608,592	858,448	4,866,163	3,040,624	7,906,787	Quarterly	5.94	12,175,800	5.81
MISCELLANEOUS CREDITORS	PEN	29,308	-	57,607	86,915	1,166,946	8,839,925	10,006,871	Quarterly	7.61	10,146,500	7.40
MISCELLANEOUS CREDITORS	PEN	23,708	-	46,869	70,577	933,900	7,072,629	8,006,529	Quarterly	7.61	8,117,200	7.40
MISCELLANEOUS CREDITORS	PEN	21,551	-	46,198	67,749	930,532	7,065,860	7,996,392	Quarterly	7.61	8,117,200	7.40
MISCELLANEOUS CREDITORS	UF	1,982,029	-	-	1,982,029	-	96,288,720	96,288,720	Upon maturity	4.55	100,407,296	4.25
MISCELLANEOUS CREDITORS	UF	-	1,065,376	-	1,065,376	-	73,947,378	73,947,378	Upon maturity	3.76	73,881,300	3.80
MISCELLANEOUS CREDITORS	UF	-	896,807	-	896,807	-	82,790,922	82,790,922	Upon maturity	4.38	87,048,347	4.00
MISCELLANEOUS CREDITORS	UF	774,290	-	-	774,290	-	70,561,751	70,561,751	Upon maturity	3.26	74,923,039	3.10
MISCELLANEOUS CREDITORS	UF	-	-	578,479	578,479	3,258,584	69,033,866	72,292,450	Upon maturity	4.72	73,881,300	4.50
MISCELLANEOUS CREDITORS	UF	-	-	537,803	537,803	-	72,218,691	72,218,691	Upon maturity	4.00	73,881,300	3.85
MISCELLANEOUS CREDITORS	UF	-	475,447	-	475,447	27,875,831	9,251,490	37,127,321	Upon maturity	3.34	36,940,650	3.50
MISCELLANEOUS CREDITORS	UF	-	-	358,112	358,112	-	48,198,598	48,198,598	Upon maturity	3.99	49,254,200	3.85
MISCELLANEOUS CREDITORS	UF	341,571	-	-	341,571	32,836,133	16,592,671	49,428,804	Upon maturity	2.24	49,770,487	2.30
MISCELLANEOUS CREDITORS	UF	-	-	289,857	289,857	-	58,165,823	58,165,823	Upon maturity	3.90	61,567,750	3.50
MISCELLANEOUS CREDITORS	UF	-	-	247,552	247,552	-	73,273,029	73,273,029	Upon maturity	3.92	73,881,300	3.90
MISCELLANEOUS CREDITORS	UF	-	-	117,841	117,841	5,417,559	31,476,956	36,894,515	Semiannual	3.98	37,053,516	3.70
MISCELLANEOUS CREDITORS	UF	-	-	106,719	106,719	24,471,710	-	24,471,710	Upon maturity	3.41	24,627,100	3.00
MISCELLANEOUS CREDITORS	UF	-	-	78,719	78,719	24,473,103	-	24,473,103	Upon maturity	3.74	24,627,100	3.50
MISCELLANEOUS CREDITORS	UF	-	-	77,016	77,016	24,503,992	-	24,503,992	Upon maturity	3.83	24,696,294	3.40
MISCELLANEOUS CREDITORS	USD	-	-	2,130,963	2,130,963	128,887,388	-	128,887,388	Upon maturity	7.01	119,844,480	6.75
MISCELLANEOUS CREDITORS	USD	1,977,843	-	-	1,977,843	-	298,472,002	298,472,002	Upon maturity	3.98	305,271,094	3.75
MISCELLANEOUS CREDITORS	USD	-	1,802,652	-	1,802,652	-	240,158,757	240,158,757	Upon maturity	4.50	244,469,688	4.38
Total Obligations with the Public		10,833,472	11,916,563	12,707,177	35,457,212	297,418,159	1,366,033,258	1,663,451,417				

In the tables presented above, when the nominal rate is equal to the effective rate, it means that there were no costs or income directly associated to the transaction that will affect the original rate of the instrument.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



d) Financial lease obligations as of December 31, 2014 are detailed as follows:

Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiration							Type of Amortization	Effective Rate	Nominal amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
HIPERMERCADOS TOTTUS S.A.	PEN	126,647	206,168	961,826	1,294,641	2,603,512	-	2,603,512	Monthly	7.85	7,355,399	7.58
HIPERMERCADOS TOTTUS S.A.	PEN	91,371	184,318	856,032	1,131,721	2,849,138	-	2,849,138	Monthly	6.95	9,784,329	6.74
HIPERMERCADOS TOTTUS S.A.	PEN	66,864	128,903	394,753	590,520	-	-	-	Monthly	6.10	4,082,681	5.94
HIPERMERCADOS TOTTUS S.A.	PEN	46,130	75,086	350,340	471,556	948,649	-	948,649	Monthly	7.85	2,680,780	7.58
HIPERMERCADOS TOTTUS S.A.	PEN	61,750	118,876	247,611	428,237	-	-	-	Monthly	8.80	3,767,274	8.46
HIPERMERCADOS TOTTUS S.A.	PEN	33,239	67,140	313,362	413,741	370,760	-	370,760	Monthly	8.00	2,085,058	7.72
HIPERMERCADOS TOTTUS S.A.	PEN	37,394	70,654	249,782	357,830	-	-	-	Monthly	8.50	2,685,651	8.19
HIPERMERCADOS TOTTUS S.A.	PEN	39,587	53,041	247,727	340,355	1,607,575	78,981	1,686,556	Monthly	8.20	3,582,969	7.91
HIPERMERCADOS TOTTUS S.A.	PEN	35,855	52,403	244,715	332,973	1,180,353	-	1,180,353	Monthly	8.20	2,982,397	7.91
HIPERMERCADOS TOTTUS S.A.	PEN	30,371	51,753	240,864	322,988	523,278	-	523,278	Monthly	6.90	2,137,900	6.69
HIPERMERCADOS TOTTUS S.A.	PEN	110,437	155,403	-	265,840	-	-	-	Monthly	7.18	7,445,233	6.95
HIPERMERCADOS TOTTUS S.A.	PEN	25,445	28,265	132,393	186,103	872,548	564,366	1,436,914	Monthly	8.80	2,480,549	8.46
HIPERMERCADOS TOTTUS S.A.	PEN	8,155	16,452	76,427	101,034	254,583	-	254,583	Monthly	6.95	992,612	6.74
HIPERMERCADOS TOTTUS S.A.	PEN	7,784	15,757	74,124	97,665	257,395	-	257,395	Monthly	6.95	1,262,594	6.74
OPEN PLAZA S.A.C.	PEN	-	-	1,334,792	1,334,792	9,301,859	-	9,301,859	Monthly	6.68	10,193,128	6.48
OPEN PLAZA S.A.C.	PEN	-	-	1,106,618	1,106,618	5,231,201	6,523,842	11,755,043	Monthly	8.70	25,368,844	8.37
OPEN PLAZA S.A.C.	PEN	-	-	901,619	901,619	1,572,892	-	1,572,892	Monthly	6.94	7,711,340	6.73
OPEN PLAZA S.A.C.	PEN	-	-	835,118	835,118	3,782,389	4,112,254	7,894,643	Monthly	7.60	8,732,847	7.35
OPEN PLAZA S.A.C.	PEN	-	-	593,971	593,971	6,766,803	-	6,766,803	Monthly	7.55	7,474,104	7.30
OPEN PLAZA S.A.C.	PEN	-	-	468,692	468,692	2,148,264	-	2,148,264	Monthly	8.50	4,557,660	8.19
OPEN PLAZA S.A.C.	PEN	-	-	388,372	388,372	1,729,210	2,515,372	4,244,582	Monthly	8.60	6,265,228	8.28
OPEN PLAZA S.A.C.	PEN	-	-	232,917	232,917	980,099	3,433,187	4,413,286	Monthly	7.13	12,039,286	6.90
OPEN PLAZA S.A.C.	PEN	-	-	157,092	157,092	629,387	2,203,889	2,833,276	Monthly	7.13	6,040,408	6.90
OPEN PLAZA S.A.C.	PEN	-	-	140,469	140,469	606,974	2,110,941	2,717,915	Monthly	7.13	6,870,995	6.90
OPEN PLAZA S.A.C.	PEN	-	-	87,809	87,809	92,797	-	92,797	Monthly	6.79	182,402	6.59
SAGA FALABELLA S.A. (PERÚ)	PEN	2,212	4,425	19,911	26,548	106,189	659,259	765,448	Monthly	0.00	796,420	0.00
SODIMAC PERÚ S.A.	PEN	159,269	318,537	1,433,426	1,911,232	5,733,666	-	5,733,666	Annual	7.69	13,547,546	7.43
SODIMAC PERÚ S.A.	PEN	22,577	45,145	203,193	270,915	-	-	-	Annual	5.85	635,682	5.69
SODIMAC PERÚ S.A.	PEN	7,892	15,783	71,025	94,700	8,125	-	8,125	Annual	5.48	186,479	5.34
SODIMAC PERÚ S.A.	PEN	6,824	13,647	61,526	81,997	-	-	-	Annual	5.85	238,418	5.69
SODIMAC PERÚ S.A.	PEN	4,377	8,754	39,394	52,525	-	-	-	Annual	7.37	8,827,572	7.11
VIAJES FALABELLA S.A. (PERÚ)	USD	1,926	5,828	15,917	23,671	8,168	-	8,168	Annual	5.98	99,532	5.30
MAESTRO PERÚ S.A.	PEN	73,040	147,450	686,701	907,191	893,224	-	893,224	Annual	7.75	4,206,944	7.47
MAESTRO PERÚ S.A.	PEN	29,894	60,366	281,437	371,697	506,712	-	506,712	Annual	8.00	1,764,658	7.70
MAESTRO PERÚ S.A.	PEN	35,703	72,097	336,130	443,930	605,184	-	605,184	Annual	7.75	4,206,944	7.47
MAESTRO PERÚ S.A.	PEN	2,679	-	-	2,679	-	-	-	Annual	7.90	907,993	7.60
MAESTRO PERÚ S.A.	PEN	59,684	-	-	59,684	-	-	-	Annual	7.87	1,928,020	7.58
MAESTRO PERÚ S.A.	PEN	-	115,616	237,972	353,588	-	-	-	Annual	7.95	1,300,395	7.65
MAESTRO PERÚ S.A.	PEN	-	-	418,233	418,233	-	-	-	Annual	8.00	1,537,362	7.70
MAESTRO PERÚ S.A.	PEN	59,363	-	185,418	244,781	552,742	-	552,742	Annual	8.37	1,231,829	8.04

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiration							Type of Amortization	Effective Rate	Nominal amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
MAESTRO PERÚ S.A.	PEN	-	80,406	251,260	331,666	749,989	-	749,989	Annual	8.47	1,669,314	8.13
MAESTRO PERÚ S.A.	PEN	-	121,066	377,141	498,207	130,712	-	130,712	Annual	7.80	1,415,413	7.51
MAESTRO PERÚ S.A.	PEN	-	85,823	259,254	345,077	89,959	-	89,959	Annual	7.90	972,243	7.60
MAESTRO PERÚ S.A.	PEN	106,679	-	332,480	439,159	232,626	-	232,626	Annual	7.90	1,270,776	7.60
MAESTRO PERÚ S.A.	PEN	-	42,365	124,650	167,015	267,677	-	267,677	Annual	6.50	661,269	6.30
MAESTRO PERÚ S.A.	PEN	42,963	-	133,022	175,985	335,944	-	335,944	Annual	6.50	716,882	6.30
MAESTRO PERÚ S.A.	PEN	-	56,014	169,514	225,528	428,104	-	428,104	Annual	6.50	913,547	6.30
MAESTRO PERÚ S.A.	PEN	67,646	-	209,455	277,101	691,122	-	691,122	Annual	6.50	1,164,857	6.30
MAESTRO PERÚ S.A.	PEN	57,923	-	179,343	237,266	452,927	-	452,927	Annual	6.50	966,517	6.30
MAESTRO PERÚ S.A.	PEN	61,056	-	188,975	250,031	623,609	-	623,609	Annual	6.50	1,051,060	6.30
MAESTRO PERÚ S.A.	PEN	-	63,022	184,192	247,214	607,786	-	607,786	Annual	6.50	1,024,395	6.30
Total Financial Leasing		1,522,736	2,480,563	17,036,994	21,040,293	57,334,131	22,202,091	79,536,222				

In the tables presented above, when the nominal rate is equal to the effective rate, it means that there were no costs or income directly associated with the transaction that will affect the original rate of the instrument.

e) Other Financial Liabilities as of December 31, 2014 and December 31, 2013 are detailed as follows:

Breakdown of Other Financial Liabilities	Dec-31-14		Dec-31-13	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Financial liabilities at fair value with changes in income (derivative instruments)	6,356,725	4,692,917	5,772,229	1,085,879
Total	6,356,725	4,692,917	5,772,229	1,085,879

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Dec-31-13

a) Bank Loans as of December 31, 2013 are detailed as follows:

Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiry							Type of Amortization	Effective Rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According To Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
BANCO DE CRÉDITO E INVERSIONES (CHILE)	Ch\$	19,581,328	-	-	19,581,328	-	-	-	Upon maturity	4.42	19,500,000	4.42
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	17,679,652	-	-	17,679,652	-	-	-	Upon maturity	4.32	17,650,000	4.32
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	25,129,833	-	-	25,129,833	-	-	-	Upon maturity	4.56	25,000,000	4.56
SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	-	-	4,620,834	4,620,834	-	-	-	Upon maturity	6.63	4,573,664	6.63
SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	-	-	7,421,379	7,421,379	-	-	-	Upon maturity	6.63	7,345,621	6.63
SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	-	-	7,268,581	7,268,581	-	-	-	Upon maturity	6.63	7,268,581	6.63
SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	-	-	5,947,039	5,947,039	-	-	-	Upon maturity	6.63	5,886,332	6.63
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	-	7,924	-	7,924	11,353,359	-	11,353,359	Upon maturity	5.02	11,353,359	5.02
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	-	1,930	-	1,930	13,646,641	-	13,646,641	Upon maturity	5.03	13,646,641	5.03
BANCO SANTANDER - SANTIAGO (CHILE)	USD	10,376,947	-	-	10,376,947	-	-	-	Upon maturity	0.96	10,376,947	0.96
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	1,109	-	-	1,109	-	-	-	Upon maturity	0.41	1,109	0.41
BANCO DE CHILE	Ch\$	1,821	-	-	1,821	-	-	-	Upon maturity	0.10	1,821	0.10
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	-	3,714,911	3,714,911	14,215,357	12,505,903	26,721,260	Semiannual	3.39	39,396,905	3.15
CORPBANCA	UF	-	-	2,238,212	2,238,212	8,527,580	7,504,888	16,032,468	Semiannual	3.71	23,638,143	3.45
CITIBANK N.A. (CHILE)	UF	-	-	2,726,152	2,726,152	10,643,111	9,376,535	20,019,646	Semiannual	3.94	29,547,670	3.64
BBVA	UF	-	-	3,202,678	3,202,678	12,310,662	6,196,788	18,507,450	Semiannual	3.87	29,875,986	3.53
CORPBANCA	Ch\$	-	-	2,693,741	2,693,741	37,500,000	12,125,000	49,625,000	Annual	7.51	50,000,000	7.10
BANCO SANTANDAR - SANTIAGO (CHILE)	Ch\$	-	4,700,993	-	4,700,993	-	-	-	Upon maturity	0.96	4,700,993	0.96
BANCO SANTANDAR - SANTIAGO (CHILE)	Ch\$	17,866	-	-	17,866	-	-	-	Upon maturity	0.75	17,866	0.75
SCOTIABANK (PERU)	Ch\$	147,654	-	-	147,654	-	-	-	Annual	0.95	147,654	0.95
BANCO DE CRÉDITO (PERU)	Ch\$	-	-	2,823,351	2,823,351	-	-	-	Annual	4.49	2,812,350	4.49
SCOTIABANK (PERU)	Ch\$	-	-	6,912,177	6,912,177	-	-	-	Annual	1.84	6,814,887	1.84
BANCO CONTINENTAL (PERU)	Ch\$	-	-	8,482,265	8,482,265	-	-	-	Annual	4.09	8,437,050	4.09
BANCO CONTINENTAL (PERU)	Ch\$	-	-	8,482,265	8,482,265	-	-	-	Annual	4.09	8,437,050	4.09
BANCO DE CRÉDITO (PERU)	Ch\$	-	-	1,312,589	1,312,589	-	-	-	Annual	4.45	1,312,430	4.45
BANCO DE CRÉDITO (PERU)	PEN	25,108	50,215	225,968	301,291	964,546	-	964,546	Annual	6.32	1,871,713	6.13
BANCO DE CRÉDITO (PERU)	PEN	29,975	59,950	269,769	359,694	1,724,253	1,555,275	3,279,528	Annual	7.17	4,367,205	6.93
BANCO DE CRÉDITO (PERU)	PEN	76,100	152,201	684,904	913,205	4,243,161	1,867,895	6,111,056	Annual	6.05	7,499,600	5.87
BANCO CONTINENTAL (PERU)	PEN	-	-	1,884,739	1,884,739	-	-	-	Monthly	4.09	1,874,900	4.02
SCOTIABANK (PERU)	PEN	-	-	708,787	708,787	8,058,347	-	8,058,347	Monthly	7.00	10,686,930	6.79
SCOTIABANK (PERU)	PEN	-	-	195,267	195,267	1,806,452	-	1,806,452	Monthly	7.98	2,360,796	7.70
BANCO CONTINENTAL (PERU)	PEN	-	-	7,539,791	7,539,791	-	-	-	Monthly	4.09	7,499,600	4.09
SCOTIABANK (PERU)	PEN	-	-	18,848,511	18,848,511	-	-	-	Monthly	4.05	18,749,000	4.05
BANCO CONTINENTAL (PERU)	PEN	-	-	9,410,826	9,410,826	-	-	-	Monthly	4.18	9,374,500	4.18
BANCO CONTINENTAL (PERU)	PEN	-	-	375,024	375,024	-	-	-	Monthly	4.27	374,980	4.27
SCOTIABANK (PERU)	USD	-	-	10,634,092	10,634,092	-	-	-	Monthly	1.84	10,484,441	1.84
SCOTIABANK (PERU)	USD	-	-	7,178,030	7,178,030	-	-	-	Upon maturity	1.84	6,553,057	1.84

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiry							Type of Amortization	Effective Rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According To Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
SCOTIABANK (PERU)	PEN	-	-	8,481,830	8,481,830	-	-	-	Upon maturity	4.28	8,437,050	4.28
BANCO CONTINENTAL (PERU)	PEN	-	-	12,252,160	12,252,160	-	-	-	Upon maturity	4.09	12,186,850	4.09
BANCO CONTINENTAL (PERU)	PEN	-	-	12,252,160	12,252,160	-	-	-	Upon maturity	4.09	12,186,850	4.09
BANCO DE CRÉDITO (PERU)	PEN	69,428	101,611	475,287	646,326	3,022,596	2,657,721	5,680,317	Monthly	7.17	7,659,154	7.17
BANCO DE CRÉDITO (PERU)	PEN	22,080	39,176	182,152	243,408	751,131	-	751,131	Monthly	6.32	1,497,295	6.32
BANCO DE CRÉDITO (PERU)	PEN	51,849	93,678	427,461	572,988	2,541,274	-	2,541,274	Monthly	7.25	4,043,784	7.25
BANCO DE CRÉDITO (PERU)	PEN	38,512	85,143	378,403	502,058	2,406,491	3,531,732	5,938,223	Monthly	6.60	6,562,150	6.60
BANCO DE CHILE	EUR	399,899	292,067	-	691,966	-	-	-	Upon maturity	1.20	691,654	0.60
BANCO DE CHILE	USD	5,392,354	2,903,575	-	8,295,929	-	-	-	Upon maturity	1.97	8,293,448	0.61
BANCO SANTANDER - SANTIAGO (CHILE)	USD	1,394,839	751,068	-	2,145,907	-	-	-	Upon maturity	1.11	2,145,329	0.61
BANCO SANTANDER - SANTIAGO (CHILE)	EUR	13,818	-	-	13,818	-	-	-	Upon maturity	0.61	13,818	0.61
BANCO (BBVA CHILE)	Ch\$	1,251,366	-	-	1,251,366	-	-	-	Monthly	6.18	1,250,000	6.18
BANCO ESTADO (CHILE)	Ch\$	-	69,405	-	69,405	7,953,484	-	7,953,484	Upon maturity	7.02	8,000,000	6.79
BANCO BBVA CHILE	Ch\$	-	53,900	-	53,900	7,968,008	-	7,968,008	Upon maturity	7.72	8,000,000	7.35
BANCO BBVA CHILE	USD	195,556	90,894	-	286,450	-	-	-	Upon maturity	1.27	286,377	0.67
BANCO DE CHILE	USD	152,040	608,147	-	760,187	-	-	-	Upon maturity	1.44	759,834	0.71
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	358	-	-	358	-	-	-	Upon maturity	8.32	358	8.32
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	69	-	-	69	-	-	-	Upon maturity	9.90	69	9.90
BANCO SANTANDER - SANTIAGO (CHILE)	USD	-	54,766	-	54,766	-	-	-	Upon maturity	0.96	51,480	0.94
BANCO DE CHILE	USD	-	22,300	-	22,300	-	-	-	Upon maturity	0.98	21,408	0.96
HSBC BANK USA (CHILE)	USD	-	338,097	-	338,097	-	-	-	Upon maturity	0.84	277,239	0.82
BBVA	Ch\$	3,495,698	-	-	3,495,698	-	-	-	Upon maturity	5.50	3,494,184	4.65
BANCO DE CHILE	UF	507,100	-	-	507,100	26,689,447	-	26,689,447	Upon maturity	3.80	26,689,446	3.80
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	-	44,562	44,562	26,681,517	-	26,681,517	Upon maturity	4.01	26,805,994	3.84
BANCO ESTADO (CHILE)	UF	-	573,976	-	573,976	46,459,791	-	46,459,791	Upon maturity	3.74	46,619,120	3.51
BANCO ESTADO (CHILE)	UF	-	514,146	-	514,146	46,333,912	-	46,333,912	Upon maturity	3.92	46,619,120	3.73
BANCO ESTADO (CHILE)	UF	-	4,407	-	4,407	9,750,854	-	9,750,854	Upon maturity	4.07	9,790,015	3.98
BANCO DE CHILE	Ch\$	-	-	11,427,665	11,427,665	-	-	-	Upon maturity	6.40	11,266,467	6.24
BANCO DE CHILE	Ch\$	-	-	10,998,267	10,998,267	-	-	-	Upon maturity	6.24	10,831,197	6.24
BANCO DE CHILE	Ch\$	-	-	11,072,918	11,072,918	-	-	-	Upon maturity	6.24	10,904,714	6.24
BANCO DE CHILE	Ch\$	-	-	11,149,419	11,149,419	-	-	-	Upon maturity	6.24	10,980,054	6.24
BANCO DE CHILE	UF	-	220,155	-	220,155	22,020,993	-	22,020,993	Upon maturity	3.91	22,221,773	3.60
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	844,226	925,579	1,769,805	5,598,574	1,406,998	7,005,572	Four-monthly	4.84	19,626,222	4.39
BANCO ESTADO (CHILE)	Ch\$	-	1,142,276	-	1,142,276	22,688,410	22,709,591	45,398,001	Upon maturity	7.19	45,673,700	7.05
BANCO BOGOTÁ (COLOMBIA)	COP	-	-	271,465	271,465	-	-	-	Monthly	7.57	271,465	6.71
BANCOLOMBIA	COP	-	-	624,169	624,169	-	29,710,484	29,710,484	Monthly	8.50	30,334,652	7.71
CORPBANCA	COP	-	-	300,128	300,128	-	-	-	Monthly	8.50	300,128	6.24
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	-	22,800,000	-	22,800,000	-	-	-	Upon maturity	0.39	22,800,000	0.39
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	20,000,000	-	-	20,000,000	-	-	-	Upon maturity	0.36	20,000,000	0.36
BANCO DE CRÉDITO E INVERSIONES (CHILE)	Ch\$	-	25,000,000	-	25,000,000	-	-	-	Upon maturity	0.37	25,000,000	0.37
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	40,093,547	-	-	40,093,547	-	-	-	Upon maturity	4.38	40,093,547	4.38
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	84,823	-	-	84,823	-	-	-	Upon maturity	4.38	84,823	4.38
BANCO ESTADO (CHILE)	Ch\$	78,328	-	-	78,328	-	-	-	Upon maturity	4.80	78,328	4.80

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiry							Type of Amortization	Effective Rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According To Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
BANCO BBVA CHILE	Ch\$	24,789	-	-	24,789	-	-	-	Upon maturity	5.03	24,789	5.03
SCOTIABANK SUD AMERICANO (CHILE)	Ch\$	146,726	-	-	146,726	-	-	-	Upon maturity	4.73	146,726	4.73
BANCO SANTANDER - SANTIAGO (CHILE)	Ch\$	33,600	-	-	33,600	-	-	-	Upon maturity	4.38	33,600	4.38
BANCO DE CRÉDITO E INVERSIONES (CHILE)	Ch\$	64,457	-	-	64,457	-	-	-	Upon maturity	4.80	64,457	4.80
FALABELLA DE COLOMBIA S.A.	COP	3,866,040	-	-	3,866,040	6,828,012	-	6,828,012	Upon maturity	5.66	10,629,386	5.52
FALABELLA DE COLOMBIA S.A.	COP	148,948	-	-	148,948	20,275,454	-	20,275,454	Upon maturity	5.63	20,275,454	5.49
FALABELLA DE COLOMBIA S.A.	COP	14,006	-	-	14,006	4,008,266	-	4,008,266	Upon maturity	5.99	4,008,266	5.83
FALABELLA DE COLOMBIA S.A.	COP	52,545	-	-	52,545	11,188,828	-	11,188,828	Upon maturity	6.10	11,188,828	5.94
BANCO ESTADO (CHILE)	USD	-	-	41,870	41,870	7,347,510	-	7,347,510	Upon maturity	2.97	7,347,510	2.90
BANCO ESTADO (CHILE)	USD	-	-	12,032	12,032	1,838,190	-	1,838,190	Upon maturity	2.98	1,838,190	2.90
BANCO ESTADO (CHILE)	USD	-	-	8,644	8,644	1,838,190	-	1,838,190	Upon maturity	2.97	1,838,190	2.90
BANCO ESTADO (CHILE)	USD	-	-	19,363	19,363	7,352,762	-	7,352,762	Upon maturity	2.96	7,352,762	2.90
ICBC (ARGENTINA)	USD	-	-	192,264	192,264	1,430,679	-	1,430,679	Monthly	16.50	1,609,494	15.15
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	USD	67,142	120,103	601,858	789,103	120,664	-	120,664	Monthly	23.99	905,513	19.93
ICBC (ARGENTINA)	USD	14,799	-	196,768	211,567	1,574,318	-	1,574,318	Quarterly	15.25	1,377,551	15.25
ICBC (ARGENTINA)	USD	116	-	-	116	-	-	-	Monthly	22.00	116	19.14
BBVA	USD	31,368	-	-	31,368	-	-	-	Monthly	35.00	31,368	20.77
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	USD	40,356	-	-	40,356	-	-	-	Monthly	33.00	40,356	33.00
BANCO DE LA CIUDAD DE BUENOS AIRES (ARGENTINA)	ARS	2,559,081	-	-	2,559,081	-	-	-	Monthly	26.46	2,411,761	26.46
BBVA	ARS	12,283,911	-	-	12,283,911	-	-	-	Monthly	25.15	12,070,558	25.15
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	12,856	-	-	12,856	-	-	-	Monthly	26.50	1,035	26.50
ICBC (ARGENTINA)	ARS	2,826,925	-	-	2,826,925	-	-	-	Monthly	26.80	2,784,540	26.80
BANCO SANTANDER RÍO S.A. (ARGENTINA)	ARS	4,503,358	-	-	4,503,358	-	-	-	Monthly	22.15	4,420,077	22.15
BANCO COMAFI (ARGENTINA)	ARS	1,640,701	-	-	1,640,701	-	-	-	Monthly	28.00	1,603,654	28.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	3,445,460	-	-	3,445,460	-	-	-	Monthly	25.32	3,386,348	25.32
ICBC (ARGENTINA)	ARS	383	459,134	460,022	919,539	-	-	-	Semiannually	20.61	3,219,600	28.21
ICBC (ARGENTINA)	ARS	225,522	-	554,351	779,873	1,232,210	-	1,232,210	Quarterly	29.63	2,817,150	22.80
HSBC BANK ARGENTINA	ARS	94,522	2,215,279	2,189,155	4,498,956	2,223,425	-	2,223,425	Semiannually	27.52	6,680,670	23.50
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	6,770	-	-	6,770	4,820,138	-	4,820,138	Upon maturity	26.51	4,829,400	23.75
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	6,760	-	-	6,760	4,819,504	-	4,819,504	Upon maturity	26.51	4,829,400	23.75
BANCO ICBC	ARS	571,626	-	1,572,033	2,143,659	5,323,670	-	5,323,670	Four-monthly	26.61	8,049,000	23.80
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	45,631	-	2,290,079	2,335,710	-	-	-	Upon maturity	31.89	2,293,965	28.00
HSBC BANK ARGENTINA S.A.	ARS	1,646,186	-	-	1,646,186	-	-	-	Upon maturity	25.00	1,609,800	25.00
HSBC BANK ARGENTINA S.A.	ARS	1,225,113	-	-	1,225,113	-	-	-	Upon maturity	33.00	1,207,350	33.00
BANCO ESTADO (CHILE)	USD	-	-	3,704	3,704	787,796	-	787,796	Upon maturity	2.96	787,796	2.90
BANCO ESTADO (CHILE)	USD	-	-	5,156	5,156	787,796	-	787,796	Upon maturity	2.96	787,796	2.90
BANCO ESTADO (CHILE)	USD	-	-	8,558	8,558	3,151,184	-	3,151,184	Upon maturity	2.96	3,151,184	2.90
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARS	19,787	36,046	162,536	218,369	54,309	-	54,309	Monthly	21.31	271,654	19.93
BANCO DE LA PROVINCIA DE BUENOS AIRES	ARS	28,981	50,024	225,562	304,567	125,667	-	125,667	Monthly	21.43	427,603	20.04

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiry							Type of Amortization	Effective Rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According To Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
(ARGENTINA)												
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	24,824	287,464	2,587,179	2,899,467	3,162,106	-	3,162,106	Annually	15.87	6,036,750	15.01
BBVA	ARS	41,955	-	-	41,955	-	-	-	Monthly	21.62	41,955	21.62
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	40,333	-	-	40,333	-	-	-	Monthly	18.00	40,333	18.00
BANCO SANTANDER RÍO S.A. (ARGENTINA)	USD	31,672	-	-	31,672	-	-	-	Monthly	32.00	31,672	20.82
BANCO HSBC (BRAZIL)	USD	12,297	-	-	12,297	-	-	-	Upon maturity	9.77	3,073,398	9.77
BANCO ITAÚ (BRAZIL)	USD	-	-	3,568,554	3,568,554	-	-	-	Upon maturity	11.63	3,340,650	11.63
BANCO SAFRA (BRAZIL)	USD	-	-	2,851,083	2,851,083	-	-	-	Upon maturity	11.23	2,672,520	11.23
BANCO SAFRA (BRAZIL)	USD	-	-	1,184,929	1,184,929	-	-	-	Upon maturity	11.23	1,113,550	11.23
Total Bank Loans		182,108,603	64,744,276	225,801,207	472,654,086	446,150,629	111,148,810	557,299,439				

In the tables presented above, when the nominal rate is equal to the effective rate, it means that there were no costs or income directly associated with the transaction that will affect the original rate of the instrument.

The confirming instruments entered into by the subsidiary Promotora CMR consist of the assignment of credits coming due from lenders of Promotora CMR to banking entities. Due to these assignments, Promotora CMR becomes a debtor of the banking entities being assigned the credits. The underlying documents delivered to the bank correspond to simple credits owed by Promotora CMR, which correspond to goods sold and services provided by another company to Promotora CMR clients, who paid using the CMR card. The credits acquired by the banks consist of settlements through proof of sale. The total volume of credits assigned to the banks for the purpose of taking on confirming instruments as of December 31, 2013 was ThCh\$ 50,267,687 and as of December 31, 2012 was ThCh\$ 120,000,000.

The risk associated with these operations is similar to that of bank credits. Promotora CMR maintains adequate capital indexes and monitors them continuously. Confirming instruments, along with the rest of CMR's financing, are part of this continuous monitoring of the capital structure.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



b) Obligations with the public (bonds) as of December 31, 2013 are detailed as follows:

Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiry							Type of Amortization	Effective Rate	Nominal Amount of the Obligation Payable According to Contract Conditions	Nominal Rate of the Obligation Payable According To Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
MISCELLANEOUS CREDITORS	Ch\$	-	10,000,000	-	10,000,000	-	-	-	Upon maturity	4.53	10,000,000	4.53
MISCELLANEOUS CREDITORS	Ch\$	-	10,000,000	-	10,000,000	-	-	-	Upon maturity	4.66	10,000,000	4.66
MISCELLANEOUS CREDITORS	PEN	-	690,251	1,003,139	1,693,390	4,017,643	-	4,017,643	Quarterly	6.50	9,374,500	6.34
MISCELLANEOUS CREDITORS	PEN	-	377,898	665,657	1,043,555	4,678,099	-	4,678,099	Quarterly	7.83	9,374,500	7.56
MISCELLANEOUS CREDITORS	PEN	-	335,964	841,190	1,177,154	5,338,062	3,089,261	8,427,323	Quarterly	7.28	9,374,500	7.09
MISCELLANEOUS CREDITORS	PEN	-	236,509	562,052	798,561	3,562,310	2,249,880	5,812,190	Quarterly	5.94	11,249,400	5.81
MISCELLANEOUS CREDITORS	PEN	-	414,303	1,000,461	1,414,764	5,012,456	-	5,012,456	Quarterly	5.52	7,499,600	5.41
MISCELLANEOUS CREDITORS	PEN	-	325,010	701,144	1,026,154	4,448,472	3,511,022	7,959,494	Quarterly	5.12	9,374,500	5.00
MISCELLANEOUS CREDITORS	UF	-	-	72,622	72,622	23,025,956	-	23,025,956	Upon maturity	3.83	26,453,163	3.40
MISCELLANEOUS CREDITORS	UF	-	-	111,356	111,356	6,409,652	27,552,457	33,962,109	Semiannually	3.98	53,872,814	3.70
MISCELLANEOUS CREDITORS	Ch\$	8,655,111	-	-	8,655,111	13,056,421	-	13,056,421	Semiannually	7.28	22,181,698	7.00
MISCELLANEOUS CREDITORS	UF	-	-	46,735,659	46,735,659	-	-	-	Upon maturity	3.70	46,619,120	3.00
MISCELLANEOUS CREDITORS	UF	-	-	508,538	508,538	-	68,288,726	68,288,726	Upon maturity	4.00	69,928,680	3.85
MISCELLANEOUS CREDITORS	UF	-	-	338,640	338,640	-	45,577,882	45,577,882	Upon maturity	3.99	46,619,120	3.85
MISCELLANEOUS CREDITORS	UF	-	-	100,600	100,600	23,068,500	-	23,068,500	Upon maturity	3.41	23,309,560	3.00
MISCELLANEOUS CREDITORS	UF	-	-	273,744	273,744	-	54,932,442	54,932,442	Upon maturity	3.90	58,273,900	3.50
MISCELLANEOUS CREDITORS	UF	-	-	234,243	234,243	-	69,333,591	69,333,591	Upon maturity	3.92	69,928,680	3.90
MISCELLANEOUS CREDITORS	UF	-	1,008,406	-	1,008,406	-	69,993,150	69,993,150	Upon maturity	3.76	69,928,680	3.80
MISCELLANEOUS CREDITORS	UF	-	-	528,688	528,688	-	68,309,762	68,309,762	Upon maturity	4.72	69,928,680	4.50
MISCELLANEOUS CREDITORS	UF	-	-	74,331	74,331	23,108,888	-	23,108,888	Upon maturity	3.74	23,309,560	3.50
MISCELLANEOUS CREDITORS	UF	-	450,501	-	450,501	17,589,657	17,589,657	35,179,314	Upon maturity	3.34	34,964,340	3.50
MISCELLANEOUS CREDITORS	UF	-	1,876,271	-	1,876,271	-	90,885,413	90,885,413	Semiannually	4.55	95,035,554	4.25
MISCELLANEOUS CREDITORS	Ch\$	-	-	10,466,299	10,466,299	5,146,312	-	5,146,312	Semiannually	6.13	15,702,724	5.30
MISCELLANEOUS CREDITORS	UF	-	-	23,463,673	23,463,673	11,629,076	-	11,629,076	Semiannually	3.25	35,207,395	2.80
MISCELLANEOUS CREDITORS	UF	-	-	847,106	847,106	-	78,120,870	78,120,870	Upon maturity	4.38	82,391,299	4.00
MISCELLANEOUS CREDITORS	Ch\$	-	-	1,119,643	1,119,643	-	89,556,192	89,556,192	Upon maturity	6.63	95,613,209	6.50
MISCELLANEOUS CREDITORS	USD	-	-	1,675,436	1,675,436	-	262,305,000	262,305,000	Upon maturity	3.98	263,944,406	3.75
MISCELLANEOUS CREDITORS	ARS	603,163	1,108,195	304,594	2,015,952	-	-	-	Monthly	26.39	13,035,264	17.50
MISCELLANEOUS CREDITORS	ARS	1,067,855	1,219,752	1,700,945	3,988,552	-	-	-	Monthly	28.20	13,932,516	18.00
MISCELLANEOUS CREDITORS	ARS	1,202,582	1,746,320	1,838,791	4,787,693	-	-	-	Monthly	34.06	12,354,301	19.00
MISCELLANEOUS CREDITORS	ARS	-	3,259,038	7,290,916	10,549,954	-	-	-	Monthly	26.26	14,420,183	19.00
Total Obligations with the Public		11,528,711	33,048,418	102,459,467	147,036,596	150,091,504	951,295,305	1,101,386,809				

In the tables presented above, when the nominal rate is equal to the effective rate, it means that there were no costs or income directly associated with the transaction that will affect the original rate of the instrument.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Financial lease obligations as of December 31, 2013 are detailed as follows:

Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk with Expiry							Type of Amortization	Effective Rate	Nominal Amount of The Obligation Payable According to Contract Conditions	Nominal rate of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	5 or More Years	Total Non-Current				
SODIMAC PERÚ S.A.	PEN	9,021	18,041	81,185	108,247	75,651	-	75,651	Annual	5.85	220,278	5.69
SODIMAC PERÚ S.A.	PEN	23,868	47,735	214,808	286,411	250,310	-	250,310	Annual	5.85	587,316	5.69
SODIMAC PERÚ S.A.	PEN	121,493	242,986	1,093,439	1,457,918	-	-	-	Annual	7.37	8,155,923	7.11
SODIMAC PERÚ S.A.	PEN	13,066	26,131	117,591	156,788	-	-	-	Annual	6.15	4,013,310	5.97
SODIMAC PERÚ S.A.	PEN	147,151	294,301	1,324,355	1,765,807	7,063,225	-	7,063,225	Annual	7.69	12,516,777	7.43
OPEN PLAZA PERÚ S.A.	PEN	-	-	825,171	825,171	2,287,971	-	2,287,971	Monthly	6.94	7,124,620	6.73
OPEN PLAZA PERÚ S.A.	PEN	-	-	669,370	669,370	2,241,729	-	2,241,729	Monthly	8.40	6,348,213	8.09
OPEN PLAZA PERÚ S.A.	PEN	-	-	625,027	625,027	3,105,283	958,251	4,063,534	Monthly	8.55	11,123,273	8.23
OPEN PLAZA PERÚ S.A.	PEN	-	-	334,617	334,617	1,470,365	2,784,208	4,254,573	Monthly	8.60	5,788,536	8.28
OPEN PLAZA PERÚ S.A.	PEN	-	-	414,087	414,087	1,956,332	496,233	2,452,565	Monthly	8.50	4,210,889	8.19
OPEN PLAZA PERÚ S.A.	PEN	-	-	457,056	457,056	2,269,976	288,169	2,558,145	Monthly	9.85	5,580,821	9.43
OPEN PLAZA PERÚ S.A.	PEN	-	-	942,415	942,415	4,396,164	7,448,556	11,844,720	Monthly	8.70	23,438,647	8.37
OPEN PLAZA PERÚ S.A.	PEN	-	-	565,365	565,365	6,605,543	-	6,605,543	Monthly	6.68	7,261,521	6.48
SAGA FALABELLA S.A. (PERU)	PEN	-	106,316	-	106,316	-	-	-	Monthly	6.15	2,737,937	5.98
VIAJES FALABELLA S.A. (PERU)	USD	1,579	3,178	14,650	19,407	27,501	-	27,501	Monthly	5.98	90,674	5.30
HIPERMERCADOS TOTTUS S.A.	PEN	34,549	60,162	281,090	375,801	328,364	-	328,364	Monthly	8.50	2,481,312	8.19
HIPERMERCADOS TOTTUS S.A.	PEN	94,922	191,568	891,182	1,177,672	245,613	-	245,613	Monthly	7.18	6,878,760	6.95
HIPERMERCADOS TOTTUS S.A.	PEN	86,017	85,603	-	171,620	-	-	-	Monthly	6.30	4,503,490	6.13
HIPERMERCADOS TOTTUS S.A.	PEN	33,102	44,670	208,602	286,374	1,352,671	36,351	1,389,022	Monthly	8.20	2,755,480	7.91
HIPERMERCADOS TOTTUS S.A.	PEN	56,816	100,445	470,977	628,238	392,908	-	392,908	Monthly	8.80	3,480,640	8.46
HIPERMERCADOS TOTTUS S.A.	PEN	36,549	45,200	211,106	292,855	1,369,928	490,445	1,860,373	Monthly	8.20	3,310,357	7.91
HIPERMERCADOS TOTTUS S.A.	PEN	61,647	111,975	518,372	691,994	542,904	-	542,904	Monthly	6.10	3,772,048	5.94
HIPERMERCADOS TOTTUS S.A.	PEN	23,497	23,937	112,119	159,553	738,935	750,001	1,488,936	Monthly	8.80	2,291,816	8.46
HIPERMERCADOS TOTTUS S.A.	PEN	27,942	44,440	206,828	279,210	777,506	-	777,506	Monthly	6.90	1,975,237	6.69
HIPERMERCADOS TOTTUS S.A.	PEN	88,430	158,996	738,431	985,857	3,677,975	-	3,677,975	Monthly	6.95	9,039,885	6.74
HIPERMERCADOS TOTTUS S.A.	PEN	7,427	13,221	62,194	82,842	328,045	-	328,045	Monthly	6.95	1,166,529	6.74
HIPERMERCADOS TOTTUS S.A.	PEN	7,890	14,184	65,891	87,965	328,559	-	328,559	Monthly	6.95	917,088	6.74
HIPERMERCADOS TOTTUS S.A.	PEN	42,544	64,126	299,201	405,871	1,303,876	-	1,303,876	Monthly	7.85	2,476,812	7.58
HIPERMERCADOS TOTTUS S.A.	PEN	116,820	176,121	821,647	1,114,588	3,578,862	-	3,578,862	Monthly	7.85	6,795,761	7.58
HIPERMERCADOS TOTTUS S.A.	PEN	32,184	57,301	267,441	356,926	724,812	-	724,812	Monthly	8.00	1,926,416	7.72
CONSTRUDECOR S.A.	BRL	1,800	1,800	-	3,600	-	-	-	Upon maturity	4.87	6,967	4.87
Total Financial Leasing		1,068,314	1,932,437	12,834,217	15,834,968	47,441,008	13,252,214	60,693,222				

In the tables presented above, when the nominal rate is equal to the effective rate, it means that there were no costs or income directly associated with the transaction that will affect the original rate of the instrument.



Note 19 - Current and Non-Current Trade and Other Accounts Payable

This note is broken down as follows:

Dec-31-14							
Liability Class	Up to 1 Month ThCh\$	1 to 3 Months ThCh\$	3 to 12 Months ThCh\$	Total Current ThCh\$	1 to 5 Years ThCh\$	Over 5 Years ThCh\$	Total Non- Current ThCh\$
Trade Account Payables	563,725,495	216,035,506	22,651,335	802,412,336	-	1,477,517	1,477,517
Miscellaneous Payables	5,044,546	2,940,236	9,536,664	17,521,446	1,208,738	-	1,208,738
Other Accounts Payable	15,939,700	39,876,776	90,311,351	146,127,827	-	-	-
Total	584,709,741	258,852,518	122,499,350	966,061,609	1,208,738	1,477,517	2,686,255

Dec-31-13							
Liability Class	Up to 1 Month ThCh\$	1 to 3 Months ThCh\$	3 to 12 Months ThCh\$	Total Current ThCh\$	1 to 5 Years ThCh\$	Over 5 Years ThCh\$	Total Non- Current ThCh\$
Trade Account Payables	454,035,117	227,421,407	66,327,198	747,783,722	1,411,385	-	1,411,385
Miscellaneous Payables	4,380,225	2,190,403	4,765,397	11,336,025	888,803	-	888,803
Other Accounts Payable	14,723,282	38,160,634	65,517,587	118,401,503	-	-	-
Total	473,138,624	267,772,444	136,610,182	877,521,250	2,300,188	-	2,300,188

Below are the principal suppliers of the Company as of December 31, 2014. The average term of payment for all suppliers vacillates, depending on each business and each country, from a minimum of 40 days and a maximum of 85 days as of December 31, 2014.

Supplier Name
Samsung Electronics
LG Electronics
Sony
Codelpa Chile
Nestlé
Arauco Distribución S.A.
Apple
Unilever
Hewlett Packard
Agrosuper S.A.
Protec & Gamble
Constructora Sigro S.A.
Citi S.A.
Adidas
Compañía Industrial El Volcán S.A.



Suppliers not yet due

Dec-31-14

Type of Supplier	Amounts According to Payment Terms						Total ThCh\$
	Up to 30 Days	31-60 Days	61-90 Days	91-120 Days	121-365 Days	366 or More Days	
Property	388,171,872	124,126,954	24,839,724	4,747,799	91,923	-	541,978,272
Services	202,258,175	23,047,843	3,039,833	1,695,530	3,942,725	-	233,984,106
Other	13,734,261	2,695,873	27,839	349,996	-	1,477,517	18,285,486
Total ThCh\$	604,164,308	149,870,670	27,907,396	6,793,325	4,034,648	1,477,517	794,247,864

Dec-31-13

Type of Supplier	Amounts According to Payment Terms						Total ThCh\$
	Up to 30 Days	31-60 Days	61-90 Days	91-120 Days	121-365 Days	366 or More Days	
Property	363,543,934	114,464,585	29,327,432	6,093,660	1,417,908	229,815	515,077,334
Services	179,799,039	33,328,779	2,849,573	1,264,378	1,430,932	1,181,570	219,854,271
Other	7,263,914	202,603	-	-	1,913	-	7,468,430
Total ThCh\$	550,606,773	147,995,967	32,177,005	7,358,038	2,850,753	1,411,385	742,400,035

Suppliers due

The Falabella group, given its conservative financial policy, has a solid position of liquidity that allows it to fulfill its obligations with its multiple suppliers without major issues. In light of the above, the amounts that are shown as owed to Suppliers with terms that have come due as of December 31, 2014 and December 31, 2013, are primarily due to cases in which there are invoices with differences in documentary reconciliation, the majority of which end up being resolved in the short-term, due to the ongoing management that is performed concerning the debts of our suppliers.

Dec-31-14

Type of Supplier	Amounts According to Payment Terms						Total ThCh\$
	Up to 30 Days	31-60 Days	61-90 Days	91-120 Days	121-180 Days	181 or More Days	
Property	2,611,957	1,800,874	788,720	1,199,173	316,459	1,106,509	7,823,692
Services	820,855	751,497	42,481	7,535	16,659	67,295	1,706,322
Other	-	53,554	27,285	6,260	3,955	20,921	111,975
Total ThCh\$	3,432,812	2,605,925	858,486	1,212,968	337,073	1,194,725	9,641,989

Dec-31-13

Type of Supplier	Amounts According to Payment Terms						Total ThCh\$
	Up to 30 Days	31-60 Days	61-90 Days	91-120 Days	121-180 Days	181 or More Days	
Property	1,188,583	2,031,284	751,232	496,880	475,134	1,259,829	6,202,942
Services	41,490	246,740	73,650	19,944	10,225	119,851	511,900
Other	-	30,271	12,986	6,368	26,506	4,099	80,230
Total ThCh\$	1,230,073	2,308,295	837,868	523,192	511,865	1,383,779	6,795,072



Note 20 - Current and Non-Current Banking and Non-Banking Business Provisions

a) Provisions established by the Company for the Non-Banking Business correspond to the following items:

Non-Banking Business	Current		Non-Current	
	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Provisions				
Legal claims (contingencies) provisions ⁽¹⁾	9,969,351	5,571,079	13,628,663	3,931,820
Dismantling, restoration and rehabilitation costs ⁽²⁾	-	-	1,269,542	907,887
Other provisions ⁽³⁾	279,233	576,772	-	-
Total	10,248,584	6,147,851	14,898,205	4,839,707

b) Provisions established for the Banking Business are detailed as follows:

Banking Business		
Provisions	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Legal claims (contingencies) provisions ⁽¹⁾	381,998	532,319
Dismantling, restoration and rehabilitation costs ⁽²⁾	284,683	464,962
Other provisions ⁽⁴⁾	4,824,894	5,052,460
Total	5,491,575	6,049,741

- (1) Legal claims (contingencies) provisions: correspond to real claims that have been defined by legal advisors as having a high probability of loss.
- (2) Dismantling, restoration and rehabilitation costs: this dismantling policy is reviewed annually to determine the reasonability of the estimated amounts, or whether there are new amounts to be recorded for new assets acquired or built.
- (3) Other provisions: correspond to other miscellaneous third party obligations, where there is a high probability of an outflow of resources.
- (4) Correspond to regulatory provisions required by the Chilean Superintendency of Banks.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Movements for the period for the item Non-Banking Business Provisions are detailed as follows:

Movements in provisions	Provisions for legal claims		Decommissioning, restoration and rehabilitation costs		Other provisions		Total	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Balance as of 01-Jan-14	5,571,079	3,931,820	-	907,887	576,772	-	6,147,851	4,839,707
Additional provisions	2,043,176	1,331,696	-	218,484	1,782	-	2,044,958	1,550,180
Acquisitions through business combinations	-	9,919,290	-	-	-	-	-	9,919,290
Increase (decrease) in existing provisions	2,560,370	(1,289,196)	-	114,083	(299,321)	-	2,261,049	(1,175,113)
Translation adjustment	(205,274)	(264,947)	-	29,088	-	-	(205,274)	(235,859)
Balance as of 31-Dec-14	9,969,351	13,628,663	-	1,269,542	279,233	-	10,248,584	14,898,205
Balance as of 01-Jan-13	4,452,691	-	-	642,123	882,603	-	5,335,294	642,123
Additional provisions	1,334,559	-	-	152,174	111,334	-	1,445,893	152,174
Increase (decrease) in existing provisions	346,160	636,108	-	114,968	(417,165)	-	(71,005)	751,076
Acquisitions through business combinations	-	3,373,041	-	-	-	-	-	3,373,041
Translation adjustment	(562,331)	(77,329)	-	(1,378)	-	-	(562,331)	(78,707)
Balance as of 31-Dec-13	5,571,079	3,931,820	-	907,887	576,772	-	6,147,851	4,839,707



d) Movements for the period for the item Banking Business Provisions correspond to:

Movements in provisions	Provisions for legal claims	Decommissioning, restoration and rehabilitation costs	Other provisions	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of 01-Jan-14	532,319	464,962	5,052,460	6,049,741
Additional provisions	1,116,185	-	2,996	1,119,181
Increase (decrease) in existing provisions	(1,307,416)	(164,432)	(237,921)	(1,709,769)
Translation adjustment	40,910	(15,847)	7,359	32,422
Balance as of 31-Dec-14	381,998	284,683	4,824,894	5,491,575
Balance as of 01-Jan-13	328,062	-	3,826,926	4,154,988
Additional provisions	824,989	468,406	44,974	1,338,369
Increase (decrease) in existing provisions	(623,912)	-	1,170,205	546,293
Translation adjustment	3,180	(3,444)	10,355	10,091
Balance as of 31-Dec-13	532,319	464,962	5,052,460	6,049,741



Note 21 Current and Non-Current Provisions for Employee Benefits

- a) Expenses for employee benefits that are included in the income statement under the item Administrative expenses are detailed as follows:

Non-Banking Business

Expenses for Employee Benefits	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Wages and Salaries	664,579,720	589,176,215
Bonuses and Other Short-Term Benefits	108,501,672	89,555,668
Expenses for Defined Benefit Obligations	3,222,698	2,205,518
Termination Expenses	16,824,361	8,361,606
Share-Based Payments	5,711,135	5,072,713
Other Personnel Costs	13,830,063	9,189,301
Personnel Costs	812,669,649	703,561,021

Banking Business

Expenses for Employee Benefits	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Wages and Salaries	58,680,432	48,658,842
Bonuses and Other Short-Term Benefits	17,277,564	15,723,548
Termination Expenses	1,032,031	547,049
Share-Based Payments	503,737	548,104
Other Personnel Costs	6,058,008	3,797,080
Personnel Costs	83,551,772	69,274,623

- b) The balances comprising Employee Benefits correspond to:

Non-Banking Business

Breakdown of Employee Benefits	Current		Non-Current	
	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Vacation provision	38,049,734	33,077,360	-	-
Profit-sharing and bonuses	38,188,543	30,987,792	2,436,163	1,681,700
Defined benefits provision	1,170,576	874,123	17,280,841	13,253,166
Withholdings	20,899,932	20,829,810	-	-
Payroll	7,064,517	3,964,279	-	-
Other Provisions	5,204,820	4,017,037	-	-
Total Employee Benefits	110,578,122	93,750,401	19,717,004	14,934,866

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



c) Defined Employee Benefits balances are detailed as follows:

	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Defined benefits provision, current	1,170,576	874,123
Defined benefits provision, non-current	17,280,841	13,253,166
Total Defined Benefits Obligations	18,451,417	14,127,289

c.1) The following is a reconciliation of the defined benefits obligation, breakdown of expenses for the period and main assumptions used to determine the obligation:

Reconciliation of Defined Benefits Plan Obligation Present Value	Dec-31-14	Dec-31-13
	ThCh\$	ThCh\$
Beginning balance as of January 1	14,127,289	13,731,135
Cost of current service, defined benefits plan obligation ⁽¹⁾	2,947,622	1,906,707
Cost of interest on defined benefits plan obligation ⁽¹⁾	275,076	298,811
Defined benefits plan actuarial profits (losses) obligation by experience and assumption ⁽²⁾	2,920,125	(608,491)
Payment of defined benefits plan obligations	(1,818,695)	(1,200,873)
Defined Benefits Plan Present Value, Final Balance	18,451,417	14,127,289

⁽¹⁾ Recorded under period income as Administration Expense.

⁽²⁾ Recorded under Other Comprehensive Income, as part of Other Reserves in Equity.

c.2) Actuarial assumptions

The following are the main actuarial assumptions used:

	Dec-31-14	Dec-31-13
Discount rate used	BCU average rate	BCU average rate
Salary increase expected rate	0.63% actual average rate, according to table defined by position.	0.5% actual average rate, according to table defined by position.
Employee turnover rate	30.9% turnover rate, according to table with historical data of the company.	33% turnover rate, according to table with historical data of the company.
Mortality table name	RV-2009 provided by the SVS	RV-2009 provided by the SVS.
Other significant actuarial assumptions	Legal ages of retirement by gender	Legal ages of retirement by gender

c.3) Sensitivity analysis

As of December 31, 2014, the sensitivity of the value of the actuarial liability for employee benefits, given variations of one point in the current discount rate, entails a decrease of ThCh\$ 2,343,931 in the case of a rise in rate, and an increase of ThCh\$ 2,877,511 in the case of a drop in rate.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



d) Share-based payments:

At the Extraordinary Shareholders' Meeting held on April 28, 2009, the shareholders agreed on a new compensation plan for Company executives through granting options to subscribe shares. These executives can exercise their rights within a maximum period of 5 years.

At the Extraordinary Shareholders' Meeting held on April 26, 2011, the shareholders agreed on a new compensation plan for Company executives through granting options to subscribe shares. These executives can exercise their rights within a maximum period of 5 years.

The 2011 program includes repurchase of shares, but not newly issued shares, exercised 20%, 30% and 50% in years 3, 4 and 5, respectively.

The Extraordinary Shareholders' Meeting held on August 27, 2013 approved a new compensation plan for Company executives, by granting options to subscribe to shares, rights which these executives may exercise within a maximum term of 5 years.

The 2013 program includes repurchase of shares, but not newly issued shares, exercised 30%, 30% and 40% in years 3, 4 and 5, respectively.

As of December 31, 2014, the Company acquired treasury shares related to the 2011 and 2013 programs for the amount of Th\$3,495,432, which have been accounted for as an equity decrease.

Considering that the stock options will become irrevocable in a period of 5 years, the services will be received by the Company during the same period and with the same progression, and therefore the payroll expense shall be accrued in the same period.

The charge to income recognized in the period ended as of December 31, 2014 was ThCh\$ 6,214,872 (ThCh\$ 5,620,817 as of December 31, 2013), with a credit to Other Reserves.

The main assumptions used to determine the fair value of the options recognized as a payroll expense in the period of accrual are the following:

	2009 Plan	2011 Plan	2013 Plan
Dividend yield (%)	1.84%	1.15%	1.80%
Expected volatility (%)	30.73%	31.14%	26.60%
Risk-free interest rate (%)	4.64%	4.82%	5.05%
Expected life of the option (years)	5	5	5
Weighted average price of share (Ch\$)	2,117.78	4,464.80	4,692.20
Estimated percentage of cancellations	6%	6%	6%
Period covered	09-15-09 /04-28-14	10-31-11 /06-30-16	08-28-13/06-30-18
Model used	Binomial	Binomial	Binomial
Name of model	Hull-White	Hull-White	Hull-White

The expected life of the options is based on historical data and is not necessarily indicative of exercising patterns that might occur. The expected volatility reflects the assumption that the historical volatility is indicative of future tendencies, which also might not necessarily be the real result.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Movement of current options during the period, weighted average exercise prices of options and average contractual lives of current options as of December 31, 2014 are detailed as follows:

Share Plans	2009 Plan	2011 Plan	2013 Plan
Balance as of January 1, 2014	11,881,726	11,549,500	16,905,000
Granted during the period	-	-	240,000
Cancelled during the period	-	(990,250)	(815,000)
Exercised during the period	(11,881,726)	-	-
Outstanding as of December 31, 2014	-	10,559,250	16,330,000
Can be exercised as of December 31, 2014	-	2,111,850	-
Weighted average contractual life (years)	-	1.4	3.4

S.A.C.I. Falabella and Subsidiaries**Notes to the Consolidated Classified Interim Financial Statements**

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

**Note 22 - Other Current and Non-Current Non-Financial Liabilities**

a) Other Current Non-Financial Liabilities are detailed as follows:

Other Current Non-Financial Liabilities	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Prepaid rent charged	1,241,915	1,543,290
Guarantees received for rental	770,329	205,796
Deferred income from customer loyalty programs (CMR points)	13,859,094	11,480,170
Prepaid sales	54,387,891	53,721,154
Credit notes receivable from clients	1,414,005	1,448,851
VAT tax debit	45,354,659	31,124,456
Withholdings to be deposited	6,864,609	4,853,676
Other	5,645,779	5,311,419
Total	129,538,281	109,688,812

b) Other non-current, non-financial liabilities are detailed as follows:

Other Non-Current, Non-Financial Liabilities	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Guarantees and rent charged in advance	29,421,532	23,726,985
Other	1,284,633	17,222
Total	30,706,165	23,744,207

Note 23 - Deposits and Other Time Deposit Banking Business

The breakdown for Deposits and Other Time Deposits is as follows:

Breakdown	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Time deposits	1,556,821,935	1,398,650,305
Savings deposits	114,726,627	103,959,210
Total	1,671,548,562	1,502,609,515

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 24 - Obligations with Banks - Banking Business

a) As of December 31, 2014 the breakdown is as follows:

Name of Creditor	Description of the Currency or Adjustability Rate in Accordance with the Contract's Conditions (ISO 4217)	Amount of Liability Class Exposed to Liquidity Risk by Maturity						Amortization Type	Nominal Rate of the Payment Obligation in Accordance with the Contract's Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	5 or More Years	Total		
BANCO AGRARIO DE COLOMBIA, BOGOTA	COP	2,500,921	-	-	-	-	2,500,921	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTA	COP	1,500,545	-	-	-	-	1,500,545	At Maturity	1,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTA	COP	2,502,756	-	-	-	-	2,502,756	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTA	COP	2,502,756	-	-	-	-	2,502,756	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTA	COP	2,502,756	-	-	-	-	2,502,756	At Maturity	2,500,000
BANCO OCCIDENTE S.A. (COLOMBIA)	COP	-	7,508,187	-	-	-	7,508,187	At Maturity	7,500,000
BANCO DAVIVIENDA (COLOMBIA)	COP	-	-	6,259,969	-	-	6,259,969	At Maturity	6,250,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	2,506,822	-	-	2,506,822	At Maturity	2,500,000
BANCO DE BOGOTÁ (COLOMBIA)	COP	-	-	2,515,844	-	-	2,515,844	At Maturity	2,500,000
BANCO DE BOGOTÁ (COLOMBIA)	COP	-	5,002,371	-	-	-	5,002,371	At Maturity	6,000,000
BANCO DE BOGOTÁ (COLOMBIA)	COP	3,001,360	-	-	-	-	3,001,360	At Maturity	3,600,000
BANCO POPULAR (COLOMBIA)	COP	-	-	2,520,301	-	-	2,520,301	At Maturity	2,500,000
BANCO POPULAR (COLOMBIA)	COP	2,560,260	-	-	-	-	2,560,260	At Maturity	3,000,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	1,257,538	-	-	1,257,538	At Maturity	1,250,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	5,030,988	-	-	5,030,988	At Maturity	5,000,000
BANCO DE LA REPÚBLICA (COLOMBIA)	COP	1,000,241	-	-	-	-	1,000,241	At Maturity	1,000,000
SCOTIABANK (PERU)	PEN	-	-	4,112,332	-	-	4,112,332	At Maturity	4,058,600
SCOTIABANK (PERU)	PEN	-	-	2,052,518	-	-	2,052,518	At Maturity	1,976,300
CITIBANK DEL PERU	PEN	-	-	2,054,024	-	-	2,054,024	Monthly	1,976,300
INTERBANK (PERU)	PEN	2,033,533	-	-	-	-	2,033,533	Monthly	2,029,300
FONDO MI VIVIENDA (PERU)	PEN	217	436	1,803	12,870	12,438	27,764	Monthly	60,265
FONDO MI VIVIENDA (PERU)	USD	8,782	17,733	73,255	528,127	517,812	1,145,709	Monthly	3,515,852
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	3,018,737	-	-	3,018,737	At Maturity	2,983,071
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	1,805,032	-	-	1,805,032	At Maturity	1,785,784
Total Bank Obligations		20,114,127	12,528,727	33,209,163	540,997	530,250	66,923,264		

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



b) The breakdown as of December 31, 2013 is as follows:

Creditor Name	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk With Expiration						Type of Amortization	Amount of the Nominal Value of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	5 or More Years	Total		
BANCO OCCIDENTE S.A. (COLOMBIA)	COP	-	-	8,108,141	-	-	8,108,141	At expiration	8,100,000
CORPBANCA (COLOMBIA)	COP	-	-	2,704,089	-	-	2,704,089	At expiration	2,700,000
BANCO DE BOGOTA (COLOMBIA)	COP	-	-	6,763,678	-	-	6,763,678	At expiration	6,750,000
BANCO DE BOGOTA (COLOMBIA)	COP	-	-	2,725,119	-	-	2,725,119	At expiration	2,700,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	1,247,090	-	-	1,247,090	At expiration	1,242,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	5,406,939	-	-	5,406,939	At expiration	5,400,000
BANCO POPULAR (COLOMBIA)	COP	-	-	2,758,342	-	-	2,758,342	At expiration	2,700,000
SCOTIABANK (PERU)	PEN	-	3,634,615	-	-	-	3,634,615	At expiration	3,592,710
BANCO DE CRÉDITO (PERU)	PEN	-	-	2,881,012	-	-	2,881,012	At expiration	2,736,600
BANCO DE CRÉDITO (PERU)	PEN	-	3,802,182	-	-	-	3,802,182	At expiration	3,627,400
BANCO DE CRÉDITO (PERU)	PEN	-	-	3,765,897	-	-	3,765,897	At expiration	3,781,800
CITIBANK DEL PERU	PEN	5,642,762	-	-	-	-	5,642,762	At expiration	5,624,700
COFIDE (PERU)	USD	4,672	8,734	39,303	105,417	-	158,126	Monthly	527,689
COFIDE (PERU)	USD	4,478	8,734	39,303	118,716	-	171,231	Monthly	540,070
COFIDE (PERU)	USD	1,766	2,911	13,101	70,571	56,770	145,119	Monthly	270,035
BANCO DE CRÉDITO (PERU)	PEN	298,435	624,967	312,483	-	-	1,235,885	Monthly	9,768,600
FONDO MI VIVIENDA (PERU)	PEN	-	-	-	-	27,274	27,274	Monthly	60,265
FONDO MI VIVIENDA (PERU)	USD	-	-	-	-	1,273,721	1,273,721	Monthly	3,515,852
Total Bank Obligations		5,952,113	8,082,143	36,764,497	294,704	1,357,765	52,451,222		

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 25 - Debt Instruments Issued and Other Banking Business Financial Obligations

a) The Breakdown as of December 31, 2014 is as follows:

Type of Instrument	Description of the Currency or Adjustability Rate in Accordance with the Contract's Conditions (ISO 4217)	Amount of Liability Class Exposed to Liquidity Risk by Maturity						Amortization Type	Nominal Rate of the Payment Obligation in Accordance with the Contract's Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	5 or More Years	Total		
SERIE B60	COP	-	-	3,412,395	-	-	3,412,395	Quarterly	4,050,300
SERIE G60	COP	-	-	-	15,001,312	-	15,001,312	Quarterly	18,483,000
SERIE G60	COP	-	-	-	6,472,690	-	6,472,690	Quarterly	7,716,000
SUBORDINATED BONDS	UF	-	-	-	-	41,557,795	41,557,795	Semiannual	33,818,134
CURRENT BONDS	UF	-	-	-	-	24,270,519	24,270,519	At Maturity	21,126,000
CURRENT BONDS	UF	-	-	-	-	48,377,568	48,377,568	Semiannual	42,252,000
CURRENT BONDS	UF	-	-	-	-	37,312,060	37,312,060	Semiannual	33,030,030
CURRENT BONDS	UF	-	-	-	-	24,944,267	24,944,267	Semiannual	22,020,020
FIRST ISSUE SERIES "A" BONDS	PEN	-	615,511	1,826,370	1,826,370	-	4,268,251	Quarterly	11,293,800
FIRST ISSUE SERIES "B" BONDS	PEN	-	298,622	913,185	1,217,580	-	2,429,387	Quarterly	5,798,100
FOURTH ISSUE SERIES "A" BONDS	PEN	-	511,174	1,087,125	4,348,500	5,435,625	11,382,424	Quarterly	13,682,250
SIXTH ISSUE SERIES "A" BONDS	USD	-	387,645	865,641	4,328,207	-	5,581,493	Quarterly	4,723,113
SEVENTH ISSUE SERIES "A" BONDS	PEN	-	810,301	2,355,652	11,778,260	785,217	15,729,430	Quarterly	15,704,347
Total Debt Instruments Issued		-	2,623,253	10,460,368	44,972,919	182,683,051	240,739,591		

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



b) As of December 31, 2013 the breakdown is as follows:

Type of Instruments	Description of the Currency or Indexation According to Contract Conditions (ISO 4217)	Amount of Class of Liabilities Exposed to Liquidity Risk With Expiration						Type of Amortization	Amount of the Nominal Value of the Obligation Payable According to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	5 or More Years	Total		
SERIES F24	COP	-	-	30,656,148	-	-	30,656,148	Quarterly	30,315,600
SERIES B60	COP	-	-	-	6,333,098	-	6,333,098	Quarterly	6,307,200
SERIES G60	COP	-	-	-	21,612,216	-	21,612,216	Quarterly	21,600,000
SERIES G60	COP	-	-	-	8,398,752	-	8,398,752	Quarterly	8,294,400
SUBORDINATED BONDS	UF	-	-	-	-	40,496,176	40,496,176	Semiannually	33,818,134
CURRENT BONDS	UF	-	-	-	-	22,899,481	22,899,481	At expiration	21,126,000
CURRENT BONDS	UF	-	-	-	-	45,733,143	45,733,143	Semiannually	42,252,000
CURRENT BONDS	UF	-	-	-	-	35,308,746	35,308,746	Semiannually	33,030,030
CURRENT BONDS	UF	-	-	-	-	23,600,284	23,600,284	Semiannually	22,020,020
CERTIFICATE OF DEPOSIT	PEN	-	-	11,287,164	-	-	11,287,164	At expiration	11,345,400
FIRST ISSUE SERIES "A" BONDS	PEN	-	571,841	1,687,410	3,937,290	-	6,196,541	Quarterly	11,293,800
SECOND SERIES "A" BONDS	PEN	-	549,108	1,095,879	-	-	1,644,987	Quarterly	6,588,050
FIRST ISSUE SERIES "B" BONDS	PEN	-	273,476	843,705	2,249,880	-	3,367,061	Quarterly	5,798,100
SECOND ISSUE SERIES "B" BONDS	PEN	-	463,791	1,407,862	-	-	1,871,653	Quarterly	5,798,100
FOURTH ISSUE SERIES "A" BONDS	PEN	-	466,878	1,004,411	8,035,286	3,013,232	12,519,807	Quarterly	13,682,250
SIXTH ISSUE SERIES "A" BONDS	USD	-	3,275	-	5,185,700	-	5,188,975	Quarterly	4,723,113
Total Debt Instruments Issued		-	2,328,369	47,982,579	55,752,222	171,051,062	277,114,232		

c) The breakdown for Other Financial Obligations as of December 31, 2014 and December 31, 2013 is as follows:

Breakdown of Other Financial Obligations	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Mortgage Notes	120,481,316	126,727,618
Public sector obligations	55,247,797	61,861,732
Total	175,729,113	188,589,350



Note 26 - Other Banking Business Liabilities

The breakdown of Other Banking Business Liabilities is as follows:

Other Liabilities	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Suppliers and accounts payable	25,976,187	18,052,922
Deferred income from client loyalty	4,664,772	3,217,487
Associated trade	5,417,081	8,355,196
Vacation and employee benefits provision	3,524,913	3,463,762
Withholdings and other to employees	7,117,615	5,564,046
Profit-sharing	2,540,569	2,840,541
Other	16,050	12,334
Total	49,257,187	41,506,288

Note 27 - Revenue from Normal Activities

27.1 Revenue from Normal Activities - Non-Banking Business

a) The Company's revenues are detailed as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Sales income	6,431,390,220	5,681,223,983
Income from rental of Investment Properties	208,812,115	178,144,091
Interest income	318,804,071	290,025,776
Commissions income	50,484,205	46,688,863
Total Income	7,009,490,611	6,196,082,713

b) Income from interest and commissions related to the company's Financial Retail business is as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Loan interest	318,804,071	290,025,776
Subtotal Interest Income	318,804,071	290,025,776
Commissions income	17,889,047	15,279,219
Payment services	32,595,158	31,409,644
Subtotal Commissions Income	50,484,205	46,688,863
Total Income From Interest and Fees	369,288,276	336,714,639



27.2 Income from Ordinary Banking Business Activities

a) The Company's income is detailed as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Income from interest and adjustments	445,605,716	365,731,910
Commissions income	106,875,474	93,114,776
Total Income	552,481,190	458,846,686

b) Income from interest and commissions is detailed as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Loan interest	440,491,314	362,861,449
Other interest income	5,114,402	2,870,461
Subtotal Interest Income and adjustments	445,605,716	365,731,910
Commissions income ⁽¹⁾	39,837,950	34,023,551
Payment services	67,037,524	59,091,225
Subtotal Commissions Income	106,875,474	93,114,776
Total Income From Interest and Commissions	552,481,190	458,846,686

⁽¹⁾ Income from PAC, financial brokerage, account maintenance.



Note 28 - Cost of Continuing Operations

28.1 Cost of Continuing Operations - Non-Banking Business

a) The Company's costs are detailed as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Cost of sales of goods and services ⁽¹⁾	4,500,639,834	3,963,133,252
Cost of sales, financial entities	105,916,108	99,810,432
Cost of depreciation and maintenance of investment properties	51,484,266	37,878,537
Total, Cost of Continuing Operations - Non-Banking	4,658,040,208	4,100,822,221

⁽¹⁾ Cost of sales of goods and services includes the cost of inventories, provisions for net realizable value, shortening and obsolescence (all disclosed in Note 8 - "Inventory") and depreciations of leased machinery (Note 14).

b) The Cost of Sales of the Company's Financial Retail business is broken down as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Interest cost	31,466,612	28,551,831
Other sales costs	23,312,317	22,671,230
Provision for doubtful accounts and write-offs	51,137,179	48,587,371
Total, Cost of Sales Financial Entities	105,916,108	99,810,432

c) Investment Property Costs are broken down as follows:

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Depreciation	24,201,860	17,777,640
Maintenance and other	27,282,406	20,100,897
Total	51,484,266	37,878,537

28.2 Cost of Continuing Operations - Banking Business

Item	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Interest and indexation expenses	129,938,794	112,945,337
Commission expenses	29,218,656	22,513,884
Credit risk provision	89,422,063	88,134,145
Total, Cost of Continuing Banking Business Operations	248,579,513	223,593,366



Note 29 - Administrative Expenses

a) The Administrative Expenses - Non-Banking Business are broken down into the following items:

Items	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Payroll and personnel costs ⁽¹⁾	812,669,649	703,561,021
Rent and common expenses	124,151,167	116,883,413
Depreciation and amortization	161,111,292	134,050,782
Basic energy, water and gas services	43,344,942	36,764,124
Computer services	3,946,097	1,521,006
Materials and supplies	37,045,015	34,688,623
Travel, lodging and transit	17,451,161	16,372,059
Tax, contributions, patents, insurance and other	44,261,197	38,676,495
Fees, third party services	110,212,227	97,899,774
Maintenance and repairs	30,144,510	25,539,365
Communications	6,528,426	5,167,798
Commissions	26,030,831	21,727,290
Other	9,333,935	8,575,992
Total	1,426,230,449	1,241,427,742

⁽¹⁾ See Note 21.

b) The Administrative Expenses - Banking Business are broken down into the following items:

Items	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Payroll and personnel costs ⁽¹⁾	83,551,772	69,274,623
Administrative costs	101,215,795	82,306,633
Depreciation and amortization	15,489,687	11,738,118
Other operational expenses	10,502,339	9,327,880
Total	210,759,593	172,647,254

⁽¹⁾ See Note 21.



Note 30 - Financing Costs and Income from Indexation Units

The financing costs incurred in Non-Banking Business are detailed as follows:

Items	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Interest expenses, bank loans	41,062,652	26,864,905
Interest expenses, bonds and other loans	59,537,154	50,313,989
Interest expenses, financial leases	5,946,373	5,953,896
Interest expenses, swap and forward	14,017,366	10,241,706
Other financial costs	18,861,803	11,411,710
Subtotal, Interest Costs	139,425,348	104,786,206
Income from indexation units	41,114,681	17,570,335
Total, financing expenses	180,540,029	122,356,541

Note 31 - Other Profits (Losses)

Other Profits (Losses) from the Non-Banking Business are broken down as follows:

Items	As of Dec-31-14 ThCh\$	As of Dec-31-13 ThCh\$
Real estate leases (other than investment properties)	2,030,391	1,607,391
Recovery of provisions	6,628,019	5,724,997
Insurance claims	1,870,040	13,931,299
Loss from decrease in property, plant and equipment	(4,860,060)	(5,999,956)
Loss from decrease in Investment properties	(1,121,701)	(2,401,474)
Claims	(859,400)	(1,835,397)
Gifts	(372,545)	(853,572)
Fines and interest	(636,883)	(1,301,274)
Other commissions	(58,784)	(248,749)
Banking costs	(251,798)	(310,044)
Tax	(340,900)	(703,812)
Complaints and litigation	(3,818,030)	(1,942,310)
Profit from sale of Italmod ⁽¹⁾	-	1,160,577
Cuentas Punto Com settlement ⁽²⁾	3,675,300	-
Other	5,424,817	2,501,434
Total	7,308,466	9,329,110

⁽¹⁾ See Note 11

⁽²⁾ See Note 4

S.A.C.I. Falabella and Subsidiaries**Notes to the Consolidated Classified Interim Financial Statements**

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)

**Note 32 - Earnings per Share**

Basic earnings per share are calculated dividing net income attributable to the Company's shareholders by the weighted average of common shares outstanding in the year. Diluted earnings per share include incremental shares of share-based compensation plans assumed to have been exercised as of the date of the statement of financial position.

	As of Dec-31-14	As of Dec-31-13
Profit attributable to holders of equity interests in parent's equity	464,728,694	443,827,493
Basic earnings per share	0.1911	0.1833
Diluted earnings per share	0.1903	0.1831

Weighted average number of shares, basic	2,432,045,882	2,420,865,285
Incremental shares of share-based compensation plans	9,762,565	2,763,718
Weighted average of number of shares, diluted	2,441,808,447	2,423,629,003



Note 33 - Financial Instruments and Risk Management

1. Risk Management

There are distinct risks in the surrounding environment that could affect performance of the Falabella Group's business. The main issues include:

- a) Changes in economic conditions that could affect consumption:
Changes in the economic conditions of the markets in which we operate could affect consumer confidence and spending. Additionally, the future economic conditions that affect consumers' available income, such as level of employment, changes in the housing market conditions, the availability of credit, inflation levels, interest rate, tax rates and the costs of fuel and energy could also reduce the level of consumption.
- b) The management of our inventory levels could affect the operation of our businesses:
We must maintain sufficient levels of inventory to successfully operate our business, avoiding both a lack of stock and the accumulation of excess stock. Generally, our suppliers require significant advance notice to be able to fulfill product orders. This obligates us to make purchase and manufacture orders well before the time these products are offered for sale, which is why we must precisely anticipate the future demand of a product or estimate the time to obtain inventory, in order to ensure that our levels of supply are appropriate.
- c) Our sales have a seasonal component and may also be affected by weather conditions:
The climate and seasonality have an impact on the results of the operations of many of our business units. People purchase products to meet their needs for each season and we believe this tendency will continue in the future. In preparation for seasons of high demand, we must increase inventory to levels that are above the average, and hire seasonal staff for our stores. Any unforeseen reduction in demand, error in our projections of demand or delay on the part of our suppliers obligates us to apply sales strategies to offset or mitigate these situations.
- d) The efficiency of our credit risk management depends on the quality and scope of the information available in the various countries where we operate:
Our banking and credit card business could expose us to an increase in credit and financing risk. In the client solvency evaluation, we based our assessment in large part on the credit information available using our own internal databases, and on a series of information that is freely available to the market. Our credit rating systems gather the available information, in an attempt at reflecting clients' real behavior, so that their credit risk may be correctly evaluated. However, we cannot ensure that this is sufficient to precisely predict their behavior.
- e) A scarcity of funds in the market could cause an increase in our financing costs: Deposits are an important source of financing for our banking business. If a significant number of our depositors withdraw their cash deposits or fail to renew their time deposits, our liquidity position could be affected. Should there be a sudden or unexpected scarcity of funds in the money markets in which we operate, we might have to incur greater costs to maintain our operations.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- f) Our growth and profitability depend on the level of economic activity in Chile, Peru, Colombia, Argentina, Uruguay and Brazil:

Our financial position and operating income depend in large part on the prevailing economic conditions in the countries in which we operate. The economic conditions in these companies could be affected by a variety of factors that are beyond our control, including:

- Economic policies and/or other types of government-imposed policies;
 - Other political and/or economic events;
 - Changes in the legislation or administrative procedures of authorities;
 - Inflation policies and the mechanisms used to combat inflation;
 - Movements in currency exchange rates;
 - World and regional economic conditions; and
 - Other factors.
- g) Economic and political issues in other countries could negatively affect the economy of the region, impacting our business;
We are exposed to the economic and political volatility of Asia, the United States and Europe, among other regions. If the economic conditions of these nations/regions deteriorate, the economy in the region could also be affected, and experience slower growth than in recent years, potentially impacting our customers and suppliers. The crises and political uncertainties in other Latin American countries could also have an adverse effect on the region's economy, and consequently on our business.
- h) We could be affected by currency fluctuations and devaluations;
The Chilean peso, and the other currencies in the countries where we operate, have been subject to great devaluations and appreciations in the past, and could be subject to significant fluctuations in the future. A large part of the products we sell are imported, which exposes us to the risk of currency fluctuation, primarily for local currency, against the US dollar. Therefore, we maintain policies to mitigate this risk.

2. Financial Risk

The Group's main financial instruments that arise either directly from its operations or from its financing activities consist of, among other things: bank loans and overdrafts, debt instruments with the public such as bonds and commercial paper, derivatives, sales debts, lease agreements, short-term loans, loans granted and others.

The different categories of financial assets and liabilities held by the Company are detailed as follows:

- a) Non-Banking Business:

Financial Instruments by Category	Dec-31-14	Dec-31-13
Financial Assets		
Financial assets held for trading	15,002,183	15,468,174
Total loans and accounts receivable	1,681,434,491	1,528,141,641
Hedging assets	76,041,493	15,807,338
Total Financial Assets	1,772,478,167	1,559,417,153
Financial Liabilities		
Financial liabilities at fair value by income	11,049,642	6,858,108
Financial liabilities measured at amortized cost	4,020,482,358	3,238,813,883
Total Financial Liabilities	4,031,532,000	3,245,671,991

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



b) Banking Business:

Financial Instruments by Category	Dec-31-14	Dec-31-13
Financial Assets		
Financial assets held for trading and derivatives	70,368,101	89,691,922
Bank debts	29,977,748	-
Total loans and accounts receivable	2,180,384,460	1,886,630,217
Financial assets held for sale	264,017,567	260,038,309
Total Financial Assets	2,544,747,876	2,236,360,448
Financial Liabilities		
Financial liabilities at fair value by income	8,637,377	4,486,973
Financial liabilities measured at amortized cost	2,396,288,009	2,181,192,423
Total Financial Liabilities	2,404,925,386	2,185,679,396

c) Total assets and financial liabilities:

Financial Instruments by Category	Dec-31-14	Dec-31-13
Financial Assets		
Financial assets held for trading and derivatives	85,370,284	105,160,096
Bank debts	29,977,748	-
Total loans and accounts receivable	3,861,818,951	3,414,771,858
Financial assets held for sale	264,017,567	260,038,309
Hedging assets	76,041,493	15,807,338
Total Financial Assets	4,317,226,043	3,795,777,601
Financial Liabilities		
Financial liabilities at fair value by income	19,687,019	11,345,081
Financial liabilities measured at amortized cost	6,416,770,367	5,420,006,306
Total Financial Liabilities	6,436,457,386	5,431,351,387

The book value of financial assets and liabilities is close to their fair value, except for certain long-term financial obligations. The market value of the instruments is determined using future cash flows discounted at current market rates as of financial statement closing. The fair value and book value of long-term financial obligations are as follows:

	Dec-31-14		Dec-31-13	
	Book Value	Market Value (1)	Book Value	Market Value (1)
Loans that accrue interest	1,420,904,735	1,370,545,811	1,165,791,045	1,185,024,358
Obligations with the public	1,939,648,220	2,082,861,317	1,525,537,637	1,549,460,778

(1) The market value hierarchy according to IFRS 13 is Level 2



Derivatives

The Company uses derivative financial instruments such as forward contracts and swaps for the exclusive purpose of hedging risks associated with fluctuations in interest rates and exchange rates. A part of those instruments qualifies for hedge accounting. The rest of the derivatives, although they fulfill a hedge role are accounted for as for investment.

For hedge accounting purposes, hedges are classified as:

- Fair value hedges when covering exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment; or
- Cash flow hedges when covering exposure to the variability of cash flows which are attributable to a particular risk associated with a recognized asset or liability, or a highly probable future transaction which can affect income for the year; or
- Hedges of a net investment in a foreign operation.

Hedges that comply with the strict hedge accounting criteria are accounted for as stated in IAS 39 “Financial Instruments: Recognition and Valuation.”

Current derivative instruments as of December 31, 2014, were 47 currency swaps in the amount of ThCh\$ 854,016,472 and 312 currency forwards in the amount of ThCh\$ 364,579,152 All these derivative instruments add up to a contracted notional value of ThCh\$ 1,218,595,625. As of December 31, 2013 there were 37 interest rate swaps for ThCh\$ 608,459,704, and 201 currency forwards amounting to ThCh\$ 114,044,128, which in total add up to a contracted notional value of ThCh\$722,503,832.

d) Assets and Liabilities at Fair Value

Financial Instruments by Category	Dec-31-14	Fair value measured at the end of the reporting period		
		Level 1	Level 2	Level 3
Financial assets				
Financial assets held for trading and derivative instruments	85,370,284	70,866,593	14,503,691	-
Financial assets held for sale	264,017,567	264,017,567	-	-
Hedging assets	76,041,493	-	76,041,493	-
Total financial assets	425,429,344	334,884,160	90,545,184	-
Financial liabilities				
Financial liabilities at fair value by income	19,687,019	-	19,687,019	-
Total financial liabilities	19,687,019	-	19,687,019	-

Financial instruments by category	Dec-31-13	Fair value measured at the end of the reporting period		
		Level 1	Level 2	Level 3
Financial assets				
Financial assets held for trading and derivative instruments	105,160,096	98,552,292	6,607,804	-
Financial assets held for sale	260,038,309	260,038,309	-	-
Hedging assets	15,807,338	-	15,807,338	-
Total financial assets	381,005,743	358,590,601	22,415,142	-
Financial liabilities				
Financial liabilities at fair value by income	11,345,081	-	11,345,081	-
Total financial liabilities	11,345,081	-	11,345,081	-

**Financial Risks**

The main risks to which the Company is exposed and which arise from financial instruments are: market risk, liquidity risk and credit risk. These risks are mainly generated by the uncertainty of financial markets.

Market Risks

The main market risks to which the Falabella Group is exposed are exchange rate, interest rate and inflation.

Exchange Rate Risk

The Company is exposed to three strong foreign currency sources, the first arising from trade accounts payable in foreign currency, the second from financial debt in currencies other than the functional currency of each business, and the third from investments abroad.

A portion of the products acquired for sale are imported and therefore denominated in foreign currency, which generates exposure to the variation between the different local currencies in the countries where the group operates, and the foreign currency, mainly the US dollar. As a result of the above, as of December 31, 2014, at a consolidated level the Company had accounts payable in US dollars for the import of goods amounting to \$178,439 million from which the amount of \$ 24,814 million correspond to letters of credit (financial debt). To cover this liability and future obligations in foreign currency, the Company had, as of December 31, 2014, a hedge amounting to \$121,879 million, which generates a net book asset in US dollars of \$56,560 million. Taking into account this exposure, a simultaneous appreciation of 12.3% in the Chilean peso, Peruvian sol, Colombian peso, Argentine peso, Brazilian real and Uruguayan peso with respect to the US dollar, keeping all other variables constant, would result in loss before tax amounting to \$6,942 million for the Company. The percentage of appreciation of the currencies was determined by averaging the maximum theoretical variation that could occur in a year in each of the currencies with a 10% level of significance, which at a combined level represents a very improbable scenario, taking into account a 3-year history.

In order to minimize the exposure to the fluctuations in the exchange rate, most of the debt is obtained in the currency of the countries where the Company operates. As of December 31, 2014, 74.2% of the consolidated financial debt after hedges, excluding business developed in the banking line, was expressed in Chilean pesos (including that in UF), 17.4% in Peruvian soles, 2.2% in Colombian pesos, 4.3% in Argentine pesos, and 0.6% in Brazilian reals and 0.2% in Uruguay pesos. As of that date, there was also a financial debt amounting to \$ 30,275 million expressed in dollars, which corresponds to 1.0% of the consolidated financial debt of the Group, excluding banking business. The existence of this debt in US dollars is primarily due to favorable market conditions at the time when it was entered into and is partially hedged with derivatives. Therefore, as of December 31, 2014, excluding credit cards, the effect of which is mentioned in the previous paragraph, and net of hedges, our net risk to the exchange rate of the financial debt expressed in US dollars was \$ 5,461 million. Considering this risk, a devaluation of 13.7% in the Chilean peso as of December 2014 closing with respect to the US dollar would result in a loss of \$ 750 million for the Group. The percentage of devaluation of the Chilean peso against the US dollar was determined by averaging the maximum theoretical variation that could be produced in a year with a level of significance of 10%, which represents a very improbable scenario, taking a 3-year history into account.

The Company has investments in businesses in Peru, Argentina, Colombia, Brazil and Uruguay. These investments abroad are managed in the functional currency of each country. As a result of the above Falabella has, as of December 31, 2014, an exposure in its balance sheet equivalent to \$ 853,635 million in Peruvian soles, \$ 73,773 million in Argentine pesos, \$223,301 million in Colombian pesos, \$ 81,541 million in reals and \$ 17,233 million in Uruguayan pesos. Fluctuations in the exchange rates of the different currencies in respect to the Chilean peso can affect the value of the net investment abroad. Taking into account this risk existing as December 31, 2014, a simultaneous devaluation of 12.93% in the five foreign currencies mentioned above in respect to the Chilean peso, keeping the rest of the variables constant would result in a loss before tax of \$ 161,555 million for the Company. The percentage of currency devaluation was determined by averaging the maximum theoretical variation that could be produced in a year in each of the currencies in respect to the peso with a level of significance of 10%, which at a combined level represents a very improbable scenario, taking a 3-year history into account.



Inflation Risk

Due to the strong indexation of the Chilean capital market to inflation, a large part of the group's debt is denominated in UF (monetary unit indexed to Chilean inflation). As of December 31, 2014, 37.5% or \$ 1,238,301 of the consolidated financial debt after derivatives was expressed in UF. The Company uses UF-peso swaps to cover part of the exposure to inflation that is generated by this debt, which as of December 31, 2014 amounted to \$ 242,166 million. When applying incremental inflation of 1% per year and keeping all other variables constant, the effect on income net of derivatives would be a loss of approximately \$ 12,383 million.

Interest Rate Risk

Most of the debt is at a fixed interest rate in order to avoid exposure to fluctuations that might occur in variable interest rates and which can increase financial expenses. As of December 31, 2014, at a consolidated level and after derivatives, 87.2% of the Company's financial debt was at a fixed interest rate, 7.8% at a variable interest rate and 5.0% corresponded to overdrafts and letters of credit which due to their term can be considered to be at a variable interest rate.

In summary, as of December 31, 2014, after derivatives, \$ 421,154 million or 12.8% of the principal of our financial debt was subject to short-term fluctuations in the interest rates. A hypothetical increase of 100 base points during an entire year in all variable interest rates would generate a loss before tax of \$ 4,212 million.

Credit Risk

Credit risk is the risk of loss for the Group in case a client or other counterpart does not comply with their contractual obligations. The main credit risk to which the Group is exposed centers around its operations with credit cards and consumer loans. As of December 31, 2014 the total amount of gross credit card loans in Chile and abroad, excluding Banco Falabella in Chile, Banco Falabella in Peru and Banco Falabella in Colombia, which are dealt with independently below, was \$ 1,362,192 million. The group's credit portfolio is quite scattered without individual debtors with large amounts, which substantially mitigates credit risk.

The Group's financial retail segment uses risk rating processes for acceptance of clients and determining credit limits, as well as credit quality review processes for its clients, for early detection of potential changes in payment capacity, taking of timely corrective actions and determination of real and potential losses.

In addition, Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia are regulated by the superintendencies of banks or financial institutions of each country, which regulate and require the implementation of worldwide standards of credit review systems and processes.

The retail and real estate segments do not have significant concentrations of credit risk since collection essentially occurs in cash or through credit cards.

Likewise, the Group limits its exposure to credit risk by investing exclusively in highly liquid and credit rating products.

Lastly, all derivative operations performed by the group are with counterparts that have a certain minimum risk rating, and are additionally subjected to a credit analysis by the Company before any operation is commenced.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Maximum Exposure to Credit Risk

The Company's maximum exposure to credit risk, without considering guarantees, as of December 31, 2014, and December 31, 2013, is detailed below:

	Maximum Exposure	
	31-Dec-14 ThCh\$	31-Dec-13 ThCh\$
Cash Equivalents	610,126,163	647,689,942
Time deposits	130,482,800	201,727,760
Highly liquid financial instruments	56,790,023	52,350,751
Liquidity operations in course of settlement, net (bank subsidiaries)	5,272,593	(7,965,159)
Other cash and cash equivalents	417,580,747	401,576,590
Financial Assets at Fair Value through Profit or Loss, Current	43,468,294	70,210,904
Stock	346	346
Derivatives	21,571,760	12,613,509
Other	21,896,188	57,597,049
Trade and Other Receivables, Current	1,460,886,123	1,359,023,097
Trade accounts receivable, net	194,344,679	193,871,546
Notes receivable, net	89,827,599	91,593,315
Miscellaneous receivables, net	62,063,474	62,608,610
Financing receivables, net	1,114,650,371	1,010,949,626
Accounts Receivable from Related Parties, Current	14,382,645	3,608,843
Loans and Receivables, Banking Business	2,210,362,208	1,886,630,217
Due from banks	29,977,748	-
Credit and accounts receivables, net	2,180,384,460	1,886,630,217
Financial Assets at Fair Value through Profit or Loss, Non-Current	71,524,973	12,982,996
Derivatives	71,342,907	12,799,867
Other	182,066	183,129
Trade and Other Receivables, Non-Current	206,165,723	165,509,701
Trade accounts receivable, net	174,653	197,115
Notes receivable, net	1,793,311	1,914,506
Miscellaneous receivables, net	2,947,119	2,421,020
Financing receivables, net	201,250,640	160,977,060
Total	4,616,916,129	4,145,655,700

Liquidity Risk

The Company has a series of tools to limit liquidity risk. These include maintaining enough cash and cash equivalents to cover obligations in its normal operations. Additionally, Falabella and its main subsidiaries have bank financing alternatives available such as overdrafts and loans, as well as the possibility of quickly accessing debt instruments in the capitals market through registered lines of bonds and commercial paper.

The fragmentation and diversification of the loan portfolio and its control mechanisms contribute to keeping expected cash flow receivables within adequate ranges.

All the above provides the company with sufficient alternatives and sources of financing to face its operating and financial obligations.

Below is a breakdown of contractual maturities of loans that accrue interest, separated into capital and interest payable:

ThCh\$	1 Year	2 Years	3 Years	4 Years	5 Years	More Than 5 Years
Capital	2,057,987,847	625,748,878	220,974,719	193,731,767	271,720,047	1,790,998,491
Interest	138,407,544	86,295,755	59,102,434	47,624,239	43,160,938	279,445,534

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Expiration of other financial liabilities is detailed in Note 18 “Other Current And Non-Current Financial Liabilities.”

Minimum Capital Requirements - Banking Subsidiaries

Banco Falabella Chile

According to the General Banking Law, the Bank must maintain a minimum ratio of Minimum Equity to Weighted Consolidated Assets for an 8% risk, net of provisions required, and a minimum ratio of Basic Capital to Total Consolidated Assets of 3%, net of provisions required. To this end, the effective Equity is determined from Capital and Reserves or Basic Capital with the following adjustments:

- Subordinated bonds are added with a cap of 50% of basic capital and
- The balance of the assets relating to goodwill or premiums paid, and investments in companies that do not participate in the consolidation are deducted.

	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Total Consolidated Assets	1,903,988,119	1,871,973,471
Basic capital	168,054,035	145,040,068
% Basic capital/total assets consolidated	8.83%	7.75%
Total Risk-Weighted Consolidated Assets	1,285,298,645	11,186,569,007
Effective equity consolidated	202,025,123	179,699,222
% Effective equity consolidated/weighted consolidated assets	15.72%	15.14%

Banco Falabella Colombia

According to the legislation of Colombia as of December 31, 2014, the minimum amount of capital (including reserves and retained earnings) which Banco Falabella Colombia must establish is ThCol \$77,016,000 (Th\$19,254,000 in Chilean pesos). Banco Falabella Colombia's equity at December 31, 2014, totaled ThCol\$ 299,313,432 (ThCh\$ 74,828,358 in Chilean pesos at December 31, 2014).

	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Total Consolidated Assets	1,154,995,938	1,034,433,047
Basic capital	61,102,301	58,598,490
% Basic capital/total assets consolidated	5.29%	5.66%
Total Risk-Weighted Consolidated Assets	518,876,731	452,867,309
Effective equity consolidated	69,828,377	65,747,881
% Effective equity consolidated/weighted consolidated assets	13.46%	14.52%

Banco Falabella Peru

Legislation in Peru requires effective equity of equal or greater than 10% of assets and total risk-weighted contingent assets corresponding to the sum of: (i) the effective equity required for market risk multiplied by 10, (ii) the effective equity required for operational risk multiplied by 10, and (iii) contingent assets weighted for credit risk. This calculation must include any exposure or asset in local or foreign currency.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



As of December 31, 2014 and December 31, 2013, pursuant to Legislative Decree No. 1028, the Bank had the following amounts relating to assets and risk-weighted contingent loans and minimum capital (basic and supplemental), as follows:

	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Total risk-weighted consolidated assets	697,314,844	537,583,803
Effective equity	106,381,900	80,986,645
Basic effective equity (Level 1)	99,897,719	76,123,341
Supplementary effective equity (Level 2)	6,484,180	4,863,303
Ratio of total capital to effective equity	15.26%	15.06%

Banking Business Risk Management

- Banco Falabella Chile

Banco Falabella Chile's risk management has allowed the organization to determine what level of risk it can and is willing to accept, aiming to increase the value of the institution for shareholders and fulfill its objectives. The risk according to its analysis is divided into four categories: Credit Risk, Liquidity Risk, Market Risk and Operating Risk.

Credit Risk

The values of the credit risk exposure faced by the bank as of December 31, 2014 are detailed as follows:

Assets Weighted for Credit Risk (APRC)	ThCh\$ 1,285,298,645
Credit Risk Exposure (Basel Limit 8%) (ERC)	ThCh\$ 102,823,892
Minimum Capital (PE)	ThCh\$ 202,025,123
Leeway	ThCh\$ 99,201,231

Liquidity Risk

Liquidity risk is understood to be the temporary breach existing between cash flows payable and receivable, both in local currency, indexed currency and foreign currency.

Liquidity risk, bank book, according to discrepancy, subject to limit:

Discrepancy of 1 to 30 days (Liabilities - Assets)	ThCh\$ 62,477,142
Maximum limit (1 time Basic Capital)	ThCh\$ 168,054,035
Leeway (1 to 30 days)	ThCh\$ 105,576,893
Discrepancy of 1 to 90 days (Liabilities - Assets)	ThCh\$ 245,584,379
Maximum limit (2 times the Basic Capital)	ThCh\$ 336,108,070
Leeway (1 to 90 days)	ThCh\$ 90,523,691

The Company has several alternatives for obtaining short-term resources, such as interbank lines, direct financing with individuals and financing through institutional investors and companies.



Market Risk

Market risk considers interest rate risk, indexation risk and currency risk.

a) Indexation and Interest Rate Risk

Interest rate risk corresponds to exposure to losses caused by adverse changes in market interest rates which affect the value of instruments, contracts and other operations recorded in the balance sheet.

Indexation risk is the exposure to losses caused by adverse changes in the units or indexation indexes defined in the local currency in which the instruments, contracts and other operations recorded in the balance sheet are expressed.

The values of those risks as of December 31, 2014, both for the trading book and the bank book are detailed as follows:

Trading book

Exposure to interest rate risk	ThCh\$ 832,331
--------------------------------	----------------

Bank Book

Short-Term:

Exposure to Indexation Risk (asset)	ThCh\$ 3,446,221
Exposure to Interest Rate Risk (asset)	ThCh\$ 12,967,189
Maximum limit (20% of margin)	ThCh\$ 32,122,275
Available margin	ThCh\$ 15,708,865

Long-Term:

Exposure to Interest Rate Risk (asset)	ThCh\$ 44,712,549
Maximum limit (30% of minimum capital)	ThCh\$ 60,607,537
Available margin	ThCh\$ 15,894,988

b) Currency Risk

Currency risk corresponds to the exposure to losses caused by adverse changes in the value of foreign currencies, in which instruments, contracts and other operations recorded in the balance sheet are expressed, Exposure as of December, 2014, is as follows:

Exposure to currency risk	ThCh\$ 55,133
---------------------------	---------------

Operating risk (ERO)

The Bank has adequate tools to mitigate Operating Risk through identification and monitoring of critical processes, establishing control mechanisms that allow the Company to detect and act on risks affecting results.



Risk Exposure Limit Summary

In no case can the sum of exposures to credit risk, interest rate risk of the trading book and currency risk exceed the Bank's effective equity.

As stated in the previous paragraph, the bank has the following ratios:

Effective equity (PE)	ThCh\$ 202,025,123
Exposure to credit risk (ECR)	ThCh\$ 102,823,892
Exposure to interest rate risk of the trading book	ThCh\$ 832,331
Exposure to currency risk	ThCh\$ 55,133
% of effective equity (PE)	51.34%
Available margin	ThCh\$ 98,313,767

- Banco Falabella Peru

Banco Falabella Peru's Risk Management has allowed the organization to determine what level of risk it can and is willing to accept, trying to increase the value of the institution for the shareholders and fulfill their objectives. The risk, in accordance with its analysis subject is divided into four categories: Credit Risk, Liquidity Risk, Market Risk and Operating Risk.

The figures presented below are in thousands of Chilean pesos (Ch\$).

Credit Risk

The following shows the values of the exposure to credit risk faced by the bank as of December 31, 2014:

Assets Weighted for Credit Risk (APRC)	ThCh\$ 641,490,428
Exposure to credit risk (limit 10% minimum capital)*	ThCh\$ 64,149,043
Effective equity (PE)	ThCh\$ 106,381,900
Leeway	ThCh\$ 42,232,857

Liquidity Risk

Liquidity risk is understood to be the temporary discrepancy existing between cash flows payable and receivable, in either national currency, indexed currency or foreign currency.

Liquidity risk, bank book, according to discrepancy and subject to a limit:

Discrepancy of 1 to 30 days (liabilities - assets)	ThCh\$ (95,567,728)
Maximum limit (1 time effective equity)	ThCh\$ 106,381,900
Leeway (1 to 30 days)	ThCh\$ 201,949,628
Discrepancy of 1 to 90 days (liabilities - assets)	ThCh\$ (191,928,140)
Maximum limit (2 times effective equity)	ThCh\$ 212,763,800
Leeway (1 to 90 days)	ThCh\$ 404,691,940

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The Company has different alternatives for obtaining short-term resources, such as interbank lines, direct financing with individuals and financing through institutional investors and companies.

Market Risk:

Market risk considers interest rate risk, indexation risk and currency risk.

a) Interest Rate and Indexation Risk

Interest rate risk corresponds to the exposure to losses caused by adverse changes in market interest rates which affect the value of instruments, contracts and other operations recorded in the balance sheet.

Indexation risk corresponds to the exposure to losses caused by adverse changes in the indexation units or indexes defined in the local currency in which the instruments, contracts and other operations recorded in the balance sheet are expressed,

The following shows the values of those risks as of December 31, 2014, both for the trading book and the bank book:

Trading book		
	Exposure to interest rate risk	ThCh\$ 130,809
Bank Book		
	Short-Term:	
	Exposure to Indexation risk (asset)	ThCh\$ -
	Exposure to interest rate risks (asset)	ThCh\$ 1,586,000
	Maximum limit (5% of effective equity)	ThCh\$ 5,319,095
	Available margin	ThCh\$ 3,733,095

b) Currency Risk

Currency risks correspond to exposure to losses caused by adverse changes in the value of foreign currencies in which the instruments, contracts and other operations recorded in the balance sheet are expressed. Exposure as of December 31, 2014, is as follows:

Exposure to currency risks	ThCh\$ 48,092
----------------------------	---------------

Operational Risk Exposure (ORE)

The Bank has adequate tools to mitigate the Operational Risk by identifying and monitoring critical processes, establishing control mechanisms which allow risks which affect results to be detected and addressed through actions. The exposure as of December 31, 2014 is as follows:

Exposure to Operational Risk	ThCh\$ 5,403,540
------------------------------	------------------



Summary of Risk Exposure Limit

Under no circumstance may the exposure to credit risk, interest rate risk of the trade ledger or the currency risk exceed the Bank's effective equity.

In light of the information indicated in the previous paragraph, the bank maintains the following levels:

Effective equity (EE)	ThCh\$ 106,381,900
Basic effective equity (Level 1)	ThCh\$ 99,897,719
Basic effective equity (Level 2)	ThCh\$ 6,484,180
Credit risk exposure (CRE)	ThCh\$ 64,149,043
Exposure to interest rate risk of trade ledger	ThCh\$ 130,809
Currency risk exposure	ThCh\$ 48,092
Operational risk exposure	ThCh\$ 5,403,540
% Effective equity (EE)	65.55%
Available Margin	ThCh\$ 36,650,416
Assets and credits weighted for total risk	ThCh\$ 697,314,844
Ratio of total capital to Effective Equity (EE)	15.26%

- Banco Falabella Colombia

Risk management at Banco Falabella Colombia focuses on a comprehensive risk management system that is consistent with the goals of the business, seeking to achieve the objectives outlined in matters of profitability under a tolerable risk scenario. The risk according to its analysis on the subject is divided into four categories: Credit Risk, Liquidity Risk, Market Risk and Operating Risk.

The figures that are presented below are in thousands of Chilean pesos (Ch\$).

Credit Risk

Exposure to credit risk values faced by the bank as of December 31, 2014 is detailed as follows:

Credit risk weighted assets (CRWA)	ThCh\$ 518,876,731
Credit risk exposure (legal limit - Colombia 9%) (CRE)	ThCh\$ 46,698,906
Effective equity (EE)	ThCh\$ 69,828,377
Leeway	ThCh\$ 23,129,471

Liquidity Risk

Liquidity risk is a temporary discrepancy between cash flows payable and receivable, in national, indexed and foreign currencies.



Bank Ledger Liquidity Risk per limit gap

Gap of 1 to 30 days (Liabilities - Assets)	ThCh\$ (45,355,736)
Maximum limit (one times Basic Capital)	ThCh\$ 61,102,301
Leeway (1 to 30 days)	ThCh\$ 106,458,037
Gap of 1 to 90 days (Liabilities - Assets)	ThCh\$ (59,075,401)
Maximum limit (2 times Basic Capital)	ThCh\$ 122,204,602
Leeway (1 to 90 days)	ThCh\$ 181,280,003

Market Risk

Colombian regulations envision market risk as the possibility of incurring losses associated with a potential decrease in the value of entities' portfolios, and drops in the value of managed joint portfolios or funds, due to the effect of price changes in the financial instruments in which positions are held on or off the balance sheet.

In the case of Banco Falabella Colombia, the risk of decreases in value is considered for joint portfolios, along with the interest rate risk associated with short-term public debt investments, and the exchange rate risk to which positions are subject in foreign currency. The joint portfolios in which the Bank maintains investments are low-risk on the market, and furthermore allow the resources invested to be available immediately. Conversely, the investments that comprise the public debt portfolio represent a moderate level of interest rate risk, since they have a term of less than two years and present a high level of liquidity in the Colombian market, while the foreign currency funds are established as a provision for the payment of obligations with suppliers in foreign currency.

Exposure to interest rate market risk	ThCh\$ 266,951
Exposure to joint portfolio market risk	ThCh\$ 66,809
Exposure to exchange rate risk	ThCh\$ 30,367
Exposure to market risk	ThCh\$ 364,127

Operating Risk

The Bank has an Operating Risk Management System (SARO) within the framework of current standards, which is supported by a clear risk management methodology. Stages have been defined which have an adequate logic and are mainly supported by the constant interaction with all executives, which allows management to be directed toward key areas in accordance with the processes and characteristics of the business.

The operating risk management methodology is based on a systematic focus (by stages) that involves identifying risks, carrying out analyses and measurements and ultimately monitoring and performing effective controls, which allow mitigation work to be performed on the risks affecting the Bank's income.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Risk Exposure Limit Summary

In no case can the sum of exposures to credit risk and market risk be higher than the Bank's effective equity.

As stated in the previous paragraph, the Bank has the following ratios:

Effective equity (EE)	ThCh\$ 69,828,377
Credit risk exposure (CRE)	ThCh\$ 46,698,906
Market risk exposure	ThCh\$ 364,127
% Effective equity (EE)	67.40%
Available margin	ThCh\$ 22,765,344

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



3. Categories presented in the Consolidated Statement of Financial Position classified by currency

Balances as of December 31, 2014

	Chilean Pesos ThCh\$	Dollars ThCh\$	Euros ThCh\$	New Peruvian Soles ThCh\$	Argentine Pesos ThCh\$	Columbian Pesos ThCh\$	Other Currency ThCh\$	Total ThCh\$
Assets - Non-Banking Business								
Cash and cash equivalents	102,748,690	15,217,674	2,220,715	44,331,950	3,047,200	33,671,323	9,982,316	211,219,868
Other financial assets, current	15,406,624	525,771	-	2,623,424	801,496	-	161,388	19,518,703
Other non-financial assets, current	72,196,816	1,581,087	-	7,571,969	2,059,856	1,781,153	3,422,574	88,613,455
Trade and other receivables, current	1,207,450,434	23,418,547	76,494	22,797,478	163,835,894	9,066,165	34,241,111	1,460,886,123
Accounts receivable from related entities, current	1,289,529	-	-	2,197,344	-	10,895,772	-	14,382,645
Inventory	532,002,494	-	-	298,343,795	90,122,905	53,972,146	44,758,626	1,019,199,966
Tax assets, current	26,903,322	152,229	-	10,357,405	2,768,867	8,805,129	579,391	49,566,343
Non-current assets or groups of assets for disposal classified as held for sale	5,137,878	-	-	-	-	12,222	-	5,150,100
Total Current Assets	1,963,135,787	40,895,308	2,297,209	388,223,365	262,636,218	118,203,910	93,145,406	2,868,537,203
Other financial assets, non-current	2,855,819	61,419,814	-	7,243,247	-	6,093	-	71,524,973
Other non-financial assets, non-current	15,624,356	5,837,831	412,957	7,694,210	1,813,885	303,849	1,001,769	32,688,857
Rights receivable, non-current	201,749,609	793,538	-	1,278,042	2,344,534	-	-	206,165,723
Investments accounted for using the equity method	295,564	-	-	83,822,215	-	79,216,520	-	163,334,299
Intangible assets other than goodwill	179,995,440	115,056	-	32,803,059	1,244,214	1,044,532	18,301,014	233,503,315
Goodwill	259,964,833	-	-	163,486,712	164,403	-	38,909,397	462,525,345
Property, plant and equipment	1,118,534,598	57,821	-	799,601,004	45,721,530	100,682,039	55,098,916	2,119,695,908
Investment property	1,994,114,042	-	-	74,322,618	-	53,605,991	-	2,122,042,651
Deferred tax assets	46,332,016	588,460	-	11,174,097	3,827,649	1,861,843	4,383,976	68,168,041
Total Non-Current Assets	3,819,466,277	68,812,520	412,957	1,181,425,204	55,116,215	236,720,867	117,695,072	5,479,649,112
Total Assets Non-Banking Business	5,786,450,309	109,707,828	2,710,166	1,567,484,960	317,752,434	353,240,140	210,840,478	8,348,186,315
Assets - Banking Business								
Cash and cash equivalents	93,322,418	156,932,952	-	82,391,720	-	14,568,102	-	347,215,192
Liquidity operations in the course of settlement	7,672,457	2,295,438	-	157,453	-	-	-	10,125,348
Trading instruments	46,418,511	-	-	-	-	9,445,899	-	55,864,410
Financial derivative contracts	14,503,691	-	-	-	-	-	-	14,503,691
Due from banks	29,977,748	-	-	-	-	-	-	29,977,748
Loans and receivables from customers	1,252,413,274	29,990,112	-	551,259,925	-	346,721,149	-	2,180,384,460
Investment securities available for sale	208,753,899	-	-	55,263,668	-	-	-	264,017,567
Investments in companies	-	-	-	1,910,151	-	-	-	1,910,151
Intangibles	14,034,463	-	-	5,691,582	-	4,043,220	-	23,769,265
Fixed assets	16,066,942	-	-	12,258,946	-	8,608,676	-	36,934,564
Current tax	-	-	-	1,628,266	-	245,403	-	1,873,669
Deferred tax	9,504,880	-	-	4,731,007	-	273,649	-	14,509,536
Other assets	10,800,742	445,707	-	2,508,150	-	2,430,184	-	16,184,783
Total Assets - Banking Business	1,703,469,025	189,664,209	-	717,800,868	-	386,336,282	-	2,997,270,384
Total Assets	7,489,919,334	299,372,037	2,710,166	2,285,285,828	317,752,434	739,576,422	210,840,478	11,345,456,699

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



	Chilean Pesos ThCh\$	Dollars ThCh\$	Euros ThCh\$	New Peruvian Soles ThCh\$	Argentine Pesos ThCh\$	Columbian Pesos ThCh\$	Other Currency ThCh\$	Total ThCh\$
Liabilities - Non-Banking Business								
Other financial liabilities, current	316,646,984	58,136,483	367,476	247,058,915	106,752,919	645,704	6,921,108	736,529,589
Trade accounts payable and other payables	539,369,474	69,855,280	1,862,696	187,645,115	72,836,362	59,372,426	35,120,256	966,061,609
Accounts payable to related parties, current	2,562,235	-	-	847,794	-	6,484,007	-	9,894,036
Other short-term provisions	4,332,887	703	-	2,205,975	3,641,934	-	67,085	10,248,584
Tax liabilities, current	18,796,186	129,942	-	4,713,876	1,610,831	452,862	30,333	25,734,030
Provisions for employee benefits, current	59,688,778	-	-	29,893,979	11,748,529	4,963,393	4,283,443	110,578,122
Other non-financial liabilities, current	72,777,273	531,679	-	19,984,633	22,098,331	10,920,684	3,225,681	129,538,281
Total Current Liabilities	1,014,173,817	128,654,087	2,230,172	492,350,287	218,688,906	82,839,076	49,647,906	1,988,584,251
Other financial liabilities, non-current	1,380,837,176	667,526,315	-	181,104,316	21,992,522	64,900,182	-	2,316,360,511
Liabilities, non-current	1,208,738	-	-	1,477,517	-	-	-	2,686,255
Other long-term provisions	285,652	-	-	10,567,314	-	131,448	3,913,791	14,898,205
Deferred tax liabilities	320,094,488	-	-	49,526,382	-	-	31,604	369,652,474
Provisions for employee benefits, non-current	19,717,004	-	-	-	-	-	-	19,717,004
Other non-financial liabilities, non-current	22,828,394	121,763	-	6,951,354	782,404	22,250	-	30,706,165
Total Non-Current Liabilities	1,744,971,452	667,648,078	-	249,626,883	22,774,926	65,053,880	3,945,395	2,754,020,614
Total Liabilities - Non-Banking Business	2,759,145,269	796,302,165	2,230,172	741,977,170	241,463,832	147,892,956	53,593,301	4,742,604,865
Liabilities - Banking Business								
Deposits and other demand deposits	211,404,450	70,085	-	6,724,225	-	23,148,719	-	241,347,479
Liquidity operations in the course of settlement	2,342,703	2,510,052	-	-	-	-	-	4,852,755
Deposits and other time deposits	1,009,894,600	86,726,552	-	389,850,720	-	185,076,690	-	1,671,548,562
Financial derivative contracts	8,637,377	-	-	-	-	-	-	8,637,377
Bank obligations	-	3,179,241	-	13,070,408	-	50,673,615	-	66,923,264
Debt instruments issued	176,462,209	21,310,923	-	18,080,062	-	24,886,397	-	240,739,591
Other financial obligations	175,729,113	-	-	-	-	-	-	175,729,113
Current tax	59,511	-	-	-	-	-	-	59,511
Provisions	4,766,736	332	-	439,824	-	284,683	-	5,491,575
Other liabilities	14,046,567	2,461,191	-	12,736,933	-	20,012,496	-	49,257,187
Total Liabilities - Banking Business	1,603,343,266	116,258,376	-	440,902,172	-	304,082,600	-	2,464,586,414
Total Liabilities	4,369,284,208	923,663,983	2,230,172	1,171,464,234	241,463,832	445,491,549	53,593,301	7,207,191,279

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



As of December 31, 2013

	Chilean Pesos ThCh\$	Dollars ThCh\$	Euros ThCh\$	New Peruvian Soles ThCh\$	Argentine Pesos ThCh\$	Columbian Pesos ThCh\$	Other Currency ThCh\$	Total ThCh\$
Assets - Non-Banking Business								
Cash and cash equivalents	165,470,015	16,838,886	245,783	38,530,249	5,278,978	26,044,067	23,128,530	275,536,508
Other financial assets, current	13,428,680	236,708	14,263	3,554,490	766,822	-	291,553	18,292,516
Other non-financial assets, current	60,391,609	721,283	-	4,766,073	2,412,489	748,156	429,901	69,469,511
Trade and other receivables, current	1,123,155,578	13,658,255	45,547	14,325,905	159,136,074	10,871,295	37,830,443	1,359,023,097
Accounts receivable from related entities, current	893,324	-	-	721,564	-	1,993,955	-	3,608,843
Inventory	520,688,018	-	-	224,094,568	73,285,396	59,111,431	39,491,272	916,670,685
Tax assets, current	35,522,265	-	-	422,428	212,331	5,834,537	532,110	42,523,671
Total Current Assets	1,919,549,489	31,455,132	305,593	286,415,277	241,092,090	104,603,441	101,703,809	2,685,124,831
Other financial assets, non-current	3,811,510	9,164,330	-	-	-	7,156	-	12,982,996
Other non-financial assets, non-current	18,249,080	4,937,365	-	4,272,352	2,533,459	-	807,334	30,799,590
Rights receivable, non-current	157,555,883	796,703	-	893,562	6,263,553	-	-	165,509,701
Investments accounted for using the equity method	293,917	-	-	65,670,471	-	82,810,858	-	148,775,246
Intangible assets other than goodwill	161,918,364	24,135	-	2,752,044	1,178,923	1,952,472	18,026,827	185,852,765
Goodwill	259,964,833	-	-	-	186,456	-	37,961,677	298,112,966
Property, plant and equipment	1,077,468,309	54,713	-	439,456,962	46,518,990	93,821,577	13,856,018	1,671,176,569
Investment property	1,865,362,837	-	-	19,657,842	-	43,039,534	-	1,928,060,213
Deferred tax assets	30,861,529	531,870	-	5,883,473	2,670,431	1,632,917	4,311,364	45,891,584
Total Non-Current Assets	3,575,486,262	15,509,116	-	538,586,706	59,351,812	223,264,514	74,963,220	4,487,161,630
Total Assets - Non-Banking Business	5,495,035,751	46,964,248	305,593	825,001,983	300,443,902	327,867,955	176,667,029	7,172,286,461
Assets - Banking Business								
Cash and cash equivalents	205,252,722	24,236,666	-	101,615,588	-	11,240,083	-	342,345,059
Liquidity operations in the course of settlement	23,801,842	23,006,485	-	588,460	-	-	-	47,396,787
Trading instruments	76,808,000	-	-	-	-	6,276,118	-	83,084,118
Financial derivative contracts	6,607,804	-	-	-	-	-	-	6,607,804
Loans and receivables from customers	1,153,690,465	23,614,505	-	416,145,096	-	293,180,151	-	1,886,630,217
Investment securities available for sale	250,821,791	-	-	9,216,518	-	-	-	260,038,309
Investments in companies	-	-	-	1,621,617	-	-	-	1,621,617
Intangibles	12,331,393	-	-	5,008,036	-	2,639,212	-	19,978,641
Fixed assets	15,578,765	-	-	10,825,481	-	9,770,844	-	36,175,090
Current tax	288,608	-	-	-	-	-	-	288,608
Deferred tax	6,617,777	-	-	4,099,855	-	-	-	10,717,632
Other assets	11,064,555	105,127	-	3,251,192	-	2,175,118	-	16,595,992
Total Assets - Banking Business	1,762,863,722	70,962,783	-	552,371,843	-	325,281,526	-	2,711,479,874
Total Assets	7,257,899,473	117,927,031	305,593	1,377,373,826	300,443,902	653,149,481	176,667,029	9,883,766,335

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



	Chilean Pesos ThCh\$	Dollars ThCh\$	Euros ThCh\$	New Peruvian Soles ThCh\$	Argentine Pesos ThCh\$	Columbian Pesos ThCh\$	Other Currency ThCh\$	Total ThCh\$
Liabilities - Non-Banking Business								
Other financial liabilities, current	387,444,010	62,431,220	705,784	119,701,728	65,681,700	5,277,301	56,136	641,297,879
Trade accounts payable and other payables	539,652,351	66,463,934	6,728,702	110,469,519	75,761,662	42,734,622	35,710,460	877,521,250
Accounts payable to related parties, current	2,995,216	-	-	751,562	-	-	-	3,746,778
Other short-term provisions	884,551	1,034	-	2,056,339	3,175,679	-	30,248	6,147,851
Tax liabilities, current	14,322,852	547	-	4,653,175	941,525	40,733	227,898	20,186,730
Provisions for employee benefits, current	52,038,620	-	-	22,660,794	9,136,454	3,765,472	6,149,061	93,750,401
Other non-financial liabilities, current	67,797,420	385,314	-	9,368,770	20,270,800	8,597,561	3,268,947	109,688,812
Total Current Liabilities	1,065,135,020	129,282,049	7,434,486	269,661,887	174,967,820	60,415,689	45,442,750	1,752,339,701
Other financial liabilities, non-current	1,206,427,886	288,561,590	-	131,703,800	21,761,029	72,011,044	-	1,720,465,349
Liabilities, non-current	888,803	-	-	232,522	1,178,863	-	-	2,300,188
Accounts payable to related parties, non-current	-	-	-	340,547	-	-	-	340,547
Other long-term liabilities	236,066	634,458	-	-	-	37,363	3,931,820	4,839,707
Deferred tax liabilities	236,043,821	-	-	11,046,817	-	6,417	23	247,097,078
Provisions for employee benefits, non-current	14,934,866	-	-	-	-	-	-	14,934,866
Other non-financial liabilities, non-current	23,377,743	5,450	-	276,545	17,222	-	67,247	23,744,207
Total Non-Current Liabilities	1,481,909,185	289,201,498	-	143,600,231	22,957,114	72,054,824	3,999,090	2,013,721,942
Total Liabilities Non-Banking Business	2,547,044,205	418,483,547	7,434,486	413,262,118	197,924,934	132,470,513	49,441,840	3,766,061,643
Liabilities - Banking Business								
Deposits and other demand deposits	160,379,239	48,865	-	-	-	-	-	160,428,104
Liquidity operations in the course of settlement	34,750,322	20,611,624	-	-	-	-	-	55,361,946
Deposits and other time deposits	980,948,574	99,500,612	-	287,089,752	-	135,070,577	-	1,502,609,515
Financial derivative contracts	4,486,973	-	-	-	-	-	-	4,486,973
Bank obligations	-	1,748,197	-	20,989,627	-	29,713,398	-	52,451,222
Debt instruments issued	168,037,830	5,188,975	-	36,887,213	-	67,000,214	-	277,114,232
Other financial obligations	188,563,281	26,069	-	-	-	-	-	188,589,350
Current tax	-	-	-	980,192	-	2,866,011	-	3,846,203
Deferred tax	-	-	-	-	-	615,453	-	615,453
Provisions	4,998,773	308	-	585,698	-	464,962	-	6,049,741
Other liabilities	8,184,293	3,892,999	-	12,705,036	-	16,723,960	-	41,506,288
Total Liabilities - Banking Business	1,550,349,285	131,017,649	-	359,237,518	-	252,454,575	-	2,293,059,027
Total Liabilities	4,097,393,490	549,501,196	7,434,486	772,499,636	197,924,934	384,925,088	49,441,840	6,059,120,670

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 34 - Capital

a) Objectives, policies and processes that the Company applies to manage capital

S.A.C.I. Falabella maintains adequate capital ratios, in order to support and provide continuity and stability to its business. In addition, the Company continuously monitors its capital structure and that of its subsidiaries, in order to maintain an optimal structure that allows it to reduce capital cost.

The Group monitors capital using an index of net consolidated financial debt (excluding the businesses that develop the banking line of business) over equity. As of December 31, 2014, the aforementioned index was 0.7.

The Company has been rated locally as follows by the Feller-Rate and Fitch Ratings credit ratings:

	Feller-Rate	Fitch Ratings
Shares	1st C.N. 2	Level 2
Bonds and lines of bonds	AA	AA
Commercial paper	AA / Lev.1+	AA / F1+

Additionally, the company has an international credit rating from Standard & Poor's and Fitch Ratings, with a level of BBB+ with a stable outlook, and BBB with a stable outlook, respectively.

b) Capital and number of shares

As of December 30, 2014, the Company's capital is comprised of the following:

Number of shares

Series	No. of Subscribed Shares	No. of Paid Shares	No. of Shares with Voting Rights
Single	2,434,465,103	2,434,465,103	2,434,465,103

Breakdown	No. of Shares
No. of shares as of December 31, 2013	2,422,583,377
No. of shares paid January to December 2014	11,881,726
No. of shares as of December 31, 2014	2,434,465,103

Capital Issued

Series	Dec-14		Dec - 13	
	Subscribed Capital ThCh\$	Paid-in Capital ThCh\$	Subscribed Capital ThCh\$	Paid -in Capital ThCh\$
Single	533,409,643	533,409,643	530,806,267	530,806,267

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- c) The breakdown for the item Other reserves, for the period ended as of December 31, 2014, and the year ended December 31, 2013 is as follows:

Other Reserves	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Conversion reserve	(51,454,926)	(70,771,186)
Cash flows hedge reserve	(1,498,691)	(9,420,227)
Reserve for actuarial profits or losses in defined benefits plans	(4,783,662)	(2,476,763)
Reserve for actuarial profits or losses in the re-measurement of financial assets available for sale	620,476	630,210
Share-based payments reserves	30,096,699	23,881,827
Capital adjustment due to currency restatement ⁽¹⁾	12,256,323	12,256,323
Other reserves	(77,236,502)	(77,236,502)
Total Other Reserves	(92,000,283)	(123,136,318)

Evolution of Other Reserves	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Balance as of December 31 of the previous year	(123,136,318)	(104,129,160)
Conversion reserves	19,316,260	(18,443,957)
Hedge reserves	7,921,536	(4,797,453)
Reserve for actuarial profits or losses in defined benefits plans		486,793
Reserve for profits or losses in the re-measurement of financial assets available for sale	(2,306,899)	630,210
Share-based payments reserve	(9,734)	630,210
Other reserves ⁽²⁾	6,214,872	5,620,817
	-	(2,503,568)
Total Annual Variation	31,136,035	(19,007,158)
Other Reserves, Final Balance	(92,000,283)	(123,136,318)

⁽¹⁾ This effect was caused by the IFRS one-time adoption due to the obligation to apply the CPI for local purposes.

⁽²⁾ On October 1, 2013, the holding Falabella purchased 2,973,000 shares of SAGA Falabella S.A., equivalent to 1.19% of the total stake in this subsidiary. The price paid was ThCh\$ 3,979,506, generating other reserves for the holding Falabella in the amount of ThCh\$ (2,503,568).

- d) Dividends Policy

On April 30, 2013, the General Ordinary Shareholders' Meeting approved distribution of final dividends, which consisted of paying Ch\$30 per share with a charge to profits for the 2012 financial year.

On October 29, 2013, the Board of Directors approved the distribution of temporary dividends, which consisted of paying \$32 per share with a charge to profits for the 2013 financial year.

On April 29, 2014, the General Ordinary Shareholders' Meeting approved the distribution of final dividends, which consisted of paying \$40 per share with a charge to profits for the 2013 financial year.

On November 25, 2014 the Board of Directors approved the distribution of temporary dividends represented by the payment of \$25 per share with charge to the profits for the year 2014.

- e) Contributed surplus

During the financial year ended December 31, 2014, contributed surplus was generated in the amount of ThCh\$25,802,522. During the year ended December 31, 2013, contributed surplus was generated in the amount of ThCh\$8,072,637.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



f) Capital increase with issuance of shares

During the financial year ended December 31, 2014, 11,881,726 shares were subscribed and paid, which generated a capital increase of ThCh\$2,603,376 and contributed surplus of ThCh\$25,802,522

Date	No. of Shares Subscribed	No. of Shares Paid	Capital Increase ThCh\$	Contributed Surplus ThCh\$
January	1,762,010	1,762,010	386,069	3,791,598
February	1,507,835	1,507,835	330,378	3,262,819
March	4,515,010	4,515,010	989,273	9,800,635
April	4,096,871	4,096,871	897,656	8,947,470
Total	11,881,726	11,881,726	2,603,376	25,802,522

During the financial year ended December 31, 2013, 3,831,965 shares were subscribed to and paid, which generated a capital increase of ThCh\$839,612 and contributed surplus of ThCh\$8,072,637.

Date	No. of Shares Subscribed ThCh\$	No. of Shares Paid ThCh\$	Capital Increase ThCh\$	Contributed Surplus ThCh\$
January	146,666	146,666	32,136	307,240
February	55,001	55,001	12,051	115,299
March	261,333	261,333	57,260	548,741
April	536,233	536,233	117,493	1,128,140
May	744,465	744,465	163,118	1,567,665
June	1,076,400	1,076,400	235,847	2,260,667
July	266,667	266,667	58,429	560,263
August	69,067	69,067	15,133	145,779
September	208,333	208,333	45,647	442,151
October	264,800	264,800	58,020	562,764
November	163,000	163,000	35,714	348,323
December	40,000	40,000	8,764	85,605
Total	3,831,965	3,831,965	839,612	8,072,637

g) Financial information summarized from subsidiaries with a non-controlling interest:

Below is the financial information from Chilean subsidiary Plaza S.A., which has non-controlling interests that are significant for the group, before inter-company eliminations and other adjustments for consolidation:

	Dec-31-14	Dec-31-13
% non-controlling interest	40.7220%	40.7220%
Non-current assets	2,296,697,104	2,151,625,029
Current assets	119,072,941	194,586,093
Non-current liabilities	(1,066,298,184)	(958,323,212)
Current liabilities	(153,864,473)	(180,519,607)
Net assets	1,195,607,388	1,207,368,303
Income	226,552,377	192,400,968
Profit (loss)	85,846,522	91,381,224
Total comprehensive income	85,973,000	90,288,730
Profit (loss) attributable to non-controlling equity interests	2,552,211	1,819,625
Cash flow from operating activities	170,476,944	162,119,214
Cash flow from investment activities	(165,870,234)	(222,169,456)
Cash flow from financing activities, before dividends paid to parties with non-controlling interests	(75,188,228)	131,065,073
Cash flow from financing activities, cash dividends to parties with non-controlling interests	(15,416,365)	(13,219,637)



Note 35 - Financial Information by Segment

General description of segments and their measurement:

The Company's operating segments have been determined in accordance with the main business activities that the Group develops, which are regularly reviewed by senior management, in order to measure performance, evaluate risks and allocate resources, and for which there is available information. In the process of determining reportable segments, certain segments have been grouped because they possess similar economic characteristics. The information that the Company's management regularly examines corresponds to income of each of the operating segments in Chile and the consolidated income of each of the operations of subsidiaries abroad.

Management reports and those that emanate from the Company's accounting use the same policies described in the accounting criteria note, and there are no differences at an overall level between the measurement of income, assets and liabilities of the segments, with respect to the accounting criteria applied. Inter-segment eliminations are disclosed at an overall level; therefore inter-segment transactions and income are disclosed at the value of the original transaction in each segment.

The Falabella Group develops its activities in the following business segments:

- a) Department stores: This segment operates under the Falabella brand and its activities are the sale of a varied range of products including retail sales of clothing, accessories and products for the home, electronics, beauty products and others.
- b) Home improvement: This segment operates mainly under the Sodimac brand and its activities are the sale of building and home improvement products, including building materials, hardware, tools, and accessories for kitchen, bathroom, garden and decoration, among other things.
- c) Supermarkets: This segment operates using the hypermarkets and supermarkets format under the Tottus brand, offering products in the categories of food and other non-food.
- d) Promotora CMR: The Promotora segment mainly operates in the business of granting credit to individuals through the CMR credit card.
- e) Real estate: Operates in the real estate segment through the construction and leasing of malls. The most important subsidiary is the Mall Plaza Group in Chile.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- f) Other Business and Eliminations, intersegment cancellations: includes the rest of the companies of the group, which covers, among other things the industrial area, Insurance Brokerage in Chile, investments in Uruguay, investment companies and eliminations.

In addition, the consolidated operations of the following subsidiaries abroad have been defined as segments:

- Argentina: has activities in the department store, home improvement and financial retail areas.
 - Colombia: has activities in the department store and financial retail areas; for segment information purposes, Banco Falabella S.A. is shown in the Banking Business.
 - Peru: is the only foreign country in which the Group operates in all the business areas that Chile maintains; for segment information purposes, Banco Falabella Peru S.A. is shown in the Banking Business.
 - Brazil: Has activities in the home improvement area.
- g) Banking Business: includes information on all banking business, in Chile and abroad.

The portfolio of group clients is highly scattered and there are no individual clients that are significantly representative.

The information disclosed in each segment is presented net of eliminations corresponding to transactions and income between the companies. Inter-segment income and transactions are eliminated at an overall level, and form part of the group's final consolidated figures. This form of presentation is the same one used by management in the processes for periodic review of the Company's performance.

Ordinary income for the Chile Real Estate Property segment in the amount of ThCh\$ 284,466,736 as of December 31, 2014 (ThCh\$ 257,522,838 as of December 31, 2013) corresponds to total income receivable from real estate companies in Chile to third parties and related companies; conversely, Note 14 j) presents the leasing income receivable from third parties for all real estate companies of the Falabella Group.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Segment Information - Non-Banking Business	Department Stores Chile	Home Improvement and Building Materials Chile	Supermarkets Chile	CMR Promoter Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Building Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores Argentina	CMR Argentina	Other Businesses and Eliminations Argentina	Department Stores Colombia	Other Businesses and Eliminations Colombia	Home Improvement and Building Materials Brazil	Other Businesses and Eliminations Brazil	Other Businesses and Eliminations Chile, Inter-Segment Cancellations	Total Non-Banking Business	Segment Information - Banking Business	Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business	
December 31, 2014																				December 31, 2014				
Revenue from Ordinary Activities, Total	1,298,935,074	1,832,900,502	610,248,481	323,491,048	284,466,736	569,488,783	421,284,100	603,164,739	13,563,855	467,034,282	57,038,461	(4,603,276)	377,614,400	19,087,831	200,071,467		(64,295,872)	7,009,490,611	Interest and Adjustment Revenue, Banking	239,695,387	127,685,688	78,224,641	445,605,716	
Operating Costs, Total	(908,310,141)	(1,299,034,274)	(464,143,454)	(158,558,061)	(62,698,725)	(408,905,252)	(305,871,371)	(458,138,508)	16,476,864	(265,639,650)	(38,059,956)	(136,525)	(271,906,357)	(820,164)	(137,187,722)		104,893,088	(4,658,040,208)	Interest and Adjustment Expenses, Banking	(77,674,345)	(38,085,417)	(14,179,032)	(129,938,794)	
Financial Revenue, Non-Banking	7,867,907	8,384,857	45,759	2,777,255	3,071,136	440,249	346,471	351,519	517,990	255,601	91		1,327,364	96,239	1,650,894	19,886	(6,958,632)	20,194,586	Revenue from Commissions, Banking	24,882,913	45,242,815	36,749,746	106,875,474	
Financial Expenses, Non-Banking	(2,761,238)	(10,640,577)	(1,778,107)	(234,281)	(82,268,883)	(5,134,570)	(8,750,118)	(7,288,884)	(4,604,117)	(18,658,286)		(23,671)	(4,844,214)	(101,597)	(2,116,002)	(4,430)	(31,351,054)	(180,540,029)	Expenses of Commissions, Banking	(11,910,018)	(5,491,000)	(11,817,638)	(29,218,656)	
Financial Expenses, Net, Total Segments	5,106,669	(2,255,720)	(1,732,348)	2,542,974	(79,197,747)	(4,694,321)	(8,403,647)	(6,917,365)	(4,086,127)	(18,402,685)	91	(23,671)	(3,516,850)	(5,358)	(465,108)	15,456	(38,309,686)	(160,345,443)	Interest Income, Net, Total Segments	174,993,937	129,352,086	88,977,717	393,323,740	
Depreciation and Amortization, Total Segments	(20,425,427)	(31,548,804)	(17,237,969)		(36,260,563)	(12,058,244)	(11,000,683)	(17,287,276)	(4,339,116)	(5,823,319)	(296,472)	(126,484)	(10,804,447)	(489,295)	(3,568,946)		(17,685,520)	(188,952,565)	Depreciation and Amortization, Total Segments	(6,435,545)	(4,262,820)	(4,791,322)	(15,489,687)	
Profit Before Tax	23,346,118	113,669,590	3,003,641	137,745,982	114,052,320	41,245,447	4,863,296	19,377,224	25,635,190	3,680,461	920,250	(208,072)	4,789,193	26,127,664	(3,324,585)	(93,944)	25,575,085	540,404,860	Profit Before Tax	51,891,333	29,146,340	22,931,877	103,969,550	
Income (Expense) before Income Tax, Total	(2,257,361)	(20,683,185)	(240,484)	(24,225,150)	(12,650,468)	(13,713,375)	2,921,398	(7,270,921)	(4,801,575)	(1,644,096)	(606,814)	(2,771)	(1,592,133)	(3,354,931)	1,355,114	(29,201)	(12,709,871)	(101,425,824)	Income (Loss) Before Income Tax, Total	(8,350,851)	(9,495,587)	(7,996,588)	(25,843,026)	
Income (Loss) of the Segment being Reported, Total	21,088,757	92,986,405	2,763,157	113,520,832	101,401,852	27,532,072	7,784,694	12,106,303	20,833,615	2,036,365	413,436	(210,843)	3,197,060	22,772,733	(1,990,383)	(122,233)	12,865,214	438,979,036	Income (Loss) of the Segment Being Reported, Total	43,540,482	19,650,753	14,935,289	78,126,524	
Company's Participation of Income of Associates and Joint Ventures Accounted for using the Equity Method, Total					2,747,911				5,464,237					17,943,797				26,155,945	Company's Participation of Income of Associates and Joint Ventures Accounted for using the Equity Method, Total		358,358		358,358	
Trade Debtors and Other Receivables, Current	25,645,928	136,468,415	5,163,996	988,607,093	41,912,827	4,366,254	7,120,243	5,640,200	7,542,967	32,539,123	134,940,165	810,616	5,657,839	2,785,952	33,996,600		27,687,905	1,460,896,123	Cash and Deposits in Banks (Banks)	194,353,353	136,638,789	16,223,050	347,215,192	
Inventory	195,893,288	278,421,119	52,611,823			97,743,855	134,291,022	66,362,377	4,775	90,268,203			53,970,654	1,492	38,621,952	4,775	11,009,406	1,019,199,966	Loans and Account Receivables from Customers (Banks)	1,252,696,858	580,966,453	346,721,149	2,180,384,460	
Rights Receivable, Non-Current		717,653		199,378,404	1,591,713		242,371		1,829,209		2,344,534						61,839	206,165,723	Property, Plant & Equipment	16,066,942	12,258,946	8,608,676	36,934,564	
Property, Plant & Equipment	138,894,596	167,822,155	90,405,081	333,417	683,915,987	107,988,226	321,750,853	211,700,248	158,154,911	43,548,705	1,557,227	615,598	88,693,424	1,331,815	38,106,247	13,316	64,864,102	2,119,695,908	Trading Instruments (Banks)	46,418,511		9,445,899	55,864,410	
Investment Properties					2,050,032,190		41,309,858		32,188,706								(1,488,103)	2,122,042,651	Assets of the Segments, total	1,807,064,343	802,214,811	387,991,230	2,997,270,384	
Segment's Assets, Total	676,154,051	722,152,473	181,643,233	1,328,469,005	2,936,886,318	324,802,339	755,348,002	352,705,020	100,000,215	197,257,035	148,528,365	(16,366,976)	181,732,331	102,159,800	129,225,254	55,754,110	171,735,740	8,348,186,315	Amount in Associates and Joint Ventures Accounted for Using Under the Equity Method, Total				1,910,151	
Amount in Associates and Joint Ventures Accounted for Using Under the Equity Method, Total					28,236,302				55,881,477					79,216,520				163,334,299	Deposits and Other Time Deposits (Banks)	1,021,605,152	464,866,720	185,076,690	1,671,548,562	
Other Current Financial Liabilities	14,721,265	22,174,504		102,733,983	92,541,972	69,809,831	126,071,917	41,844,889	15,398,729	20,925,606	91,325,947		266,424	268,857	17,322,547		121,123,118	736,529,589	Liabilities of the Segments, Total	1,617,890,406	542,207,426	304,488,582	2,464,586,414	
Trade Accounts Payable and Other Payables	120,516,874	257,201,350	58,003,125	54,659,521	55,157,715	52,173,769	76,652,804	88,197,838	7,360,433	42,098,310	32,771,011	1,120,800	55,391,367	12,364,465	32,717,136		19,675,091	966,061,609	Disbursement of the Segment's Non-Monetary Assets, Total Segments	(9,819,235)	(5,292,526)	(5,623,867)	(20,735,628)	
Other Financial Liabilities, Non-Current		68,451,400		50,000,000	842,623,252	32,248,516	151,193,804	63,107,751	63,449,801	18,671,370	3,321,152		36,413,407				986,880,058	2,316,360,511	Operating Cash Flows of the Segments	(4,023,519)	39,441,566	53,838,672	89,256,719	
Liabilities of the Segments, Total	512,916,531	442,126,282	141,534,094	908,345,790	1,499,596,289	197,166,103	428,288,291	221,255,407	(79,896,320)	134,367,205	133,984,990	(12,707,081)	127,906,069	(2,219,417)	61,007,158	103,200	28,830,274	4,742,604,865	Investment Cash Flows of the Segments	33,437,773	(48,379,998)	(5,623,867)	(20,566,092)	
Disbursement of the Segment's Non-Monetary Assets, Total Segments	(43,018,136)	(41,689,326)	(27,848,311)		(238,773,830)	(18,884,369)	(29,860,726)	(65,955,384)	(303,132,473)	(9,991,520)	(692,954)	(2,185,532)	(16,748,558)	(570,053)	(29,932,420)		(41,126,016)	(870,409,608)	Financing Cash Flows of the Segments	(4,435,859)	(38,741,239)	(42,113,817)	(85,290,915)	
Operating Cash Flows of the Segments	88,576,673	94,173,682	2,144,739	59,273,891	216,557,599	65,393,970	5,101,723	59,274,861	(7,253,271)	24,677,101	(22,013,510)	(180,509)	22,644,511	3,356,945	1,594,517		76,239,293	689,562,215	Operating Cash Flows of the Segments	(4,023,519)	39,441,566	53,838,672	89,256,719	
Investment Cash Flows of the Segments	(22,404,855)	(40,619,784)	(21,278,750)	(24,453,307)	(279,219,132)	(27,241,919)	(325,641,535)	(80,456,515)	16,111,588	(18,668,669)	(1,115,478)	168,056	(16,583,102)	4,674,062	(25,677,108)		37,611,845	(824,794,603)	Investment Cash Flows of the Segments	33,437,773	(48,379,998)	(5,623,867)	(20,566,092)	
Financing Cash Flows of the Segments	(56,108,144)	(54,434,381)	20,567,438	(25,956,669)	(23,367,065)	(37,875,792)	324,792,126	13,684,652	(15,832,894)	(6,035,975)	22,556,079		(6,145,662)	(536,049)	10,457,144	13,273	(65,062,372)	100,695,719	Financing Cash Flows of the Segments	(4,435,859)	(38,741,239)	(42,113,817)	(85,290,915)	

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Segment Information - Non-Banking Business	Department Stores Chile	Home Improvement and Building Materials Chile	Supermarkets Chile	CMR Promoter Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Building Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores Argentina	CMR Argentina	Other Businesses and Eliminations Argentina	Department Stores Colombia	Other Businesses and Eliminations Colombia	Home Improvement and Building Materials Brazil	Other Businesses and Eliminations Brazil	Other Businesses and Eliminations Chile, Inter-Segment Cancellations	Total Non-Banking Business
December 31, 2013																		
Revenue from Ordinary Activities, Total	1,235,664,404	1,731,803,570	535,674,576	296,715,212	257,522,838	489,125,560	288,599,340	476,299,579	15,345,801	456,379,557	51,565,641	(5,052,805)	318,092,688	14,326,597	100,631,745		(66,611,590)	6,196,082,713
Operating Costs, Total	(870,691,923)	(1,219,913,480)	(405,671,870)	(147,959,749)	(63,073,383)	(341,573,516)	(207,149,868)	(359,510,657)	10,135,198	(269,806,566)	(27,858,420)	69,391	(229,314,917)	(2,631,620)	(67,642,724)		101,771,883	(4,100,822,221)
Financial Revenue, Non-Banking	7,375,622	4,849,183	4,805	2,164,644	3,047,141	127,067	55,548	313,974	31,414	289,022			548,445	14,855	1,551,389	46,844	(4,906,392)	15,513,561
Financial Expenses, Non-Banking	(4,030,446)	(9,826,599)	(1,170,687)	(3,284,060)	(51,102,835)	(4,570,458)	(2,097,527)	(4,506,174)	(4,124,407)	(6,874,076)		(12,153)	(4,612,639)	(183,409)	(811,549)	(302,377)	(24,847,145)	(122,356,541)
Financial Expenses, Net, Total Segments	3,345,176	(4,977,416)	(1,165,882)	(1,119,416)	(48,055,694)	(4,443,391)	(2,041,979)	(4,192,200)	(4,092,993)	(6,585,054)		(12,153)	(4,064,194)	(168,554)	739,840	(255,533)	(29,753,537)	(106,842,980)
Depreciation and Amortization, Total Segments	(17,197,608)	(29,962,034)	(14,927,004)		(28,015,051)	(9,707,626)	(5,804,706)	(12,597,305)	(2,551,982)	(6,302,740)	(268,103)	(143,530)	(9,546,954)	(303,638)	(1,539,745)		(16,778,924)	(155,646,950)
Profit Before Tax	33,053,501	107,650,678	4,100,318	116,848,739	127,642,628	45,377,073	15,624,910	18,036,503	17,789,583	9,988,488	4,363,073	(122,544)	3,666,870	18,194,810	4,599,146	(348,743)	37,257,279	563,723,312
Income (Expense) before Income Tax, Total	(7,452,247)	(20,717,551)	(743,143)	(21,942,212)	(17,758,576)	(14,286,908)	(5,067,194)	(6,124,835)	(5,331,966)	(3,801,818)	(2,551,393)	(6,054)	(2,585,076)	(1,825,227)	(1,526,099)		(10,476,822)	(122,197,121)
Income (Loss) of the Segment being Reported, Total	25,601,254	86,933,127	3,357,175	94,906,527	109,884,052	31,090,165	10,557,715	11,911,668	12,457,618	6,186,670	1,811,680	(128,598)	1,081,794	16,369,583	3,073,047	(348,743)	26,780,457	441,525,191
Company's Participation of Income of Associates and Joint Ventures Accounted for using the Equity Method, Total					1,399,663				2,770,180								142,989	17,988,643
Trade Debtors and Other Receivables, Current	30,047,861	135,264,917	8,164,712	876,115,741	52,108,223	3,846,457	4,075,241	5,518,475	4,671,067	21,834,170	142,971,385	283,960	6,323,738	2,083,583	37,830,443		27,883,124	1,359,023,097
Inventory	204,390,255	263,332,322	46,324,182			100,809,857	69,006,546	54,274,421	3,744	73,320,832			59,498,360	2,529	39,491,272		6,216,365	916,670,685
Rights Receivable, Non-Current		341,518		155,433,306	1,722,529		161,293		1,528,972		6,263,553						58,530	165,509,701
Property, Plant & Equipment	125,435,557	165,572,337	85,682,029	333,417	648,596,904	96,968,110	72,556,200	153,020,179	116,912,473	44,600,746	1,220,681	697,563	88,079,357	1,347,511	13,840,228		56,313,277	1,671,176,569
Investment Properties					1,910,688,500				18,859,816								(1,488,103)	1,928,060,213
Segment's Assets, Total	652,179,594	710,149,730	175,752,104	1,151,130,695	2,828,989,293	290,108,425	169,367,815	256,632,452	83,148,139	180,705,488	153,897,759	(22,104,340)	183,724,794	90,434,107	124,751,016	51,522,640	91,896,750	7,172,286,461
Amount in Associates and Joint Ventures Accounted for Using Under the Equity Method, Total					22,184,074				43,780,314					82,810,858				148,775,246
Other Current Financial Liabilities	15,113,175	22,609,575	17,866	107,658,500	121,524,785	54,068,138	33,509,662	49,226,326	7,641,308	4,900,464	62,177,009		4,081,539		7,672,999		151,096,533	641,297,879
Trade Accounts Payable and Other Payables	129,284,352	183,902,256	64,629,037	47,433,479	65,903,459	43,881,291	40,597,610	56,049,211	4,828,928	41,445,835	35,891,450	2,493,719	45,556,721	1,037,516	34,952,073	54,434	79,579,879	877,521,250
Other Financial Liabilities, Non-Current		84,941,159		25,000,000	849,834,529	35,907,205	17,744,315	31,878,700	46,201,081	29,571,171	18,418,947		42,300,560				538,667,682	1,720,465,349
Liabilities of the Segments, Total	496,379,374	385,580,132	139,577,963	788,660,008	1,395,893,766	166,906,455	102,207,479	154,791,674	(41,688,407)	112,340,289	137,890,799	(18,142,561)	109,572,688	(367,424)	56,381,292	84,813	(220,006,697)	3,766,061,643
Disbursement of the Segment's Non-Monetary Assets, Total Segments	(46,873,162)	(43,657,711)	(33,696,654)		(294,453,742)	(15,935,011)	(32,595,302)	(44,533,092)	(4,177,525)	(9,152,111)	(558,483)	(4,306,536)	(9,119,462)	(1,819,503)	(48,807)	(15,829,163)	(27,998,444)	(584,556,708)
Operating Cash Flows of the Segments	21,354,415	143,969,484	30,285,516	93,621,433	197,942,326	8,548,088	7,649,316	29,688,868	10,556,760	2,742,078	(19,603,931)	(1,430,671)	8,998,703	1,812,836	(15,542,249)	(4,279)	(42,751,686)	477,739,007
Investment Cash Flows of the Segments	(37,315,783)	(38,359,371)	(33,410,784)	2,962,449	(319,358,112)	(7,724,859)	(28,528,789)	(36,660,671)	(23,948,893)	(12,803,167)	(918,391)	1,408,015	(9,358,824)	(1,272,939)	417,551	(154,719,906)	174,290,845	(525,299,629)
Financing Cash Flows of the Segments	1,086,695	(106,440,002)	(3,122,590)	(100,049,433)	179,108,549	(1,045,546)	22,381,381	15,807,955	25,465,928	2,846,132	21,846,066		6,850,142		37,678,748	155,867,709	(140,310,828)	117,970,906

Segment Information - Banking Business	Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2013				
Interest and Adjustment Revenue, Banking	194,953,521	109,311,221	61,467,168	365,731,910
Interest and Adjustment Expenses, Banking	(70,660,288)	(30,982,184)	(11,302,865)	(112,945,337)
Revenue from Commissions, Banking	24,097,891	37,863,218	31,153,667	93,114,776
Expenses of Commissions, Banking	(9,439,343)	(3,729,873)	(9,344,668)	(22,513,884)
Interest Income, Net, Total Segments	138,951,781	112,462,382	71,973,302	323,387,465
Depreciation and Amortization, Total Segments	(5,320,215)	(3,713,324)	(2,704,579)	(11,738,118)
Profit Before Tax	32,670,736	28,249,844	16,224,619	77,145,199
Income (Loss) before Income Tax, Total	(6,029,802)	(9,065,557)	(6,467,632)	(21,562,991)
Income (Loss) of the Segment being Reported, Total	26,640,934	19,184,287	9,756,987	55,582,208
Company's Participation of Income of Associates and Joint Ventures Accounted for using the Equity Method, Total		305,005		305,005
Cash and Deposits in Banks (Banks)	207,841,426	123,263,550	11,240,083	342,345,059
Trading Instruments (Banks)	76,808,000		6,276,118	83,084,118
Loans and Account Receivables from Customers (Banks)	1,153,949,217	439,500,849	293,180,151	1,886,630,217
Property, Plant & Equipment	15,578,765	10,825,481	9,770,844	36,175,090
Assets of the Segments, total	1,788,561,967	597,636,381	325,281,526	2,711,479,874
Amount in Associates and Joint Ventures Accounted for Using Under the Equity Method, Total		1,621,617		1,621,617
Deposits and Other Time Deposits (Banks)	1,041,514,645	326,024,293	135,070,577	1,502,609,515
Liabilities of the Segments, Total	1,631,652,597	408,304,668	253,101,762	2,293,059,027
Disbursement of the Segment's Non-Monetary Assets, Total Segments	(8,095,729)	(7,155,463)	(4,052,652)	(19,303,844)
Operating Cash Flows of the Segments	1,672,494	67,543,365	(4,336,122)	64,879,737
Investment Cash Flows of the Segments	(8,236,611)	(15,376,950)	(34,802,284)	(58,415,845)
Financing Cash Flows of the Segments	(18,880,853)	(23,261,056)	35,611,856	(6,530,053)

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Ordinary income from external clients determined according to the country of domicile of the entity by geographic area is as follows:

Breakdown of Information in Geographic Areas (Presentation)	Dec-31-14 ThCh\$
Income from ordinary activities of external clients, country of domicile of the entity	4,550,324,269
Income from ordinary activities of external clients, all foreign countries	3,011,647,532

Ordinary income generated by geographic area, outside the country of domicile of the entity is detailed as follows:

Information on Significant Income From Activities	Dec-31-14	
	Area Description	Revenues
Ordinary income	Peru	1,780,429,980
Ordinary income	Argentina	519,469,467
Ordinary income	Colombia	511,676,618
Ordinary income	Brazil	200,071,467

The distribution of non-current assets by geographic area is detailed as follows:

Amount of Non-Current Assets	Dec-31-14 ThCh\$
Amount of non-current assets, country of domicile of the entity	4,907,752,464
Amount of non-current assets, all foreign countries	1,712,544,417

The distribution of the most significant non-current assets by geographic area, outside the country of domicile of the entity is detailed as follows:

Information on Significant Assets, Attributed to a Foreign Country	Dec-31-14	
	Description of Geographic Area, Assets ThCh\$	Amount of Assets Attributed to a Foreign Country ThCh\$
Property, plant and equipment (net)	Peru	811,853,184
Investment properties (net)	Peru	73,498,564
Non-current financial accounts receivable (net)	Peru	187,046,420
Property, plant and equipment (net)	Argentina	45,721,530
Investment properties (net)	Argentina	-
Non-current financial accounts receivable (net)	Argentina	2,344,534
Property, plant and equipment (net)	Colombia	98,633,915
Investment properties (net)	Colombia	-
Non-current financial accounts receivable (net)	Colombia	-
Property, plant and equipment (net)	Brazil	38,119,563
Investment property (net)	Brazil	-
Financial accounts receivable, non-current (net)	Brazil	-



Note 36 - Contingencies, Lawsuits and Other

a) Lawsuits

- a.1) The parent company and its subsidiaries have lawsuits filed against them or administrative matters whose resolution is pending in the respective courts or corresponding administrative instances. The company has established provisions to reflect possible unfavorable contingencies of the company. In those cases where the complaints or matters have little probability of prospering and which should be resolved in favor of the Company, no provisions have been made. Complaints or other matters as of December 31, 2014 are detailed as follows:

Nature of Proceedings	Number of Proceedings	Amount of Proceedings ThCh\$	Accounting Provision ThCh\$
Civil	389	8,718,029	3,281,399
Consumer	889	6,929,454	1,935,401
Labor	1,029	16,495,334	5,834,334
Tax	80	16,797,748	9,456,418
Other	216	7,746,467	3,472,460

- a.2) In relation to “Tax” matters we emphasize the situation of the subsidiary Saga Falabella S.A., as a consequence of the review of income tax returns from 2000 to 2005, the Peruvian subsidiary Saga Falabella S.A. received from the National Tax Administration Superintendency (SUNAT or “*Superintendencia Nacional de Administración Tributaria*”) determinations and assessments of penalties related to general sales tax and income tax for the 2000-2005 tax periods, for a total updated amount of 33,346,062 Peruvian nuevos soles (Th\$6,766,916).

On September 23, 2011, Inversiones Accionarias Limitada filed an action for recovery against Plaza Oeste S.A., asking for restitution of land with a surface area of approximately 1,005.80 square meters, located on the westerly line of the land on which Mall Plaza Norte is constructed, in addition to requesting the payment of mutual benefits, degradations and results for an undetermined amount. The amount of the lawsuit has not been determined. The evidentiary stage has now ended, and we are waiting for the judge to summon the parties to hear the decision and in our attorneys’ judgments, there is not sufficient background to set provisions for this action.

b) Other

On December 31, 2014, Falabella Argentina delivered customs guarantees in the amount of Th\$1,478,496.

As of December 31, 2014 Sodimac Chile has Checks that were received in guarantee totaling Th\$1,285,167.

Falabella Perú has maintained assets in guarantee totaling Th\$64,189,878 as of December 31, 2014.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Note 37 - Guarantees Provided to and Obtained from Third Parties

- a) Guarantee deposits received
 As of December 31, 2014, the Company has current guarantee deposits received amounting to Th\$43,221,089, which mainly guarantee the correct execution of works under construction and faithful compliance with contracts.
- b) Guarantee deposits provided
 As of December 31, 2014, the Company has provided guarantees amounting to Th\$29,078,972.
- c) Direct guarantees
 The guarantees in which S.A.C.I. Falabella is a direct guarantor of the debt are detailed as follows:

Guarantee Creditor	Debtor Name	Relationship	Type of Guarantee	Balances Pending Payment as of the FS Closing Date	
				Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
BANCO ESTADO	FALABELLA S.A. (ARGENTINA)	SUBSIDIARY	GUARANTOR	5,487,088	23,162,903

- d) Indirect guarantees: guarantees directly managed by subsidiaries with financial institutions are detailed as follows.

Guarantee Creditor	Debtor Name	Relationship	Type of Guarantee	Balances Pending Payment as of the Financial Statements Closing Date	
				Dec-31-2014 ThCh\$	Dec-31-2013 ThCh\$
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	615,349	1,920,822
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	8,727,920	4,539,995
BANCO DE CRÉDITO (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	493,550	477,551
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	17,385	52,065
BANCO FALABELLA (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	5,244,595	4,852,596
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	4,974,057	3,458,618
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	19,283	-
BBVA BANCO CONTINENTAL	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	2,748,870	1,634,350
BANCO FALABELLA (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	12,348	-
SCOTIABANK (PERU)	MAESTRO PERÚ	SUBSIDIARY	GUARANTEE LETTER	2,349,500	-
BBVA BANCO CONTINENTAL	MAESTRO PERÚ	SUBSIDIARY	GUARANTEE LETTER	189,306	-
BANCO DE CRÉDITO (PERU)	MAESTRO PERÚ	SUBSIDIARY	GUARANTEE LETTER	1,762,253	-
SANTANDER	MAESTRO PERÚ	SUBSIDIARY	STANDBY LETTER OF CREDIT	121,350	-
BBVA BANCO CONTINENTAL	MAESTRO PERÚ	SUBSIDIARY	STANDBY LETTER OF CREDIT	606,750	-
SANTANDER CHILE	SHEARVAN CORPORATE S.A.	SUBSIDIARY	GUARANTOR (*)	930,999	5,659,774
SANTANDER CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	CREDIT LETTER	23,013,261	31,987,759
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	CREDIT LETTER	35,473	-
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	364,050	314,766
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,277,680	2,984,840
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	7,584,375	6,557,625
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	103,327	90,538
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	169,014	155,087
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	242,641	199,352
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	247,641	209,844
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	276,071	132,865
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	60,675	52,461
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	61,326	52,461
HSBC	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	110,708	-

(*) Falabella Retail S.A. is guarantor for Shearvan Corporate S.A.



Note 38 - Environment

In line with its declarations on corporate social responsibility matters, Falabella Retail S.A. has continued its real estate development based on environmentally sustainable conduct. Therefore, the folder of projects for 2014, which envisages new stores such as San Fernando, Chillán, Puerto Montt, among other remodels, will continue to be constructed under international standards of sustainable development.

Likewise, the implementation of recycling programs has increased to a total of 16 stores in the metropolitan region, which covers collection, removal and subsequent forwarding to specialized centers that process the waste generated by business operations, such as plastics, cardboard and paper and environmental audits are conducted in order to implement new action measures for the next year 2016 in all stores pursuant to the currently applicable environmental laws and regulations.

The investment from the January to December 2014 period is distributed between technology and consultancies, as follows:

Items	Dec-31-14 ThCh\$	Dec-31-13 ThCh\$
Sustainability	50,655	47,546
Certification advisory	19,408	37,937
Memberships	31,247	9,609
Energy	198,861	170,054
Efficient lightning equip.	198,861	170,054
Water	4,442	28,297
Efficient taps	4,442	28,297
Materials	123,728	148,500
Facility for the storage of recyclable material	3,578	4,500
Recycle from Stores	120,150	144,000
TOTAL	377,686	394,397

Sodimac S.A. has incorporated leading edge international environmental standards in the construction of its commercial stores, following the recommendations of the U.S.A. Green Building Council. An example of this is the construction of the store in Copiapó, the first in Chilean and Latin American retail to obtain LEED certification in the Silver category, and the Homecenter store in Quilicura is pending certification, along with the new cooperative building in the community of Renca.

Currently, all new Sodimac S.A. stores have a series of sustainable construction characteristics and the efficient use of resources. Therefore, new stores that began operating in 2014, that is, Ovalle, Osorno, Quillota and Homy Plaza Egaña, have incorporated low consumption lightning and air conditioning equipment and a design that allows for the maximum use of natural light, which translates into a lower consumption of energy and a reduction of the corporate carbon footprint.

At the same time, Sodimac S.A. has focused on actions to mitigate the environmental impact generated with the operation of its stores. It has developed actions especially in recycling supply of ecologically efficient products, energy and/or water efficiency, and the Company has made a commitment to measuring its carbon footprint on an ongoing basis.

Sodimac S.A. is one of the founding partners of the Santiago Climate Exchange (SCX), a pioneer initiative in Latin America that enables the trading of carbon bonds with mitigation and offsetting projects that are located in the region.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Sodimac S.A. has the environmental permits for its commercial operation. Notwithstanding the above, the Ministry of Health in some cases sets forth instructions for improving environmental conditions at certain locations.

The main disbursements made by Sodimac S.A. in relation to the mentioned projects form part of the asset costs and are directly associated with stores. These projects have been executed and are in operation as of December 31, 2014, as indicated in the following table:

Project Name	December-14 ThCh\$	December-13 ThCh\$
Low consumption lighting project	31,105	118,417
Recycling points	451,041	431,622
Hazardous waste program	102,805	102,276
Carbon footprint project	-	67,811
Total	584,951	720,126

Sodimac S.A. has not entered into future disbursement commitments in relation to the environment; however, it is continuously evaluating projects of this type.

Both Plaza S.A. and its subsidiaries present the following disbursements, which were made or which are expected to be made as of December 31, 2014, in connection with environmental protection:

Identification of the Parent or Subsidiary	Name of Project Associated With the Disbursement	Disbursement Item	Asset or Expense	Description of the Asset or Expense Item	Amount of the Disbursement	Warning or Estimated Date on Which Future Disbursements will be Carried Out	Project In Progress Or Finished
					ThCh\$		
Nuevos Desarrollos S.A.	LEED Efficiency Implementation	LEED Efficiency Implementation	Asset	Work in progress	104,665	April 2015	In progress
	Carbon footprint measurement	Carbon footprint measurement	Asset	Work in progress	21,842	July 2015	In progress
	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	52,948	January 2015	In progress
Plaza Vespucio S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	13,402	January 2015	In progress
Plaza Oeste S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	27,121	January 2015	In progress
Plaza del Trébol S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	8,949	January 2015	In progress
Plaza Tobaraba S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	6,436	January 2015	In progress
Plaza la Serena S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	1,438	January 2015	In progress
Plaza Antofagasta S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	1,414	January 2015	In progress
Inmobiliaria Mall Calama S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	1,414	January 2015	In progress



Note 39 - Main Financial Covenants

As of December 31, 2014, both S.A.C.I. Falabella and its subsidiaries have complied with all covenants of their financial agreements. These are broken down below.

S.A.C.I. Falabella

Series F Bond

The issue of F bonds is recorded in a public instrument dated May 29, 2006, which was amended by public instruments dated June 30, 2006 and February 1, 2011, all of which were granted at the Office of Santiago Notary Iván Torrealba Acevedo. Likewise, it was amended only with the purpose of adequating it to IFRS principles (See Note 2.1) by public deed of December 15, 2010 granted at the Office of the Public Notary in Santiago referred to above. The issue of Series F bonds was recorded in the Securities Register of the Chilean Securities and Insurance Commission under number 468, dated July 7, 2006.

- To maintain, during the entire effective term of this Bond issue, the revenue coming from the retail sale, shopping mall administration and evaluation, credit authorization and administration business areas at a level that is equal to at least 70% of the Issuer's total consolidated revenue, which corresponds to the account Revenue from Ordinary Activities on the Issuer's Financial Statements, which is measured quarterly for retroactive twelve-month periods. As of December 31, 2014, 100% of the total consolidated revenue came from the business areas enumerated.
- The Issuer and/or its Significant Subsidiaries may not establish real guarantees, i.e. pledges and mortgages that guarantee new bond issues or any other monetary credit operation or any other credit, to the extent that the total cumulative amount of all of the obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 4.2% of the Issuer's Total Consolidated Assets.
- Maximum Level of Indebtedness. As of March 31, 2010, to maintain at the close of each quarter in the Issuer's Financial Statements, a Level of Indebtedness that is defined as the sum of accounts for Non-Banking Business Liabilities on the Balance Sheet, Total Current Liabilities and Total Non-Current Liabilities that is not higher than the Maximum Level of Indebtedness established by the formula defined in Appendix One of the respective issue contract.
- As of December 31, 2014, the maximum financial debt is Th\$5,816,183,747 and the Indebtedness Level is Th\$4,742,604,865; therefore, the maximum debt restriction is satisfied (see methodology for calculating financial covenants below).

As of December 31, 2014, the Issuer has complied with all covenants under the issue contract.

Series G, H and J Bonds

The issuance of Series G, H and J bonds is recorded in instruments dated March 12, 2009, which were amended by public instruments dated April 7, 2009 and March 29, 2011, all of which were granted at the Office of Santiago Notary Iván Torrealba Acevedo. These bond issues were recorded in the Chilean Securities and Insurance Commission ("SVS") Securities Register under the numbers 578 and 579 on April 16, 2009.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



- To maintain, throughout the entire effective term of this Bond issue, the revenue from the retail sales, shopping mall administration and evaluation, credit authorization and administration business areas, at a level that is equivalent to at least 70% of the Issuer's total consolidated revenue, which corresponds to the account for Revenue from Ordinary Activities in the Issuer's Financial Statements, which is measured quarterly for retroactive twelve-month periods. As of December 31, 2014, 100% of the total consolidated revenue comes from the business areas enumerated.
- The Issuer and/or its Significant Subsidiaries may not establish pledges and mortgages that guarantee new issues of Bonds or any other monetary credit operation or any other credit, insofar as the total cumulative amount of all obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 5.3% of the Issuer's Total Consolidated Assets.
- Maximum Level of Financial Indebtedness. As of March 31, 2010, to maintain at the close of each quarter of the Issuer's Financial Statements, a Level of Financial Indebtedness that is defined as (i) the total of the accounts of Non-Banking Business Liabilities on the Balance Sheet, Other Current Financial Liabilities, and Other Non-Current Financial Liabilities. However, this sum shall not take into consideration the sub-account "Other Financial Liabilities," which belongs to the note Other Current and Non-Current Financial Liabilities of the Non-Banking Business (ii) less the account Non-Banking Business Assets of the Balance Sheet, Cash and Cash Equivalents, which is no greater than the Maximum Level of Financial Indebtedness established by the formulas defined in Appendix One of the respective issue contract.
- As of December 31, 2014, the maximum financial debt is Th\$6,785,571,734 and the Level of Financial Indebtedness is Th\$2,830,620,590; therefore the maximum debt restriction is satisfied (see methodology for calculating financial covenants below).

As of December 31, 2014, the Issuer has complied with all issue contract covenants.

On November 6, 2014, all outstanding Series G (BFALA-G) and Series H (BFALA-H) of S.A.C.I. Falabella Bonds were early redeemed in accordance with articles 104 letter d) and 130 of Law No. 18045, that regulates the Securities Market and the provisions contained in the Bond Issue Agreement, clause seven, number one, as stated in public deed of March 12, 2009 and amended by public deed of April 7, 2009, April 16, 2009 and March 29, 2011 all granted at the Office of the Public Notary in Santiago Mr. Iván Torrealba Acevedo.

Series L Bonds

Series L bonds were issued in accordance with the Bond Issue Agreement stated in public deed of September 24, 2004 and which clauses were partially amended by public deeds of October 27, 2004, granted at the Office of the Public Notary in Santiago Mr. Rene Benavente Cash, April 25, 2011 and June 6, 2011 by public deed granted at the Office of the Public Notary in Santiago Mr. Iván Torrealba Acevedo and public deed of October 25, 2011 granted at the Office of the Public Notary in Santiago Mr. Francisco Leiva Carvajal. Such issue was registered with the SVS under number 395 on August 14, 2014.

- To maintain, throughout the entire effective term of this Bond issue, the revenue from the retail sales, shopping mall administration and credit assessment and authorization at a level that is equivalent to at least 70% of the Issuer's total consolidated revenue, which corresponds to the account Revenue from Operating Activities in the Issuer's Financial Statements, which is measured quarterly for retroactive twelve-month periods. As of December 31, 2014, 100% of the total consolidated revenue comes from the above mentioned business areas.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The Issuer and/or its Significant Subsidiaries may not establish pledges and mortgages that guarantee new issues of Bonds or any other cash credit operation or any other credit, insofar as the total cumulative amount of all obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 7.5% of the Issuer's Total Consolidated Assets.

- To maintain at each quarter closing of the Issuer's Financial Statements, a Financial Indebtedness Ratio measured over the figures in its Financial Statements not exceeding one point seventy five times. Financial Indebtedness Ratio is the ratio between (i) the Net Financial Debt, defined as the sum of the accounts under Non-Banking Liabilities in the Balance Sheet, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current; however, this summation does not include the sub account "Other Financial Liabilities" that is presented in Note Non-Banking Business - Other Financial Liabilities Current and Non-current, less the Non-Banking Business Asset account in the Balance Sheet, Cash and Cash equivalents, and (ii) Equity, defined as the Equity account.

As of December 31, 2014 the limit is 0.68; therefore, the restriction is duly complied with.

Series M Bonds

Series M bonds were issued in accordance with the Bond Issue Agreement stated in public deed of May 29, 2006 and which clauses were partially amended by public deeds of June 30, 2006, July 19, 2006, April 25, 2011 and June 6, 2011 all granted at the Office of the Public Notary in Santiago Mr. Iván Torrealba. Such issue was registered with the SVS under number 467 on August 14, 2014.

- To maintain, throughout the entire effective term of this Bond issue, the revenue from the retail sales, shopping mall administration and credit assessment and authorization at a level that is equivalent to at least 70% of the Issuer's total consolidated revenue, which corresponds to the account Revenue from Operating Activities in the Issuer's Financial Statements, which is measured quarterly for retroactive twelve-month periods. As of December 31, 2014, 100% of the total consolidated revenue comes from the above mentioned business areas.
- The Issuer and/or its Significant Subsidiaries may not establish pledges and mortgages that guarantee new issues of Bonds or any other cash credit operation or any other credit, insofar as the total cumulative amount of all obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 7.5% of the Issuer's Total Consolidated Assets.
- To maintain at each quarter closing of the Issuer Financial Statements, a Financial Indebtedness Ratio measured over the figures in its Financial Statements not exceeding one point seventy five times. Financial Indebtedness Ratio is the ratio between (i) the Net Financial Debt, defined as the sum of the accounts under Non-Banking Liabilities in the Balance Sheet, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current; however, this summation does not include the sub account "Other Financial Liabilities" that is presented in Note Non-Banking Business - Other Financial Liabilities Current and Non-current, less the Non-Banking Business Asset account in the Balance Sheet, Cash and Cash equivalents, and (ii) Equity, defined as the Equity account

As of December 31, 2014 the limit is 0.68; therefore the restriction is duly complied with.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Methodology for Calculating Financial Covenants

CALCULATION OF MAXIMUM DEBT IN ACCORDANCE WITH COVENANT - BONDS LINES 468 (F)

Figures in ThCh\$

	Currency	As of December 31, 2014	As of September 30, 2014
Period close _i		12/31/2014	09/30/2014
Period close _{i-1}		09/30/2014	06/30/2014
UF _i	\$/UF	24,627.10	24,168.02
UF variation	%	1.90%	0.60%
Variation %Sol/US\$ period		3.39%	3.40%
Variation %Ars/US\$ period		1.41%	3.70%
Variation % Cop/US\$ period		17.87%	8.01%
Variation % Real/US\$ period		8.17%	11.03%
Variation % Uru/US\$ period		-1.38%	7.71%
Total equity _i	Thousands \$	4,138,265,420	4,144,007,042
Dividends payable _i	Thousands \$	90,041,512	312,795
Equity variation _i	Thousands \$	5,264,289	39,679,153
Fixed assets in Chile _{i-1} ^a	Thousands \$	3,148,950,149	3,104,002,381
Deferred tax in Chile _{i-1} ^b	Thousands \$	313,806,393	233,123,129
Adjustment for initial revaluation to IFRS in Chile ^c	Thousands \$	878,140,797	878,140,797
Deferred tax in Chile ^d	Thousands \$	149,283,935	149,283,935
Price adjustment, fixed assets in Chile _{i-1}	Thousands \$	40,009,657	12,876,060
Investment in Peru _i	Thousands \$	853,635,000	591,556,000
Investment in Argentina _i	Thousands \$	73,773,000	68,292,000
Investment in Colombia _i	Thousands \$	223,301,000	247,239,000
Investment in Brazil _i	Thousands \$	81,541,000	87,419,000
Investment in Uruguay _i	Thousands \$	17,233,000	17,817,000
Investment adjustment, outside Chile _i	Thousands \$	76,297,623	53,462,036
Maximum debt _{i-1}	Thousands \$	5,528,804,811	5,337,693,157
Maximum debt _i	Thousands \$	5,816,183,747	5,528,804,811
Level of debt	Thousands \$	4,742,604,865	4,416,556,619

^a Net of accrued depreciation.

^b Associated with "Property Plant and Equipment" and "Investment Property"

^c Associated with "Property, Plant and Equipment and "Investment Property" at December 31, 2009

^d Associated with the adjustment due to initial revaluation under IFRS for the accounts "Property, Plant and Equipment" and "Investment Properties" as of December 31, 2009.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



CALCULATION OF MAXIMUM FINANCIAL DEBT IN ACCORDANCE WITH COVENANT - BONDS LINES 578 (without current issues) and 579 (J)
(Includes Promotora CMR in the balance sheet)

Figures in ThCh\$

	Currency	As of December 31, 2014	As of September 30, 2014
Period close _i		12-31-2014	09-30-2014
Period close _{i-1}		09-30-2014	06-30-2014
UF _i	\$/UF	24,627.10	24,168.02
UF variation	%	1.90%	0.60%
Variation %Sol/US\$ period		3.39%	3.40%
Variation %Ars/US\$ period		1.41%	3.70%
Variation % Cop/US\$ period		17.87%	8.01%
Variation % Real/US\$ period		8.17%	11.03%
Variation % Uru/US\$ period		-1.38%	7.71%
Total equity _i	Thousands \$	4,138,265,420	4,144,007,042
Dividends payable _i	Thousands \$	90,041,512	312,795
Equity variation _i	Thousands \$	5,264,289	39,679,153
Fixed assets in Chile _{i-1} ^a	Thousands \$	3,148,950,149	3,104,002,381
Deferred tax in Chile _{i-1} ^b	Thousands \$	313,806,393	233,123,129
Adjustment for initial revaluation to IFRS in Chile ^c	Thousands \$	878,140,797	878,140,797
Deferred tax in Chile ^d	Thousands \$	149,283,935	149,283,935
Price adjustment, fixed assets in Chile _{i-1}	Thousands \$	40,009,657	12,876,060
Investment in Peru _i	Thousands \$	853,635,000	591,556,000
Investment in Argentina _i	Thousands \$	73,773,000	68,292,000
Investment in Colombia _i	Thousands \$	223,301,000	247,239,000
Investment in Brazil _i	Thousands \$	81,541,000	87,419,000
Investment in Uruguay _i	Thousands \$	17,233,000	17,817,000
Investment adjustment, outside Chile _i	Thousands \$	76,297,623	53,462,036
Maximum financial debt _{i-1}	Thousands \$	6,450,295,861	6,227,332,124
Maximum financial debt _i	Thousands \$	6,785,571,734	6,450,295,861
Level of financial debt	Thousands \$	2,830,620,590	2,853,492,480

^a Net of accrued depreciation.

^b Associated with "Property Plant and Equipment" and "Investment Property"

^c Associated with "Property, Plant and Equipment and "Investment Property" at December 31, 2009

^d Associated with the adjustment due to initial revaluation under IFRS for the accounts "Property, Plant and Equipment" and "Investment Properties" as of December 31, 2009.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



CALCULATION OF FINANCIAL DEBT LINES L AND M.

(Includes CMR in the balance sheet)

Figures in ThCh\$

	Currency	As of Dec 31, 2014	As of Sept. 30, 2014
Level of Debt	Thousands \$	2,830,620,590	2,853,492,480
Total equity	Thousands \$	4,138,265,420	4,144,007,042
Financial Indebtedness Ratio		0.68	0.69

Bonds Placed Abroad

On April 30, 2013, the foreign bond placement was realized, taking place in accordance with Regulation 144A of the US 1933 Securities Act and its corresponding Regulation S. The issue and placement occurred in two series of bonds, both in dollars and Chilean pesos.

The Issuer and/or its Significant Subsidiaries cannot establish real guarantees, i.e. pledges, mortgages and sales with leaseback that guarantee new issues of Bonds or any other monetary credit operation or any other credit, insofar as the total cumulative amount of all obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 20% of the Total Net Consolidated Tangible Assets.

As of December 31, 2014 the Issuer has complied with the restrictions of the issue contract.

On October 27, 2014, foreign bond placement was materialized pursuant to Regulation 144 A of the Securities Act of the United States of America of 1933 and the relevant Regulation S. Bond placement was materialized in US dollars.

The Issuer and/or its Significant Subsidiaries cannot establish real guarantees, i.e. pledges, mortgages and sales with leaseback that guarantee new issues of Bonds or any other monetary credit operation or any other credit, insofar as the total cumulative amount of all obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 20% of the Total Net Consolidated Tangible Assets

As of December 31, 2014 the Issuer complies with all restrictions contained in the issue agreement.

Trade-related items

On June 30, 2008, the Chilean Securities and Insurance Commission entered a record in the securities register, Line No. 28 on Trade-related items, for the maximum amount of UF 1,000,000.

On October 22, 2008, the Chilean Securities and Insurance Commission entered records in the securities register, Lines No. 35, 36, 37 and 38 on Trade-related items, each for a maximum amount of UF 1,000,000.

As of December 31, 2014 there are no current placements.

The issue contracts do not consider any type of financial covenants or guarantees, which is why as of December 31, 2014 there are no restrictions for the company.

Other financial obligations

The other financial obligations assumed by the Company with Banks or Financial Institutions, both current and non-current, have not been allotted to any type of financial covenant.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Sodimac S.A.

Series H and K Bonds

The Bond issue lines of Sodimac S.A. (No. 676 and 677) and the current issues (Series H and K) establish obligations and limitations for the Company in protection of bondholders; this includes, among other things, levels of indebtedness, the duty to inform bondholders of the financial statements of the company and compliance with the obligations, limitations and prohibitions established in the issue contracts (for more information refer to the bond issue prospectuses, which are available on the company's website).

The level of financial indebtedness required in the bond issue contracts for series H and K is 1.5 times. As of December 31, 2014, the level of financial indebtedness is 0.2 times.

The level of indebtedness is understood to be the (consolidated) Net Indebtedness Ratio, which is defined as the ratio between (i) net financial debt, which is obtained from adding up the entries for other current and non-current financial liabilities, with cash and cash equivalents remaining, and (ii) Equity, which is defined as Total Equity plus the annual provision for dividends payable.

All assets must also be kept free of any pledge, mortgage or other encumbrance for a book value that is equal to at least 1.20 times their current liability with no guarantees; this is calculated quarterly according to the Issuer's quarterly consolidated balance sheets. For these purposes, the Issuer shall send the Bondholders' Representative, within the same term that the Financial Statements must be sent to the Peruvian Securities and Insurance Commission, a breakdown of the following figures: total assets free of any pledge, mortgage or other encumbrance, and Current Liabilities Without Guarantee.

At the date these financial statements were prepared, the Company has fulfilled all of the obligations and financial indicators established in the aforementioned contract.

Other Financial Obligations

The other financial obligations of the Company with Banks or Financial Institutions, both current and non-current are not subject to any kind of restrictions or guarantees.

Plaza S.A.

As of December 31, 2014, the Company has financial restrictions established in the public bond issue and/or financing contracts and/or loans with financial institutions. The primary protections with regard to the Bond Series D, issued with a charge to Bond line No. 583, recorded in the Securities Register on April 30, 2009, with regard to Bond Series C and E issued with a charge to Bond Line No. 584 recorded in the Securities Register on April 30, 2009, with regard to Bond Series G and I, issued with a charge to Bond Line No. 669 recorded in the Securities Register on May 30, 2011, with regard to Bond Series H and K issued with a charge to Bond Line No. 670 recorded in the Securities Register on May 30, 2011, and with regard to Bond Series M and N issued with a charge to Bond Lines No. 766 and 767, and recorded in the Securities Register on September 23, 2013, are as follows:

I) Level of Indebtedness

As of June 30, 2010, to maintain at the close of each quarter of the Issuer's Financial Statements, a Level of Indebtedness that is defined as the sum of the accounts, Other Current Financial Liabilities and Other Non-Current Financial Liabilities, divided by the value of the UF at the closing date of the consolidated Statement of Financial Position of the Issuer, which is less than or equal to the value established by the formula.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



A breakdown of the calculation of the Maximum Level of Indebtedness established in Clause Ten, Number One of the Bond Issue Contracts by Line of Debt Instruments at 10 years and 30 years, and their modifications.

BREAKDOWN OF CALCULATION OF MAXIMUM DEBT IN ACCORDANCE WITH COVENANT - BONDS LINES 583, 584, 669, 670, 766 AND 767

	Currency	As of December 31, 2014	As of September 30, 2014
Period _i		12-31-2014	09-30-2014
Period _{i-1}		09-30-2014	06-30-2014
UF _i	\$/uf	24,627.10	24,168.02
UF _{i-1}	\$/UF	24,168.02	24,023.61
Cash and cash equivalents for the period _i	Thousands \$	15,775,977	17,849,312
Cash and cash equivalents for the period _{i-1}	Thousands \$	17,849,312	39,791,279
Variation in cash _i	Thousands \$	(2,073,335)	(21,941,967)
Variation in cash _i	Thousands UF	(84)	(908)
Third party guarantees _i	None	-	-
Total equity _i	Thousands \$	1,195,082,640	1,197,961,901
Dividends payable _i	Thousands \$	25,600,016	-
Total equity _{i-1}	Thousands \$	1,197,961,901	1,244,453,178
Dividends payable _{i-1}	Thousands \$	-	-
Equity variation _i	Thousands \$	22,720,755	(46,491,277)
Equity variation _{i-1}	Thousands \$	923	(1,924)
Investment Properties _{i-1} ^a	Thousands \$	2,146,187,566	2,112,453,495
Deferred tax, Investment Properties _{i-1} ^b	Thousands \$	288,932,056	214,939,501
Adjustment for initial revaluation of Investment property under IFRS ^c	Thousands \$	874,483,983	874,483,983
Deferred tax due to initial revaluation of Investment Property ^d	Thousands \$	148,662,277	148,662,277
UF percent variation ^e	Thousands \$	1.90%	0.60%
Monetary adjustment for Investment Properties in Chile _{i-1}	Thousands \$	21,491,981	7,043,241
Monetary adjustment for Investment Properties in Chile _{i-1}	Thousands UF	873	291
Adjustment for Investment Properties outside of Chile _{i-1}	Thousands UF	527	124
Maximum debt _{i-1}	Thousands UF	61,328	65,252
Maximum debt _i	Thousands UF	65,888	61,328

^a Investment Properties in Chile Net of accrued depreciation.

^b Associated Investment Property in Chile.

^c For Investment Property as of December 31, 2009.

^d Associated with the adjustment due to initial revaluation under IFRS of Investment Properties as of December 31, 2009. Represents 17% of Adjustment due to initial revaluation under IFRS.

^e Percent variation between the values of UF _i and UF _{i-1}.

As of December 31, 2014, the maximum debt totals ThUF 65,888. The current debt at that same date is ThUF\$ 33,898, therefore the company has complied with the restriction.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



II) Essential assets

Assets corresponding to five hundred thousand square meters that may be leased in Chile, which are directly owned by the Issuer or owned through Subsidiaries or Affiliates, or with respect to which the Issuer or any of its Subsidiaries or Affiliates are concessionaires by virtue of a concession agreement with an effective term of equal or greater than the maturity term for the Bonds in effect that were issued, charged to the Lines. For these purposes, in order to determine the leasable square meters in Chile that are owned by Subsidiaries or Affiliates of the Issuer, or for which they are concessionaires in accordance with the terms just indicated, we shall only consider the amount resulting from multiplying (i) the total square meters leasable in Chile that are owned by each Subsidiary or Affiliate, or which they have under concession; by (ii) the percentage of the Issuer's direct or indirect ownership in the respective Subsidiary or Affiliate.

At the date of these financial statements, all covenants established in the debt contracts have been satisfied.

Promotora CMR Falabella S.A. (CMR)

Bond Lines

On February 27, 2012, the Chilean Securities and Insurance Commission recorded in the Securities Register, under Nos. 703 and 704, "dematerialized" bearer Bonds in the name of Promotora CMR Falabella S.A., for a maximum amount of UF 3,000,000 and UF 2,000,000, respectively. The first issue may not exceed UF 3,000,000.

As of December 31, 2014, no issues were made with a charge to these lines.

Main protections and financial restrictions

The Issuer must maintain control in S.A.C.I. Falabella, whether directly or indirectly. For these purposes, it shall abide by the terms of Articles No. 97 et seq. of the Securities Market Law.

If during the effective term of the Bonds issued with a charge to the Line, in conformity with its most recent Financial Statements, the Issuer places an amount higher than 30% of the Total Assets for placement of one or more securitized bonds, in order to establish the underlying asset for these issues, the Issuer must offer each of the Bondholders a voluntary redemption option, under identical conditions for all of them, in conformity with the terms of Article No. 130 of the Securities Market Law, under the terms indicated in the Issue Contract.

The Issuer and/or its Subsidiaries may not establish real guarantees, which guarantee new bond issues, trade-related items, any other monetary credit operation or any other credit, to the extent that the total cumulative value of all obligations guaranteed by the Issuer and/or its Subsidiaries exceeds 7.5% of the Issuer's Total Assets.

More details can be found in the respective issue contracts. Limits on indexes or indebtedness ratios of the Issuer have not been taken into consideration.

Trade-Related Items

On February 27, 2012, the Chilean Securities and Insurance Commission recorded in the Securities Register, under Nos. 090, 091 and 092, dematerialized bearer Promissory Notes in the name of Promotora CMR Falabella S.A., for a maximum amount of UF 1,000,000, UF 1,000,000 and UF 1,000,000, respectively.

As of December 31, 2014, there are no placements in effect with a charge to these lines.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



Primary protections and financial restrictions

The Issuer must maintain control in S.A.C.I. Falabella, directly or indirectly. For these purposes, it shall abide by the terms of Articles No. 97 et seq. of the Securities Market Law.

If during the effective term of the Trade-Related Items issued with a charge to the Line, in conformity with its most recent Financial Statements, the Issuer will establish an amount that is greater than 30% of the Total Assets for the placement of one or more securitized bonds, in order to construct the underlying asset for these issues, and the Issuer must offer each of the Holders of Trade-Related Items an option for voluntary redemption, under identical conditions for all of them, in conformity with the terms of Article No. 130 of the Securities Market Law, pursuant to the terms of the Issue Contract.

More details may be found in the respective issue contracts. Limits on indexes or indebtedness ratios of the Issuer are not taken into consideration.

Banco Falabella

In the case of the banking business in Chile, there are current bonds issued by Banco Falabella. Said bonds do not present financial covenants. Additionally, Banco Falabella has current lines of credit that do not present financial covenants.

Peru

At the close of December 31, 2014, there are approximately 20 financial obligations that 4 main subsidiaries of Falabella Perú (Saga Falabella, Hipermercados Tottus, Sodimac Perú, and Open Plaza) must fulfill and provide information on to the respective creditors each quarter. These obligations are reported to the respective banks and representatives of the holders of those obligations. The financial obligations to which the group's companies are subject may be grouped into 3 categories: indebtedness ratios, solvency ratios and guarantee ratios.

With regard to the indebtedness ratios in the case of retailers, the most restrictive one is the indebtedness index (total liabilities/total net equity), which is less than or equal to 2.80x and which, as of December 2014, has been fulfilled by Hipermercados Tottus, which reported a maximum ratio of 1.75x. In the case of the Open Plaza, the most restrictive is an indebtedness index that is less than or equal to 1.50x. As of December 2014, this financial obligation was fulfilled by the company, reporting a ratio of 0.62x.

Sodimac still has a portion of the debt related to the acquisition of Maestro Peru; therefore it has not complied with the indebtedness ratio of Citibank. At present, the company has a case-specific financial protection letter valid until June 2015.

In the case of solvency ratios, the most restrictive one currently in effect is the debt servicing coverage index (EBITDA/debt servicing) which is greater or equal to 1.60x, which as of December 2014 was fulfilled by the corresponding company, reporting a ratio of 2.24x.

The group of guarantee ratios is primarily comprised of those obligations which entail maintaining a level of coverage for flows assigned (payments with credit cards) on the servicing of debt. Currently, the most restrictive cash coverage ratio (monetary flows/debt servicing) maintained is for 3.0x. As of December 2014 this financial obligation was fulfilled by the company, which maintained a ratio of 131.9x.



Note 40 - Business Combination

Acquisition of Maestro Perú S.A.

On September 17, 2014 the subsidiary of Sodimac Peru S.A. acquired at the Lima Stock Exchange 100% of the shares representing the share capital of Maestro Peru S.A., gaining control over the same. Such company was acquired as part of the development and growth strategy of the Group in Peru, specifically in the house improvement business. Currently, Maestro Peru S.A. has 30 stores in Lima and other provinces and its main economic activity is the sale of hardware store and home products at the home improvement stores.

The goodwill generated by the transaction represents the synergies and economies of scale of the business combination. Expenses related to the acquisition have been recorded as Administrative Expenses in the statement of income of the Company.

The table below describes the price paid and the fair values of the assets acquired and liabilities assumed at acquisition date:

	ThCh\$
Acquisition Price (A)	290,890,488
Assets acquired and liabilities assumed	
Total assets, current	79,043,617
Property, plant and equipment	241,370,388
Intangible Assets ⁽¹⁾	30,618,360
Other assets, non-current	51,348,338
Total Assets	402,380,703
Total liabilities, current	85,930,945
Other financial liabilities, non-current	136,877,736
Other liabilities non-current	55,608,291
Total Liabilities	278,416,972
Total Acquired Net Assets (B)	123,963,731
Goodwill derived from acquisition (A) - (B)	166,926,757

⁽¹⁾ It includes the brand name and other intangible assets recognized upon acquisition.

Purchase of Construdecor S.A.

On July 1, 2013, the Company signed an acquisition agreement for 50.1% of the common shares of Construdecor S.A., obtaining control of it. This company was acquired as part of the Group's growth strategy in Latin America, specifically the home improvement business, entering into the Brazilian market. Construdecor S.A. is located in the State of Sao Paulo, Brazil, and is dedicated to the home improvement business, with 56 stores.

The goodwill that was generated at the time of the transaction in the amount ThCh\$ 38,766,099 represents the synergies and economies of scale that were expected from the business combination. The goodwill was assigned to the cash generating unit Dicico, which is the shopping center where Construdecor carries out its business. The expenses related to the acquisition primarily consist of hiring an Investment Bank to assist in the purchase process, and the hiring of external consultants (external auditors and attorneys) and totals ThCh\$1,650,000, which were recorded as Administrative Expenses in the Company's Income Statement.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements
(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The following table describes the price paid and the fair values of the assets acquired, and the liabilities incurred at the date of acquisition:

	ThCh\$
Acquisition price	
Capital contributions	64,669,625
Payments to third parties ⁽¹⁾	15,787,733
Total acquisition price (A)	80,457,358
Assets acquired and liabilities assumed	
Total current assets acquired ⁽²⁾	116,990,435
Property, plant and equipment	16,954,222
Other non-current assets	9,422,107
Intangibles (brand)	16,553,720
Deferred tax	5,628,210
Total assets	165,548,694
Short-term debt	24,902,446
Deferred tax	5,628,210
Suppliers	34,027,163
Other liabilities	17,774,790
Total liabilities	82,332,609
Total Net Assets Acquired (B)	83,216,085
Non-controlling interest (C)	41,524,826
Goodwill at acquisition (A) - (B) + (C)	38,766,099
Non-controlling interest according to net assets acquired (C) ⁽³⁾	41,524,826

(1) Payment to third parties consists of the payment to Construdacor's minority shareholders, which the company gave up at the time of acquisition, keeping the former controlling shareholder in the company.

(2) Includes accounts receivable in the amount of ThCh\$21,503,404, net of provisions for bad debts of ThCh\$15,142

(3) The non-controlling interest has been assessed at its fair value in accordance with the proportion of net assets acquired and the liabilities assumed

Purchase of Inmobiliaria Mall Las Américas S.A.

On January 15, 2013, Nuevos Desarrollo S.A. and Desarrollos Urbanos S.A., subsidiaries of Plaza S.A., acquired 100% of the shares of Sociedad Inmobiliaria Los Tilos S.A.

On March 15, 2013, the subsidiary Inmobiliaria Los Tilos S.A. acquired 74.64% of Inmobiliaria Mall Las Américas S.A., for ThS\$ 13,436,143, a transaction which was valued using the purchase method. With this operation, Plaza S.A. supplemented an indirect equity interest of 57.85% on Inmobiliaria Mall Las Américas S.A.

The Company valued the assets and liabilities of Inmobiliaria Mall Las Américas S.A. at fair value and therefore recognized the assets acquired and liabilities assumed by considering the information obtained on the facts and circumstances that existed at the date of acquisition.

S.A.C.I. Falabella and Subsidiaries
Notes to the Consolidated Classified Interim Financial Statements

(Translation of a consolidated financial statements issued in Spanish – see Note 2.1)



The valuation of the investment was recorded under IFRS 3R Business Combination, and is broken down as follows:

Equity at acquisition Date	ThCh\$
Equity at acquisition date	14,027,720
Fair value adjustments	
Obligations acquired	(591,577)
Total Equity at Fair Value	13,436,143
Value Paid	(13,436,143)

As a result of this, no Goodwill was generated between the value paid and the equity of the subsidiary at fair value, according to the terms of IFRS3 (Business Combination).

During the months of April, May and June 2013, Inmobiliaria Los Tilos S.A. acquired 3,041 additional shares of Inmobiliaria Mall Las Américas S.A. for Th\$3,375,510. With this, its equity interest as of June 30, 2014 totaled 93.36% of the latter's total equity, whereby Plaza S.A. increased its indirect equity interest to 72.36%.

All expenses related to this operation were recorded in the Company's income statement.



Note 41 - Investment Instruments Available for Sale

As of December 31, 2014 and December 31, 2013, the investment instruments designated as available for sale were broken down as follows:

Breakdown of Instruments Available for Sale	Dec-31-14 Th\$	Dec-31-13 Th\$
Instruments from the Government and the Central Bank of Chile		
Bonds from the Central Bank of Chile	88,018,588	44,591,024
Other Instruments from the Government and the Central Bank of Chile	19,775,356	22,615,566
Instruments from Other National Institutions		
Mortgage Notes issued by Banks in the country	7,433,599	919,026
Bank Term Deposits in the country	93,526,357	182,697,175
Instruments from Foreign Institutions		
Instruments from Foreign Governments or Central Banks	55,263,667	9,215,518
Total	264,017,567	260,038,309

Note 42 - Subsequent Events

The Consolidated Financial Statements of S.A.C.I. Falabella and Subsidiaries as of December 31, 2014, have been approved at the Board of Directors ordinary meeting held on March 3, 2015, which was attended by the following Directors and General Manager:

- Carlo Solari Donaggio, President
- Juan Carlos Cortés Solari, Vice-President
- Sergio Cardone Solari, Director
- Hernán Büchi Buc, Director
- Carolina Del Río Goudie, Director
- Carlos Heller Solari, Director
- José Luis Del Río Goudie, Director
- María Cecilia Karlezi Solari, Director
- Paola Cuneo Queirolo, Director
- Sandro Solari Donaggio, Corporate General Manager

Subsequent to December 31, 2014, and up to the date of issuance of these financial statements, there is no knowledge of other events of a financial or other nature that would significantly affect the balances or interpretation of said statements.