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Annual Report 2015



S.A.C.I. Falabella

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Welcome



Letter from the Chairman

Letter from the CEO

Letter from the Chairman



Dear shareholders:

In 2015, Falabella has once again demonstrated its flexibility and ability to adapt to changing scenarios. Despite the complex economic environment in the region, our company was able to increase revenues by 10.4% and net income by 11.9%, compared to the previous year.

As regional leaders in the retail industry, we continually push to reinvent ourselves, in response to the various challenges and the competition that we face in each of the countries where we operate. We have made significant investments at both the local and the regional level, committing resources to technology, logistics and the development of omnichannel strategies. The return on these investments will become tangible in the near future, consolidating our leadership.

During 2015, we renewed our efforts in innovation and productivity throughout the company, in order to become more agile, more efficient and more attractive, in order to better serve our customers, our employees and our investors.

Our innovation has materialized in the new businesses that Falabella has developed, in the expansion to new countries within the region, in the growth of our private brands and in the creativity of our promotions. We have made strides in the analysis and better use of the company's assets, and in the sound management of financial risk. We continue to improve the quality of our services and our commercial proposition, so that we can develop compelling brands and companies for our customers.

During the year, we made significant efforts to optimize our productivity. We faced increased operating costs and expenses, in part due to higher prices for merchandise and other items indexed to the dollar, as well as from more demanding regulatory and tax requirements, and expenses related to improvements in customer service standards and salary pressures. We managed to deal with a large part of these pressures, thanks, in part, to our productivity initiatives.

“It is true that the backdrop is more challenging, but we have decided to continue to lead, improving and making the most of the opportunities that arise in the region.” ”

We continue to work towards more flexible operations and procedures, in order to promote innovation within the company, while at the same time incorporating and adapting innovations from third parties both rapidly and at low cost in all of our businesses.

The year ahead is similar to 2015, in the sense that we face a complex and difficult macroeconomic environment, with low commodity prices and depreciated regional currencies. Economists forecast meager growth rates for most of the countries in which we operate. The next few years, therefore, will be years of adjustment, with lower public spending and greater economic restrictions.

In this economic climate, we will need to increase our efforts in order to maintain our sales growth and credit portfolio quality. Our energies will focus on protecting capital, on operating with austerity and on eliminating expenses that do not add value to our customers.

On the other hand, it is in times like these that solid companies with well-respected brands have an advantage. For this reason, we expect to talk about opportunities in 2016. It is true that the backdrop is more challenging, but we have decided to continue to lead, improving and making the most of the opportunities that arise in the region.

We will be part of the initiative launched by the Chilean Government, which has designated 2016 as the Year of Productivity. One of our focuses will be to simplify our operation to increase agility and to take better advantage of company assets. We see great potential to extract greater value from the company and to share that value with our customers.

In order to achieve this, we must continue to attract talent to the company and continually train our staff, fostering an atmosphere of meritocracy, supporting our people with technology and information, and encouraging them to align their work across Falabella's business units in the countries where we have operations.

We strive to improve the value proposition and the quality of service that we provide to our customers. We aim to be more and more efficient, while preserving the magic of the retail business. We have a solid presence in the region, with a physical footprint, measured in stores and shopping centers, which sets us apart from the competition. We want to be the biggest player in e-commerce in the region, by building on our existing businesses and leveraging our physical presence. Our goal is to be an omnichannel company.

We will continue to work with dedication to keep improving our corporate governance, our commercial practices and our internal controls, so that we may continue to respond to a more developed and complex regulatory environment, to more empowered customers and to the increasing culture of litigation. We aim to continue building a responsible and sustainable company.

I cannot finish this letter without acknowledging the millions of customers who chose us and trusted us this year, by visiting our stores, malls and e-commerce sites, who opted for our services and bought our products. They are our bosses; they are the recipients of our efforts, we are in their debt and we would like to continue to serve them.

Finally, a word of thanks to our employees and board members. It was a year of sacrifices and efforts in order to achieve these results this year. Without them, this achievement would not have been possible. I thank them most sincerely for what they have done and I invite them to continue building the Falabella of tomorrow: a more compelling, more flexible and more innovative company, with the leadership that has always defined it.

With warm regards,

Carlo Solari Donaggio
Chairman of the Board S.A.C.I. Falabella

Letter from the CEO



A very sincere word of thanks to the collaborators and suppliers of each of our business units for their tremendous commitment and hard work. Their dedication has allowed us to continue along our path of responsible growth, creating value for our customers, collaborators, suppliers and communities.

In 2015 we continued to lay the foundations for our future development, with investment in technology and logistics. These investments will strengthen our online presence and the integration of these services with our stores, in response to the increasing demands from our omnichannel consumers.

This year revenues exceeded US\$ 11.8 billion, 10.4% higher than in 2014; EBITDA reached over US\$ 1.5 billion, a growth of 9.8%; and net income was over US\$ 730 million, 11.9% higher than the previous year. It is worth noting that operations outside Chile already represent 42% of the company's revenues, compared with 29% five years ago.

In this more volatile environment, we strove to maintain a solid financial position and a reasonable level of debt, which was valued by the market. Fitch Ratings raised their risk classification for the company to "BBB+" from "BBB". Additionally, the firm increased the classification for all the company's international bonds. Furthermore, Moody's Investor Service and Fitch raised the risk classification both for the Maestro home improvement store chain in Peru and its bonds.

The results for the year highlight that our responsible growth strategy is working. The

investment decisions and processes that we initiated in previous years to develop synergies and increase efficiency have turned us into an organization that is more resilient to the current environment.

In 2015, we invested US\$ 753 million, which led to the opening of 23 new stores and two shopping centers, as well as a series of expansions and renovations at our existing locations, designed to optimize the shopping experience. We also made significant investments in logistics and IT, including the opening of a distribution center for perishable products for Tottus in Peru and a new Sodimac distribution center in Colombia.

During the year, in all of our retail formats, we continued to use NPS, a tool that provides us with customer feedback and helps us more actively manage service levels across all stores and sales channels. Today all of our stores use NPS to provide us with information on a daily basis, which we can then use to implement concrete improvements.

Falabella and Sodimac completed the roll out, in all of their markets, of the first stage of a new, more robust e-commerce platform, capable of handling higher sales growth and peak volumes during special sales events. Another important technology investment this year was a modern warehouse management system for the supermarket business in Chile and Peru, as well as Sodimac in Colombia. In our financial business, we made important progress in replacing our existing operating systems with a world-class solution at Banco Falabella in Chile, Colombia and Peru, which will serve as a platform for growth in those markets.

“In 2015 we continued to lay the foundations for our future development, with investment in technology and logistics. These investments will strengthen our online presence and the integration of these services with our stores, in response to the increasing demands from our omnichannel consumers.”

In 2015, we continued to advance in providing customers with integrated financial solutions. The number of active credit cards reached 5.8 million across the region, 4.6% more than in 2014. CMR credit card sales increased 29.9% with third party vendors and 6.8% at our stores. The consolidated loan portfolio also rose, exceeding US\$ 5.8 billion, a 13.3% annual increase. At Banco Falabella, the number of current accounts and savings accounts grew by 37% and 11%, respectively, totaling over 1.6 million. Debit card sales rose by 50% in comparison with the previous year.

This year we also marked numerous milestones across our different business units. At Falabella, we inaugurated our 100th department store and incorporated new exclusive international brands. Additionally, we opened the first Crate & Barrel store in South America, in Lima, and we plan to continue to develop this retail chain in Chile, Peru and Colombia.

We also inaugurated our first Sodimac stores in Brazil and Uruguay, two in each country, and we began to make our value offer tangible to the local consumer in those countries. Furthermore, in Peru we continued to integrate the Maestro home improvement stores, in accordance with our plan. In Chile, we obtained first place in the home improvements category in the ProCalidad National Customer Satisfaction Prize.

We continued to grow our supermarket business, five new stores in Chile and three store openings in Peru. We celebrated the first anniversary of Hiperbodega Precio Uno, a new format that has allowed us to reach new consumer segments.

Additionally, we added Tesco products to our supermarkets' product mix.

Our subsidiary Plaza continued to extend its international presence, with the initiation of construction of two malls in Colombia. We also inaugurated our Centralized Operations Room in Chile, which manages the security, operations and energy consumption of ten shopping centers.

Also in our real estate business, we inaugurated the first Courtyard by Marriott hotel in Santiago, which is part of phase one of the future shopping center that Falabella will build and manage in one of the top commercial real estate locations in the country.

In each of our business units, we seek to remain relevant to the customer, with constant product, brand and channel innovation. In response to current needs and habits, we continue to strengthen e-commerce as an extension of our physical stores, further integrating our points of contact with the customer. Our aim is that these physical and digital sales channels should complement each other and generate synergies, providing the customer with a consistently good and transparent experience, no matter how he or she chooses to interact with the company. At the same time, we continue to develop business intelligence models to increase customer loyalty by tailoring promotions and benefits according to consumption patterns and preferences.

Our organization has made a clear decision to do more with existing resources, implementing

LEAN efficiency programs in each business unit. As a direct result of these efforts, sales per full time employee equivalent has increased by 9.8%.

In 2015, Falabella was included in the Dow Jones Sustainability Index Emerging Markets (DJSI EM), as well as in the Dow Jones Sustainability Index Chile (DJSI Chile), the first sustainability index of Chilean publicly traded companies.

Sustainability is a key component in Falabella's growth strategy. The incorporation in these two indexes reaffirms our commitment to responsible and ethical growth that benefits our clients, shareholders, employees, suppliers and the communities in which we are present. The details of our efforts to reduce disparities and generate economic, social and environmental value are available in each of our business unit's sustainability reports. We are quite clear that the future of the company depends on our capacity to create economic value, while also generating value for society.

Without a doubt, 2016 will require our renewed efforts to continue tackling an uncertain economic environment. However, we have the best team of people on our side, to confront the challenges ahead and continue growing in a responsible and sustainable manner.

Sincerely,

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



The Company



Introduction - Business Divisions

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History

Introduction – Business Divisions

Falabella, with 126 years of history at the service of its clients, has become one of Latin America's leading retail companies, with operations in Chile, Peru, Colombia, Argentina, Brazil and Uruguay

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

With its 459 stores, 40 shopping centers, 247 bank branches and online platform, the company reaches millions of customers across the region, offering them a wide range of products and services in each of its business divisions. Thanks to its omnichannel strategy, the company has become one of the leading ecommerce operators in Latin America.



Department Stores





S.A.C.I. 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 products for personal use and for the home, 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 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 company faces various competitors in the retail industry in the countries in which it operates. Falabella's department stores compete with: department stores, multi-product stores and specialty stores (which specialize on a specific brand or a family of products focused on a specific activity or concept).

In order to estimate market share participation, the company 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 22% in Chile, 19% in Peru, 7% in Colombia and 1%, in Argentina.



	# STORES*	SALES AREA
 Chile	45	310,000 m ²
 Peru	27	164,000 m ²
 Colombia	20	128,000 m ²
 Argentina	11	58,000 m ²

* NOTE:
Does not include GLA of specialty stores of exclusive brands and second-generation brands.
The new Crate & Barrel store is included in department stores Peru.

Home Improvement



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




- Sodimac Homecenter offers families in Chile, Peru, Colombia, Argentina, Brazil and Uruguay 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 offers specialized products in the carpentry and lumber market in Chile.
- Homy offers Chilean customers home accessories, decorations and furnishings at accessible prices.
- Dicico is a chain of stores in Brazil that specializes in flooring and tiles, bath and kitchen.
- Maestro is a chain of stores in Peru that provides an attractive product offering for customers that require home improvement and construction products.

In the home improvement segment, the company 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 supermarkets, department stores, specialty stores and, lastly, whole sale suppliers that work directly with construction companies.

In order to estimate market share participation, the company 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), the Brazilian Institute of Geography and Statistics (Instituto Brasileiro de Geografia e Estatística), and the Uruguay's National Statistics Institute (Instituto Nacional de Estadística de Uruguay), among other sources. According to this analysis, the company's market share in home improvement is approximately 28% in Chile, 15% in Peru, 11% in Colombia, 1% in Argentina, 1% in Uruguay and less than 1% in Brazil.

	# STORES	SALES AREA
 Chile	86	713,000 m ²
 Peru	57	373,000 m ²
 Colombia	36	344,000 m ²
 Argentina	8	84,000 m ²
 Brasil	58	143,000 m ²
 Uruguay	2	19,000 m ²

Supermarkets





The company 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 is more focused on non-perishable products and low prices for the Peruvian market.

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

In order to estimate market share participation, the company 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 company's market share in the supermarket industry is approximately 4% in Chile and 6% in Peru.

	# STORES	SALES AREA
 Chile	57	196,000 m ²
 Peru	52	189,000 m ²

Financial Services







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

- **CMR Falabella:** With more than 36 years in Chile, CMR is the largest credit card issuer in the domestic market, offering customers a convenient and flexible payment option. Today, CMR is also available in Argentina, as well as in Peru and Colombia through Banco Falabella. In 2010, CMR Falabella partnered with Visa and MasterCard, in order to open the card for use with third party vendors.
- **Banco Falabella:** Provides comprehensive banking services to customers in Chile, Peru and Colombia, including consumer loans, 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 to help each client find the best solution for his or her particular needs. The company currently operates in Chile, Peru, Colombia and Argentina.

- **CF Seguros de Vida:** Created in 2015 in association with BNP Paribas Cardif, the new venture will primarily sell life insurance. The Chilean regulatory (Superintendencia de Valores y Seguros, SVS) provided its approval so the new company will begin operations in January 2016.
- **Viajes Falabella:** Offers its customers in Chile, Peru, Colombia and Argentina a first rate service, with attractive prices and flexible payment alternatives.
- **Móvil Falabella:** A mobile virtual network operator that provides 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 2015 is 9.2% 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 2015 was 7.4%. In Colombia, according to the country's regulator SuperFinanciera, Banco Falabella's market share in outstanding consumer loans as of December 2015 was 3.7%. 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	2,377,164	97	240,000	184,000
	Peru	1,057,033	93	55,000	-
	Colombia	934,648	57	105,000	-
	Argentina	518,875	-	65,000	-



Real Estate



S.A.C.I. Falabella operates and manages shopping centers in Chile, Peru and Colombia, through two different companies:




- **Mall Plaza:** With operations in Chile and Peru (via Aventura Plaza) and, as of recently, in Colombia, Mall Plaza is one of the largest shopping center operators in Latin America. Its comprehensive value proposition combines engagement with neighboring communities, concern for the environment and a strong commitment to promote cultural events.
- **Open Plaza:** With a presence in Chile (via Rentas Falabella) and Peru, Open Plaza operates smaller shopping centers, featuring one or more of the company'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, the company'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 company's shopping centers.

In addition, the company owns approximately 1,023,000 m² in additional sales floor space, in primarily big-box standalone stores from the Falabella Retail, Sodimac and Tottus business units.¹

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 6.1%.

The company has a portfolio of real estate properties and projects, which include both land owned by the company and properties leased from third parties. In Chile, through the Nuevos Desarrollos S.A. subsidiary, these projects include: Mall Plaza Puerto Barón (on leased property) and Mall Plaza Los Dominicos, 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 real estate to develop projects in Manizales, Barranquilla and Cali. Open Plaza in Chile is currently developing the Megacenter project on Avenida Kennedy in Santiago. Additionally, the subsidiary has properties in the Metropolitan Region and in the V Region for future developments. In Peru, the subsidiary Open Plaza is developing the Open Plaza Huancayo shopping center project.

	# MALL PLAZA SHOPPING CENTERS	GLA	# OPEN PLAZA SHOPPING CENTERS	GLA
 Chile	15	1,199,000 m ²	10	232,000 m ²
 Peru*	4	275,000 m ²	10	271,000 m ²
 Colombia	1	26,000 m ²	-	-

* Mall Plaza Aventura, in Peru

¹ Does not include apparel and footwear specialty stores of exclusive brands or second generation brands.

Regional Footprint

Colombia

14,982 employees

6% of revenues



Peru

29,803 employees

25% of revenues



Chile

51,246 employees

58% of revenues





Brazil

3,435 employees

2% of revenues

 **SODIMAC** 

Uruguay

359 employees

<1% of revenues

 **SODIMAC**

Argentina

5,620 employees

8% of revenues

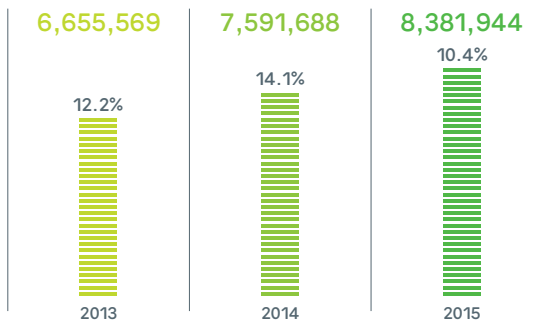
falabella  **SODIMAC** 

Economic Indicators

Revenues

millions of Chilean pesos / growth

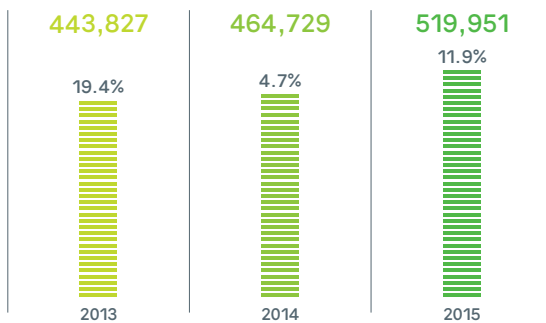


→ Stores
2015
459

Selling Area
2,722,000 m²

Net Income

millions of Chilean pesos / growth

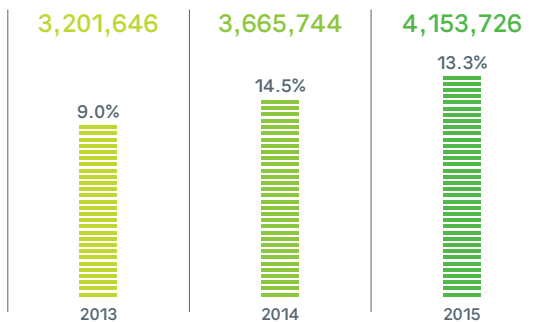


→ Shopping Centers
2015

40
Leasable Area
2,003,000² m²

Loan Portfolio

millions of Chilean pesos / growth



² Furthermore, the company owns 1,023,000 m² of additional GLA in free standing Falabella, Sodimac, Tottus, Maestro stores and other locations. Does not include apparel and footwear specialty stores of exclusive and second generation brands

Key Figures



The company is committed to working towards sustainable development, so the definition and implementation of sustainability policies and initiatives are considered to be a strategic pillar. The company has developed its Sustainability Policy with the aim of integrating best practices in this area, taking as a reference the guidelines provided by well-known international organizations and the Global Reporting Initiative (GRI³).

Responsibility for implementing our sustainability policy lies with the various businesses in each country in which they operate. Similarly, we are committed to disseminating and promoting the guidelines that are established between stakeholder groups in order to achieve continuous improvement through monitoring and measurement of objectives that enable the achievement of higher standards of sustainability.

In line with this, S.A.C.I. Falabella was chosen to join the Dow Jones Sustainability Emerging Markets Index (DJSI EM), which evaluates the largest companies in emerging markets in terms of

social, environmental and corporate governance factors. We also joined the Dow Jones Sustainability Chile Index (DJSI Chile), the first sustainability indicator that groups Chilean issuers.

We are convinced that the way to project ourselves over time is through a responsible growth strategy that creates value for all stakeholder groups. In this way, we aspire to be a respected company that is valued and preferred by customers, employees, suppliers, communities and shareholders.

The company has defined seven stakeholder groups that are the cornerstones for its sustainability strategy and the material indicators⁴ for these stakeholder groups are defined below. We recently launched a Corporate Sustainability Platform that allows our subsidiaries to manage their indicators and, simultaneously, to facilitate the consolidation and issuance of reports on non-financial information, a process that includes verification of Corporate Citizenship⁵ for the first time.

³ The main business units of the company report under the G4 GRI standard. To obtain more information on their policies and management in sustainability initiatives, we recommend reviewing their respective Sustainability Reports, which are available in the investors' section of the S.A.C.I. Falabella website.

⁴ It should be noted that, for the indicators, information is considered from all of the company's subsidiaries, as well as the related firms Sodimac Colombia and Aventura Plaza, which are not consolidated in the company's financial statements.

⁵ Consultancy specialized in sustainability and corporate social responsibility with global presence and prestige. For more information see <http://corporate-citizenship.com/about-us/>



Clients

The company seeks to be preferred and respected by clients

- The company seeks to assure the quality and safety of all products offered to the public, and of the services provided, and of the company's facilities.
- The company promotes transparency with clients, ensuring delivery of clear and accurate information about the products and services offered and the various contracts into which customer may enter with any of the S.A.C.I. Falabella subsidiaries.
- The company promotes respect for the rights of the individual in general and those of the customer in particular.
- The company seeks to ensure fair and transparent commercial policies.
- The company maintains contact with clients and has feedback mechanisms to listen to their concerns regarding the products and/or services offered, seeking to deliver outstanding services.
 - The company's retail businesses implemented the tool Net Promoter Score (NPS), which measures customer loyalty based on recommendations (promoter, passive, detractor). The real estate businesses also measure customer satisfaction via a survey carried out with IPSOS⁶.

Social media have also contributed to creating a greater connection with clients and more efficient handling of complaints.

- In 2015 a total of 0.9 complaints⁷ were recorded for every 1,000 transactions in the three retail businesses. In the financial business⁸, the proportion of complaints was 0.1% of total service interactions.

- The company has 17.3 million followers on social media (Twitter, Facebook and others), considering all of the accounts of the companies in the countries in which they operate.
- Over the year 607,907 positive comments were made on social media regarding the company's brands, along with 140,912 negative comments.

The following are relevant indicators on customers:

- In 2015, 319,329,447 transactions were carried out in the retail businesses, up 9.9% compared to the figure reported in 2014⁹. Regarding digital and phone sales, there was a 29.3% annual increase in the total number of orders.
- 385,397,777 visits were made to our shopping centers in the region, which was a 10.9% increase compared to 2014¹⁰.
- Banco Falabella has 1,659,023 current and savings accounts in the region, which was a 15.7% increase over the year. Meanwhile, CMR has 4,887,720 active credit cards with a balance in the region, up 6.0% from 2014.
- The financial businesses have 621 branches throughout the region, 8.6% more than in 2014.
- The number of travelers who made trips through the travel agency Viajes Falabella reached 465,132 over the year, 16.2% more than in 2014.
- Due to the highly fragmented nature of the businesses in which the company participates, none of its businesses has a client that individually represents more than 10% of its revenues.

⁶ Independent company whose activity is market research based on surveys.

⁷ External complaints that arrive via customer service and other external sources.

⁸ CMR, Bank, Insurance and Travel.

⁹ This growth is partly explained by the fact that, in 2014, Falabella Argentina, Sodimac Brasil, Maestro and Imperial did not report the number of transactions. The comparable growth is 1.8%.

¹⁰ This growth is partly explained by the fact that, in 2014 income, Falabella still did not measure the number of visitors to its shopping centers. The comparable growth is 4.0%.

Employees

In order to continue being a successful company, it is essential to be committed to our employees

- The company ended 2015 with 105,583 employees. As a company we promote labor inclusion and gender equality when hiring employees.
 - At the end of 2015, 51.0% of the staff were women.
 - 50,360 (47.7%) of the employees are Chilean, 30,191 (28.6%) are Peruvian, 15,119 (14.3%) are Colombian, 5,565 (5.3%) are Argentine and 4,348 (4.1%) are of other nationalities.
 - 47.7% of the employees are younger than 30 years of age.
 - 44.7% of our staff have worked at the company for more than 3 years.
 - If we compare the average basic salaries of our female employees to the average basic salaries of our male employees, the proportion is:
 - * 100% in the case of non executive employees, who account for 76.9% of the total workforce.
 - * 95% for professionals and technical staff, who account for 19.9% of the total workforce.
 - * 75% for our executives and managers, who account for 3.1% of the total workforce. This gap is mainly due to the higher proportion of men in positions of greater responsibility.



S.A.C.I. Falabella's employees · Data as December 31st, 2015

	NON EXEC EMPLOYEES	PROFESSIONALS AND TECHNICAL STAFF	MANAGERS AND EXECUTIVES	TOTAL
S.A.C.I. (Headquarters)	16	54	71	141
Subsidiaries	81,226	20,991	3,225	105,442
TOTAL	81,242	21,045	3,296	105,583
Chile	39,913	9,341	1,992	51,246
Peru*	22,431	6,683	689	29,803
Argentina	4,128	1,278	214	5,620
Colombia**	11,463	3,185	334	14,982
Uruguay	328	28	3	359
Brazil	2,956	438	41	3,435
Asia	23	92	23	138
TOTAL	81,242	21,045	3,296	105,583

* Includes Aventura Plaza, which is not consolidated

** Includes Sodimac Colombia, which is not consolidated

Classification by job position · Data as December 31st, 2015

	WOMEN	MEN	TOTAL
Non exec Employees	42,821	38,421	81,242
Professionals and technicians	9,796	11,249	21,045
Managers and executives	1,210	2,086	3,296
TOTAL	53,827	51,756	105,583



Classification by nationality · Data as December 31st, 2015

	WOMEN	MEN	TOTAL
Chilean	27,275	23,085	50,360
Peruvian	14,288	15,903	30,191
Argentine	3,234	2,331	5,565
Colombian	7,118	8,001	15,119
Uruguayan	166	202	368
Brazilian	1,427	2,008	3,435
Other	319	226	545
TOTAL	53,827	51,756	105,583

Classification by age · Data as December 31st, 2015

	WOMEN	MEN	TOTAL
Younger than 30 years	24,593	25,742	50,334
Between 30 and 40	17,687	15,516	33,203
Between 41 and 50	8,114	6,669	14,783
Between 51 and 60	3,006	2,925	5,931
Between 61 and 70	394	814	1,208
More than 70	34	90	124
TOTAL	53,827	51,756	105,583

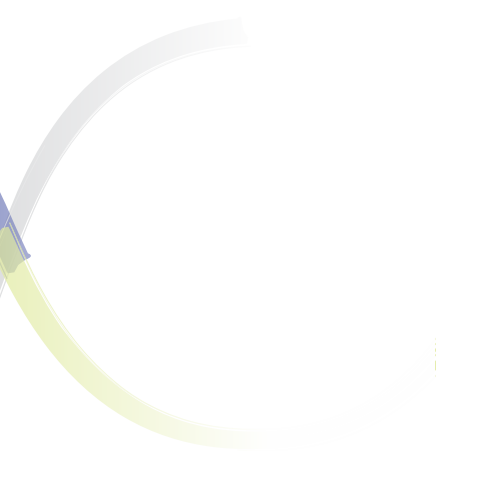
Years with the company or S.A.C.I. Falabella Data as December 31st, 2015

	WOMEN	MEN	TOTAL
Less than 3 years	29,332	29,013	58,344
Between 3 and 6 years	11,875	10,528	22,404
Between 6.01 and 9 years	5,745	5,114	10,859
Between 9.01 and 12 years	3,330	3,175	6,505
More than 12 years	3,546	3,926	7,472
TOTAL	53,827	51,756	105,583

- It is important for the company to monitor employee turnover rates constantly.
 - Consolidated turnover¹¹ for the year reached 42.4%, which was 5.8 percentage points lower than the figure reported for 2014.
- One of the company's main objectives is to be a good place to work. In order to achieve this, it is essential to develop a series of programs and benefits that aim to improve the quality of life of employees and their families. The wellbeing of employees is regularly checked through measurements of working environment.
 - The results achieved by Falabella in the Great Place to Work survey should also be underscored, as this year the company was ranked 25th in the region¹². In the case of Sodimac, our operations in Argentina, Uruguay and Peru were placed 3rd, 4th and 10th, respectively. Tottus Perú was in 13th, moving up two places in the ranking, while CMR was in 14th place in Chile and 4th in Argentina.
- The company has a solid group of leaders and professionals who know how to form teams and develop individuals.
 - One of the main initiatives in the management of internal talent is the 360° Evaluation carried out each year. The aim is to create individual development plans that allow each employee to improve their results and boost their potential. This methodology also allows individual talents to be identified and developed in order to plan for future requirements. In 2015, some 1,947 executives were assessed in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and Asia.

¹¹ Total outgoing staff (voluntary and non-voluntary)/ total direct employees.

¹² The results for Falabella by country were 24th in Chile, 7th en Colombia, 8th in Peru and 8th in Argentina.



- In addition to the 360° Evaluation, performance evaluations are carried out at all levels of the organization. In 2015 performance assessments were carried out for 74,460 employees, which was 70.5% of the total.
- The aim of our talent management initiatives is to enhance the skills and the professional and personal training of our employees. The training consists of orientation of staff when they join the company, via e-learning courses, internships or on-the-job training. Subsequently, specific technical courses are offered to employees to inform and empower the staff in order to meet the requirements of the business units in which they work. In line with efforts to increase employee training levels, a total of 3,970,085 hours of training were given in 2015, which was an average of 37.6 hours per worker per year, up 2.7% from 2014.
- In order to identify and meet the needs of our employees, it is essential to maintain fluent internal communications, both at the individual and collective levels. The company encourages dialogue and transparency, recognizing freedom of association and labor rights.
- As of end-December 2015, 28.0% of the company's employees were unionized (covered by collective agreements). In Chile the percentage of unionization is 55.0%.
- It is important to establish policies that guarantee the health and safety of our employees. To achieve that, there are joint committees that are comprised by employees and administrative staff which are responsible for ensuring the health and wellbeing of their workmates in the respective facilities. In this regard, accident statistics are constantly monitored in every one of the businesses.
- During 2015 a total of 4,438 labor-related accidents were recorded for an accident rate of 4.2%, below the 4.5% rate¹³ reported in 2014. No fatal accidents occurred in the year.
- We monitor the occupational disease rate (ODR), the lost day rate (LDR) and the absenteeism rate (AR), the levels of which reached 0.06, 39.8 and 11,302 respectively¹⁴.

¹³ Labor accidents / Direct staff.

¹⁴ ODR: Occupational diseases per 100 employees per year; LDR: Lost days per 100 employees per year; AR: Hours of absenteeism per 100 employees per year; Occupational Disease: motivated by labor activities or the result of a labor accident; Lost Day: time not worked due to an occupational disease or labor accident; Absenteeism: Absenteeism from work due to any kind of disability, not solely as a result of an accident of occupational disease. Absenteeism does not include authorized absences, for example for vacations, study, maternity or paternity and authorizations for humanitarian reasons.



Suppliers

We seek constructive long-term relationships with our suppliers

- Mutual cooperation and trust allows suppliers and the company to grow. We maintain open communication with our suppliers, providing them with appropriate channels for dialogue and encouraging them to develop innovative solutions that are focused on the needs of customers.
 - At the end of 2015, our retail businesses had a total 25,690 active suppliers¹⁵.
- Suppliers are audited and evaluated constantly. Similarly, they receive support to attain our standards of service and they are transferred to a responsible development scheme in economic, social and environmental areas.
 - In 2015, a total of 1,215 suppliers were audited in CSR practices¹⁶.
 - Falabella Retail and Sodimac work with Sedex, the biggest world platform of Social Responsibility in the value chain, which helps companies attain responsible, ethical and environmental standards in health and safety. Suppliers must also commit to meet the ethical trade norms of Sedex members (SMETA).
 - Some 30.2% of the contracts of active suppliers¹⁷ include Social Responsibility clauses¹⁸.
 - As regards our product suppliers in the retail businesses, 1,473 have Vendor Compliance standards in their contracts, the aim of which is to specify ethical and human rights conditions under which the products must be manufactured. There has been a notable improvement in this area, considering that two years ago only 421 contracts contained clauses of this kind.
- The company is concerned about timely payment of suppliers, particularly SMEs, as they are the driver of development in the countries in which the company operates.
 - In 2015 the company worked with 11,747 SMEs in all of its businesses. Some 8,316 of them were paid within 30 days.
- None of the company's business units has suppliers that individually account for more than 10% of the total purchases of goods and services in the segment during the period.

¹⁵ Suppliers that carried out movements/transactions during the course of the year.

¹⁶ Sedex or any other audit in CSR practices.

¹⁷ Includes suppliers of products and services in all subsidiaries of the company.

¹⁸ Vendor Compliance or other.



Community

We promote the creation of links with the community and contribute to their development and quality of life

- The company seeks to cooperate in terms of the social, economic and cultural development of the communities in which it operates.
- We seek to incorporate the expectations of the community into our own processes.
- The company implements social programs that have a measurable and meaningful impact for the community. The most important of these are¹⁹.

Programa Haciendo Escuela (School Sponsorship Program):

This provides support in terms of infrastructure, technology and learning for schools close to department stores. For each department store, Falabella Retail sponsors a school in the district. Some 95 schools are sponsored in Chile, Peru, Argentina and Colombia, which translates into 82,552 students who benefit.

Programa Buen Vecino (Good Neighbor Program): This is the volunteer program of the home improvement business, which consists of supporting construction, remodeling and habitability projects that are aimed at improving the community, based on competitive funding. Projects are carried out in various areas, such as kindergartens, community centers, schools, foundations and fire departments, among others. In 2015, some 77 projects were carried out with the participation of 1,875 employees and 14,036 people were the beneficiaries.

Programa de Educación en Alimentación Saludable (Healthy Eating Education Program): This program promotes healthy eating habits among children, teachers and parents of vulnerable schools close to the company's supermarkets. The program *Qué rico es crecer sano con Tottus (How great it is to grow up healthy with Tottus)* has been implemented in 16 schools and currently benefits more than 3,570 children between four and nine years of age.

Alianza Regional con América Solidaria (Regional Alliance with Solidary America): This is an initiative sponsored by our financial services business unit that is aimed at carrying out projects to improve the living standards of communities in the countries in which we are present. This year it managed to attract more than 35,754 new partners, whose total contributions reached US\$ 485,000.

Programa Educación Financiera (Financial education program):

The objective of this program is to educate the community, customers and employees in appropriate management of their finances and budgets. In 2015 the inter-school financial education competition *Juntos Juguemos (Let's Play Together)* was held with the participation of 4,200 students from 47 schools in the *Haciendo Escuela* network. The initiative included the participation of 496 volunteers.

Alianza con Fundación Junto al Barrio (Alliance with Junto al Barrio Foundation):

The objective of this program is to strengthen social organizations and improve the habitability of the neighborhoods that are within the area of influence of our shopping centers in an intervention period of three years. During 2015, two new neighborhoods in Huechuraba and Cerrillos were sponsored, with 483 residents benefiting directly and another 8,125 benefiting indirectly. Sodimac also participates in the foundation's initiatives in vulnerable populations. In 2015, support was provided to the community of Cerro Ramaditas and a project in Estación Central was funded.

- Corporate volunteer work comprises one of the main areas of work in relations with communities, producing impacts at the level of the employees, as well as the surrounding areas.
 - - In 2015 company employees carried out a total of 97,294 hours of volunteer work, which was an 84.4% increase compared to 2014²⁰.

¹⁹ The details of the programs and initiatives of each business can be seen in the Sustainability reports of each of those businesses.

²⁰ The growth is partly explained by the fact that, in 2014, Tottus Chile/Perú, Sodimac Brasil, Maestro, Rentas Falabella and Mall Plaza Chile/Colombia did not report any hours of volunteer work. The comparable growth is 64.5%.

Environment

Our aim is to identify, assess and manage the environmental impacts of our operations in order to minimize them

Our different business units have carried out various projects aimed at generating operational eco-efficiencies and minimizing the environmental impact of our operations, including:

- Construction of environmentally-friendly stores and buildings that generate efficiencies and increase productivity.
 - As of December 2015, Falabella had one LEED-certified shopping center, Mall Plaza Egaña, with a Gold rating. Mall Plaza Copiapo, which was opened in 2014, is in the process of securing this certification with a Silver rating, while 24 of the company's shopping centers also have environmentally-friendly features.
 - At the end of 2015, the group had 17 LEED-certified stores and 44 with environmentally-friendly features²¹. This type of construction allows energy consumption to be reduced by 15-20% on average.
 - The company is also a member of the World Green Building Council, a nonprofit organization that aims to promote and encourage sustainable building and development; technological innovation and certification of sustainable buildings; efficient energy use and use of renewable energies; efficient water use; use of building materials from renewable, recyclable and non-toxic sources; and the improvement of the quality of life and health of people and communities.

- Promoting the efficient use of resources, mainly in terms of energy.
 - At the consolidated level, energy consumption in 2015 reached 187KWh/m² in our retail department stores²² and 89KWh/m² in our shopping centers.
 - Projects are carried out to make technological improvements to equipment and operational controls, generating consumption efficiencies.
- Measuring the carbon footprint in order to control and reduce direct and indirect emissions.
 - While not all of the business units have measuring initiatives, we are in the process of standardizing data collection and information control (Scope 1 and 2).
- Waste management, fostering recycling projects and recycling facilities.
 - We are in the process of creating and standardizing systems for recovery of operational waste and byproducts.
 - We place special emphasis on product packaging, focusing on eco-design, reuse and recycling.

²¹ Has certain characteristics of a LEED store, but has not been undergone the certification process.

²² This excludes Imperial as this indicator is not measured.



Corporate Governance

We promote ethical behavior and good practices

- The company is part of the United Nations Global Compact, and is committed to promoting and fulfilling the 10 fundamental sustainability principles in the areas of: Human Rights, Labor Rights, Environment and Anti-Corruption.
- The company promotes honesty, vocation to serve, proactivity, teamwork and respect, values that reflect its commitment to conduct itself with transparency.
 - The company has a Code of Ethics that defines the general guidelines for its stakeholders. The company's businesses have management and prevention mechanisms that promote standards of ethics, integrity and transparency.
 - Employees have access to transparent procedures and communication channels to directly report violations, which allow the identification and monitoring of reported cases of corruption, discrimination and abuse in the company. In 2015, a total of 16 cases of discrimination were reported in the company's subsidiaries, which, after due investigation, led to corrective measures applied to those involved in ten of the 16 cases.
- The company is constantly training employees regarding its principles, policies and procedures.
 - During 2015, the enrollment for e-learning courses was 280,853, of which 116,154 were related to the following subjects: Ethics, Human Rights, Asset Laundering, Money Laundering, Consumer Law, Antitrust, Fraud and Crime Prevention, Risk and Information Security, among others.
 - The directors are subject to a process of continuous improvement, in addition to an annual assessment commissioned from a third party specialist. There is also a formal induction process for every new director to receive information on the company, its business, risks, policies and procedures, among others.
- We have a continuous management process to control the economic, social and environmental risks related to our businesses.
 - We have a corporate audit unit which is responsible for establishing control mechanisms and ensuring compliance with the guidelines established by the Board. The main sources of risks (existing and potential) are identified so as to mitigate their impact on the organization.
 - The Board meets twice a year with the corporate audit unit to analyze the correct operation of the risk management process.
 - Our executives should implement internal policies, manage risk and ensure compliance with laws and regulations. It is their responsibility to inform the Board of any emergent risk.
 - There is an operating protocol for emergencies aimed at providing appropriate guidelines to react to such events in the best possible manner.

Shareholders

We are committed to increasing the value of the company and providing sustainable profitability to its shareholders

- The company endeavors to assign resources and efforts in an efficient and competitive manner.
- The company protects and facilitates the exercise of shareholders' rights.
- Financial results are reported regularly, in accordance with current regulations, as well as any facts considered to be relevant or of interest to the company.
- The company complies with the rules and regulations established by the authorities in each country where it has operations.



Investment Plan

S.A.C.I. 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 expertise. Each investment is studied and evaluated from the perspective of cash flow projections and strategic value. Financing alternatives are determined on a case-by-case basis, always following the guidelines approved by the Board.

In January 2016, the company made public its updated four year organic growth plan, through 2019, which estimates a total investment of US\$ 4,038 million. In this investment plan,

which is flexible and dynamic, approximately 44% of this capex will be invested in the opening of 131 new stores and 10 new shopping centers across the six countries where the company has operations. In addition, nearly 26% of the investment will be allocated to increase selling area and remodel existing stores and shopping centers, in order to continue to improve the customer experience and maximize the performance of these points of sale. The remaining almost 30% will be dedicated to logistics (including new distribution centers) and IT, in order to continue to grow its omnichannel operations, as well as to achieve higher levels of efficiency and productivity across the different business units in each country.



History

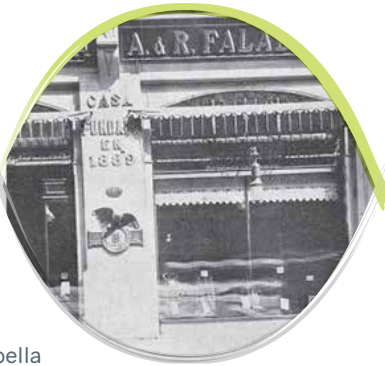
→ Excellence and Austerity

Falabella's history has been forged with hard work and a great deal of austerity. The motto is to do things the right way, with passion and attention to detail.

From tailor shop to department store

1889

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



1958

Household products are introduced, laying the foundation for the first department store in Chile, and Ahumada begins to be called "Falabella Street".



1983

Falabella opens its department store in the Parque Arauco shopping mall.

1937

Alberto Solari joins the company, bringing a renewed energy to the operation and transforming Falabella into a well-known apparel store.



1962

Falabella opens its first store outside of Santiago, in the city of Concepcion.

→ 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' needs translates, more than anything else, into our brand values: transparency, proximity and convenience.

1995

Falabella enters Peru through the acquisition of Saga, which is renamed Saga Falabella.



2015

Falabella opens the first Crate & Barrel store in South America, in Lima, Peru. The U.S.-based retailer specializes in home furnishings and accessories.

1993

Falabella crosses the border for the first time and opens a store in Mendoza, Argentina.



2006

Falabella opens a department store in Bogota and Colombia becomes its fourth market.

CMR, trust in the customer and an offering of financial services



1997

Expands its range of services to include travel and insurance.

2005

Banco Falabella completes the migration from consumer bank to fully-integrated commercial bank.

2010

CMR partners with Visa and MasterCard in Chile and Peru.

2013

Launch of Movil Falabella in Chile.

1980

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

1998

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

2007

Launch of Banco Falabella in Peru.

2011

Banco Falabella launches operations in Colombia.



→ Team work

Retail is a team effort, in which our more than 105 thousand employees have the opportunity to grow, on both the personal and professional level, with training and internal mobility, creating a positive work environment.

Malls: the new town square



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, expanding these new urban centers to include health, cultural and entertainment services.



2007

Launch of Aventura Plaza in Peru.

2013

The company inaugurates the first sustainable shopping center in Chile: Mall Plaza Egaña.

1995

Mall Plaza El Trebol, the first shopping center outside Santiago.



2012

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

Sodimac: leadership in home improvement



José Luis del Río



1982

The Del Río family acquires the operating assets of Cooperativa Sodimac and launches Sociedad Sodimac.

2003

Falabella merges with Sodimac, maintaining Sodimac's cooperative values and creating the first home improvement chain in Latin America.

2009

Launch of Homy in Chile, a new store concept specialized in home furnishings and design.

2014

Sodimac acquires the home improvement chain Maestro, expanding its presence in the construction sector in Peru.

1952

Sodimac begins operations in Chile as a cooperative enterprise to supply companies in the construction industry.

1997

Falabella takes its first steps in the home improvement market, through a partnership with Home Depot in Chile. Four years later, Falabella acquires the operation.

2007

Sodimac acquires 60% of the Chilean home improvement chain Imperial, which enables it to serve the market for carpentry products and home fixtures.

2013

Sodimac enters Brazil by acquiring 50.1% of Dico, a home improvement chain.

2015

The company opens its two first Sodimac stores in Brazil and launches operations in a sixth country, Uruguay, with the opening of two Sodimac stores.

→ **Innovating, always innovating**

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

Supermarkets could not be left out



2002

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

2005

The first Tottus hypermarket is inaugurated in Chile.



2004

In Chile the company acquires the San Francisco supermarket chain and begins to leverage the experience gained from Tottus in Peru.

2014

The first Hiperbodega Precio Uno supermarket is launched in Peru.



From family business to publicly traded company

1996

S.A.C.I. Falabella goes public and the newly listed shares begin to trade on the Santiago Stock Exchange.



2015

S.A.C.I. Falabella is included in the Dow Jones Sustainability Emerging Markets Index (DJSI EM). The company is the first Chilean retailer to be selected in this index, which is based on the analysis of Environmental, Social, and Governance (ESG) factors.

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

→ **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.

**Internationalization:
exporting the business model**



2013

Falabella enters Brazil with the acquisition of the home improvement chain Dico.

2004

With the launch of Sodimac in Peru, the company completes the expansion of all of its business units to the neighboring country.

1993

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

2015

Falabella begins operations in Uruguay with the opening of its first Sodimac store.



2006

By launching Falabella department stores and CMR in Colombia, the company expands its presence in the country.



1995

Falabella arrives in Peru through the acquisition of Saga, which is renamed Saga Falabella.

Adding new brands and channels

1990

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



2007

As part of the omnichannel strategy, Falabella launches Click & Collect (purchase online and pick-up at the store).



1999

The company 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.

→ Respecting the environment

To build sustainable stores and shopping centers that respect the communities where they are located. The efficient use of water and energy, use of renewable energy and the implementation of waste recycling are part of our culture.

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 Hacienda Escuela program, which now sponsors 95 educational establishments and more than 82 thousand students in Latin America.

2005

Implementation in Sodimac of the Círculo de Especialistas, which provides training to tradesmen and contractors. The Buen Vecino initiative was then launched, providing resources to develop neighborhood improvement projects proposed by local communities.

2014

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

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.

2013

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





2015 Highlights



Strategic Pillars

Growth

Profitability

Sustainability

Strategic Pillars

S.A.C.I. Falabella seeks to grow with discipline and responsibility in each one of our businesses, creating value, strengthening our leadership in the region, and focusing our efforts in achieving continuous improvements in each of the three strategic pillars of the company.



Growth

To achieve responsible organic and non-organic growth in the region, consolidating our position of leadership and our capacity to serve our customers, entering new markets and innovating with different formats and channels.



Profitability

To increase the productivity of each of our businesses, through differentiation and improvements in the efficiency of our operations.



Sustainability

As a company, we strive to be respected, valued and preferred by all of our stakeholders: customers, employees, suppliers, communities and shareholders.

“During the year, Falabella Retail, continued to invest in its online sales channel. It fortified its IT platform to optimize the shopping experience and sustain future growth.”



Growth

Throughout its history, S.A.C.I. Falabella has defined itself by its strategy of responsible growth. Although the macroeconomic environment presented challenges, again in 2015, with lower consumption rates in several of its major markets, the company achieved revenues of US \$11.8 billion, an increase of 10.4%, year over year.

In 2015, the company launched 23 stores region-wide. Falabella Retail opened four department stores, marking a milestone in its international expansion by opening its 100th store in the region, located in the Civic Center of Lima. In Chile, it opened a store in the city of Castro, and opened two stores in Colombia: one in Cali and another in the town of Chia, north of Bogota. Falabella's partnership with the U.S. housewares and furniture specialist Crate & Barrel also got underway with the opening of its first South American store at the Jockey Plaza Mall in Lima. The agreement includes future store openings in Peru, Chile and Colombia.

Regarding the home improvement division, the company opened ten stores with various formats in the region. Sodimac continued to further its regional leadership, launching operations in a sixth country, Uruguay, with the opening of two Sodimac stores in Montevideo. In Brazil, the division achieved an important milestone this year with the launch of the country's first two Sodimac format stores, both in the state of Sao Paulo. In Chile, the company opened two Sodimac stores in the cities of Copiapo and Coronel, and one Imperial store in Puerto Montt. In Peru, a new Sodimac store was opened in the city of Chiclayo. In 2015, Sodimac Peru focused its efforts on the integration of Maestro, the chain of 30 home improvement stores that it acquired in September 2014. In

Colombia, Sodimac opened two stores in the cities of Girardot and Yopal.

As for supermarkets, the company announced eight openings during 2015. Five supermarkets were opened in Chile: one each in the cities of Maitencillo, Talca, and Copiapo, and two in Santiago, in the Recoleta and Independencia municipalities. Tottus opened three supermarkets in Peru: one in the city of Lima and two in the department of Lima, in the provinces of Huacho and Huaral. In addition, the Precio Uno Hiperbodega, a low-price store format, celebrated its first year of operations.

During the year, Falabella Retail, continued to invest in its online sales channel. It fortified its IT platform to optimize the shopping experience and sustain future growth. The number and variety of products available on the website also increased, and product information was broadened as well. Meanwhile, Sodimac and Tottus continued to strengthen their virtual sales channels, as well as their integration with their physical stores, increasing their online product offerings.

Each year, Falabella Retail introduces exclusive new brands to its stores. During 2015, Falabella Retail added the following exclusive international brands: Longchamp, Michael Kors, Coach, Kate Spade, Tumi, Violeta (from the Mango Group) and Un Deux Trois. The department store also added the national brand Lounge to its exclusive brand portfolio, and obtained a license in Chile for Cortefiel products, which were already exclusively available in its stores in Peru. The company is also supplementing its product offering with specialist shops, representing some of its



exclusive brands. During 2015, Falabella Retail opened two of these stores in Colombia: Call It Spring and La Martina, in the Fontanar Shopping Center in Chia.

Falabella Financial continued making progress towards its goal of providing integrated financial solutions for its customers, experiencing sustained growth in its various business areas. This year, the division saw significant increases in sales with CMR cards, both at third party vendors, where sales increased by 29.9% year-over-year, and at company-related stores, where the increase was 6.8%. In turn, financial products associated with the card grew 22.9% compared to 2014. Likewise, the consolidated loan portfolio exceeded US \$5.8 billion as of December 2015, experiencing a growth of 13.3% compared to the end of the previous year. This achievement went hand in hand with new client acquisitions, which increased 6.5% year-over-year, strengthening the company's regional leadership in active CMR credit cards in the region, which reached 5.8 million. The CMR Points loyalty program continued to increase and in 2015 exceeded one million accounts with redeemable points.

Banco Falabella also delivered growth this year. Current accounts and saving deposit accounts increased by 37% and 11%, respectively, to reach over 1.6 million accounts in the region. Debit card sales had a 50% increase over the previous year, leading the growth in the region. In addition, the bank added new customer contact networks, responding to the need to improve the service experience, and focusing on transparency, convenience and simplicity. More than 580 ATMs were made available to the public in countries where Banco Falabella has a presence, with its network of 360 branches throughout the region and 870 electronic points of service.

In partnership with BNP Paribas Cardiff, the company established CF Life Insurance, to sell life insurance and payment protection insurance. With the approval of the Securities and Insurance Authority (SVS), operations began in January 2016. Falabella Travel had more than 465 thousand passengers region-wide for the year, and its sales increased by 14.2%.

As for the real estate division, in Chile the recent work on Mall Plaza Egaña was completed, with the inauguration of the Urban Terrace, which includes 12 restaurants and a cinema complex, including the first IMAX theater in the country. Moreover, Mall Plaza Copiapo was reopened after the floods caused by storms in March, now with new terrace areas, cinemas, entertainment areas and additional small stores, creating a new space for gathering and entertainment for the families of that city. S.A.C.I. Falabella and Marriott International also opened the first Courtyard by Marriott Hotel in Santiago, Chile. The new four-star hotel takes advantage of a prime location owned by S.A.C.I. Falabella which is a power center located on Kennedy Avenue next to the existing five-star hotel Marriott Santiago. The Courtyard by Marriott Hotel, operated by Marriott, has 205 rooms and is largely focused on the business traveler.

Peru saw the inauguration of Open Plaza Huanuco, where two anchor stores were already open (Falabella department store and Tottus). This shopping center has incorporated a wide range of new establishments, including a food court, entertainment area and fashion and technology establishments, among others. Add to this the opening of Open Plaza Cajamarca, where two anchor stores were already open (Sodimac and Tottus). This center incorporated cinemas, entertainment areas and service facilities.

“Falabella Retail increased local sourcing in order to shorten its development cycles, in order to better align its collections with trends and customer needs.”



Profitability

For S.A.C.I. Falabella, growth goes hand in hand with the continuous improvement and optimization of operations in each of its business areas. In 2015, the company achieved gross profits of US\$4.245 billion, an increase of 11.7% with respect to the prior year, and EBITDA of US\$1.568 billion.

The company continued to work towards providing the best possible experience to its customers across all sales channels, in each of its business units, and in all countries where it operates. In this context, the company continues to focus on its omnichannel strategy, which involves the integration of its sales channels by leveraging the synergies among them. In 2015, Falabella Retail continued to work towards providing its customers with a consistent experience across all points of contact, consolidating the Click & Collect model in the four countries where we operate department stores, continuously optimizing these centers in order to improve the customer experience. In addition, Falabella Retail continued the rollout of internet-enabled tablets to its salespeople, specifically for the departments of footwear, furniture and appliances. With these tablets, the salespeople are able to offer a wider range of products than what is physically available on the sales floor, by showing the complete range of products available on the company's website. Along the same lines, Sodimac Chile launched the Click & Collect service at all Homecenter and Homy locations in the Metropolitan Region, providing customers with the option to pick up products purchased online at the store of their choice. These innovations improve the customer shopping experience by reducing delivery times, facilitate the shipment of purchases to common destinations from the distribution center and better leverage in-store inventory.

In terms of productivity, the company continued to implement the LEAN management model in all its businesses. The company

maintained its efforts on achieving production efficiencies across its different business units, with the goal of reducing operational tasks and processing times at distribution centers and achieving greater efficiency in the reception and restocking at stores, as well as in budget distribution. Falabella Retail increased local sourcing in order to shorten its development cycles, in order to better align its collections with trends and customer needs. This strategy, coupled with more effective inventory control, resulted in successful collections and less end-of-season markdowns. Moreover, the remodeling of the Alto Las Condes store incorporated innovations in the cosmetics and accessories category, as well as new international brands, in order to further strengthen the value proposition for female customers. The store renovation also incorporates a new allocation of the sales floor, thanks to the implementation of new technologies and information systems, which have renewed the image and functionality of various departments. Likewise, Falabella Retail remodeled the stores in Plaza Vespucio, Puerto Montt and Temuco with a view to further strengthening the value proposition.

Sodimac continued to implement a LEAN management model this year. Greater efficiencies were achieved in restocking, the reorganization of tasks to ensure the quantity and quality of customer service hours, product display standards and improvements made to efficiency at checkout centers, among others. Sodimac Chile has successfully implemented self-checkout in stores that represent over 60% of sales. Meanwhile, Sodimac Peru improved productivity, by increasing by 2% the number of transactions handled per worker, and by reducing checkout transaction time by 14%. In Brazil, the division achieved supply chain efficiencies that reduced product delivery times by two-thirds, both for Dicico stores and for Sodimac stores, which reduced freight costs and made store inventory processing more efficient. Tottus improved



product control and receiving procedures, reducing merchandise losses. Tottus also achieved efficiencies with the centralization of pastry-making processes.

To support the company's current and future growth in its various businesses, the company is developing several logistics infrastructure projects in the region. In 2015, Sodimac launched a new distribution center, with a surface area of over 68,000 m², in Colombia. Furthermore, Tottus opened a 17,000 m² fresh produce distribution center in Peru. This is in addition to the dry goods distribution center measuring over 34,000 m² that Tottus Peru opened in late 2014. Sodimac Brazil also opened a new distribution center in Dutra for domestic and imported products, and modifications were made to the Cumbica distribution center during the year as well.

As for Falabella Financial, the use of world-class technology and business intelligence play a key role in the operation of its businesses. In this context, the division continued to enhance its operations in three areas: efficiency, risk and innovation. The improvements in efficiency were the result of: migration to remote channels, increases in deposits and enhanced product cross-selling. As a result, in 2015 self-service channels represented 86% of service in the region and online sales of consumer loans increased by 54%. The business unit has also focused on increasing deposits to decrease the cost of funding. To this end, the business unit conducted marketing campaigns to incentivize first time salary deposits, which contributed to the 36% increase in balances seen at the regional level, coupled with a 58% increase in direct payroll deposits, with more than 213,000 new direct payroll deposit accounts opened at the regional level. An improvement was also observed in product cross-selling. In terms of risk, the business continually invested in improving risk models and engines. Finally, investment continued in IT projects, focusing on innovation in

payment methods, the implementation of omnichannel services and the adaptation of core operating systems for the credit card and other banking products. The implementation of these projects should result in operational efficiencies in business management and improved customer service.

The company has developed a portfolio of proprietary brands in each of its retail formats, in order to offer its customers a range of product alternatives. These brands provide customers with value for money while also generating higher returns for the business. In 2015, Sodimac developed and introduced in all six countries Ubermann Multiforce, a new private brand of 100% cordless high-performance power tools, aimed at the professional segment. Sodimac also finished setting up MicroBlend at all Sodimac Homecenter stores in Chile, Colombia and Brazil (in the Sodimac chain). MicroBlend is an innovative technology that allows in-store manufacturing of paint with custom colors, using Sodimac's private brand of paint, Kölor. Finally, Sodimac started offering Ozom in its stores in Peru and Colombia. Ozom is a product line that allows remote control of a number of household functions through a mobile phone application. Lastly, Würden, the private brand of home appliances sold by Falabella department stores and Sodimac, was launched in Chile's Tottus supermarkets as well.

In the real estate business, the company continued to make progress in achieving synergies at a regional level, by sharing services among the various shopping centers in the three countries, by incorporating regional agreements on security and technology, among others. Mall Plaza Chile also launched its Centralized Operations Room, where coordination activities are conducted for security, electrical operations and management, and for the implementation of the LEAN continuous improvement model. In Peru, visits to shopping centers increased both at Mall Plaza and Open Plaza, with increases of 6.5% and 8.7% respectively.

“In 2015, S.A.C.I. Falabella was selected to for the Dow Jones Sustainability Emerging Markets Index (DJSI EM).”



Sustainability

For S.A.C.I. Falabella, economic growth must also create value for society, reflected in the company's commitment to communities and future generations. In 2015, the company continued to strive towards these goals, receiving several acknowledgements for its efforts. Furthermore, the business units participated in programs and projects that contribute to the communities near their stores and shopping centers, aiming to improve quality of life and promote development.

In 2015, S.A.C.I. Falabella was selected for the Dow Jones Sustainability Emerging Markets Index (DJSI EM), becoming the first Chilean retail firm to be included in this prestigious index, which evaluates the largest companies in the emerging world in terms of social, environmental and corporate governance-related factors. This year, the selection process evaluated 800 companies from 23 countries, of which 92 were selected for the DJSI EM index, including two Latin American retail companies. Additionally, the company was selected for the Dow Jones Sustainability Index Chile (DJSI Chile), the first sustainability index for Chilean issuers. The index includes 12 companies from Chile.

The PROhumana Corporate Sustainability Ranking recognized several of the corporation's companies in 2015. Plaza Mall won the Gold seal and took second place, climbing four positions compared to 2014. Falabella Retail and Sodimac were also featured in the list, ranking in eighth and twelfth place, respectively.

The company continued to move forward with the construction of new stores and shopping centers that use technologies and designs that help mitigate their impact on the environment. During 2015, the U.S. Green Building Council issued a LEED Gold certification to Mall Plaza Egaña in Chile, thus completing the accreditation of Mall Plaza's first sustainable shopping center, and the first in the country to be LEED Gold certified. Likewise, Mall Plaza Copiapo, considered a pioneer in sustainable construction in

northern Chile, is in the process of obtaining LEED Silver level certification, adopting specific measures to protect water use, among others. LEED Gold certification has also been issued to the Miraflores Tottus store in Peru. This made Tottus Miraflores the first Peruvian supermarket to obtain this certification, and the first in South America. This year, all Mall Plaza commercial centers in Chile maintained their ISO 50.001 certification for Energy Efficiency and their ISO 14.100 re-certification for Environmental Management. Likewise, in Peru Tottus opened the second green store in the country, in La Molina, incorporating the first 100% ecological refrigeration system. Imperial, meanwhile, made its formal entry into the Global Compact Network for Chile, and released its first sustainability report using the GRI methodology. The company is also committed to promoting other eco-friendly initiatives that involve its communities. Regarding waste management, Sodimac Chile continued the development of the National Network of Recycling Stations at its stores, visited by more than 330,000 customers in 2015, who recycled 2,100 tons of waste during the year. Sodimac Brazil, meanwhile, opened its first two Recycling Stations, at its new Sodimac stores.

In relation to its carbon footprint, Sodimac Chile also conducted new measurements, which triggered different reduction and mitigation actions such as recycling, stocking of eco-efficient products, and energy efficiency programs, among others. In Peru, Sodimac measured its carbon footprint for a second consecutive year, and implemented plans to recycle electronics and install containers in stores to encourage recycling among customers. At Sodimac Colombia, water treatment plants were installed in stores, and in terms of power consumption, procedures were taken that resulted in savings of approximately 1.8 million KW. Likewise, Mall Plaza completed its pilot project to measure its water use footprint at Mall Plaza Vespucio and Mall Aventura Santa Anita, in partnership with Suizagua Andina. The Swiss Agency for Development and Cooperation (SDC) and the Fundación Chile



also collaborated in this initiative and the results led to a series of measures to mitigate environmental impact and reduce water consumption.

The company's priority is to listen to its customers in order to better respond to their needs. Along similar lines, 2015 saw continued progress in the rollout of the Net Promoting Score (NPS) tool, which is a customer loyalty management system based on recommendations, implemented in 2014. During this year, customer feedback helped the company design new strategies and changes in order to optimize customer services.

Another major focus for the company is working with the community. Falabella Retail continued to strengthen the work of the Hacienda Escuela (School Sponsorship) Program in the region. In 2015, four new schools joined the program, for a total of 95 educational establishments in Chile, Peru, Colombia and Argentina. A repeat of last year's successes, the Del Colegio al Municipal (From School to the Theater) competition was held for the second time in Chile, with 11 choir finalists from schools in the Hacienda Escuela program performing at Santiago's historical Municipal Theater.

In 2015, Rentas Falabella joined the Hacienda Escuela program, broadening the scope of this initiative. In turn, Falabella Financial continued strengthening its alliance with the program through training in financial education. This year's regional intercollegiate tournament Juntos Jugamos (Let's Play Together), sponsored by the Superintendent of Banks and Financial Institutions in Chile and the Ministry of Education in Colombia, was especially notable. This third annual tournament was an important milestone in Chile, because it went nation-wide for the first time, covering 14 cities in the country. Volunteers from the various business units also supported the schools in the Hacienda Escuela program, actively participating in its activities.

Included among the community-focused programs is the Sodimac Chile's Buen Vecino (Good Neighbor) Program, which in 2015 involved 77 projects throughout the country, with the participation of 1,875 employees and an impact on an estimated 14,036 people in the local communities. In addition, the company maintained its collaboration with the Nuestros Hijos (Our Children) Foundation and the Junto al Barrio (Together with the Neighborhood) Foundation, with volunteers from the company actively participating in their activities. Then there were the initiatives taken by the Sodimac Specialists' Circle (CES), a flagship project with more than 360 thousand members. In 2015, Sodimac held the third annual CES Grand Training Fair with more than 13,000 teachers attending in person and 11,000 teachers receiving training via streaming. In 2015, Tottus continued to develop the Qué Rico es Crecer Sano con Tottus (How great it is to grow up healthy with Tottus) Program, along with the Five A Day Corporation of the Nutrition and Food Technology Institute of the University of Chile (INTA). Tottus implemented this initiative in 16 schools, which benefitted more than 3,570 children between four and nine years of age. In addition, Tottus created in 2015 a program to support the fire department based on customer donations.

In 2015, the real estate division worked on various development initiatives, including the implementation of Risk Management methodologies in Chile. This year the business unit also launched its Center of Operations (COP), which will increase operational efficiency at its shopping centers by maximizing the responsible use of energy and centralizing security at the malls. For six consecutive years, Mall Plaza has offered musical productions, with performances open to the public, free of charge, and this year was no exception, with the premiere of the musical "Peter Pan" in Chile. The musical featured eight functions in different cities, with over 30,000 people attending. In addition, the event was a trending topic on Twitter on the day of the gala, and thousands of people enjoyed the opportunity to watch the performance via streaming video.



Corporate Governance



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Board of Directors

S.A.C.I. Falabella's Board of Directors has nine members. Board members serve three-year periods and may be reelected indefinitely.

The Board does not have alternate directors.

During the Ordinary Shareholders Meeting held on April 29th, 2014, board members were elected for a new period.

As of December 31st, 2015, S.A.C.I. Falabella's board was composed by the following members:

Board of Directors

TAXPAYER I.D.	NAME	TITLE	OCCUPATION	MEMBER SINCE	2015 ATTENDANCE
9.585.749-3	Carlo Solari Donaggio	Chairman	Civil Engineer	2014	14
7.017.522-3	Juan Carlos Cortés Solari	Vice Chairman	Business Administration	2014	14
5.718.666-6	Hernán Büchi Buc	Director (Independent)	Civil Engineer	1996	14
5.082.229-K	Sergio Cardone Solari	Director	Business Administration	1986	12
6.888.500-0	Carolina del Río Goudie	Director	Business Administration	2011	12
4.773.832-6	José Luis del Río Goudie	Director	Civil Engineer	2003	14
8.717.000-4	Carlos Heller Solari	Director	Agricultural Engineer	2002	9
7.005.097-8	María Cecilia Karlezi Solari	Director	Entrepreneur	2003	12
8.506.868-7	Paola Cúneo Queirolo	Director	Business Administration	2014	13

In 2015 the Board met 14 times.

The Board of Directors has six men and three women, all of whom are of Chilean nationality.



The following tables tabulate the directors according to their age or the number of years they have been on the Board.

Number of directors, by age

AGE	DIRECTORS
Under 30 years	0
Between 30 and 40 years	0
Between 41 and 50 years	2
Between 51 and 60 years	4
Between 61 and 70 years	3
Older than 70 years	0

Number of directors, by years on Board

YEARS ON BOARD	DIRECTORS
Under 3 years	1
Between 3 and 6 years	2
Over 6 and less than 9 years	0
Between 9 and 12 years	0
Over 12 years	6

Carlo Solari Donaggio is a Board member since 2011.
Juan Carlos Cortés is a Board member since 2002.

Compensation of S.A.C.I. Falabella Board, 2015 (Th CLP)*:

TAXPAYER I.D.	DIRECTOR	FIX PORTION OF PER DIEM	VARIABLE PORTION OF PER DIEM	TOTAL 2015
3.066.418-3	Juan Cúneo Solari	0	81,328	81,328
9.585.749-3	Carlo Solari Donaggio	205,421	284,646	490,067
7.017.522-3	Juan Carlos Cortés Solari	16,701	162,655	179,356
5.718.666-6	Hernán Büchi Buc	16,701	162,655	179,356
5.082.229-K	Sergio Cardone Solari	16,701	162,655	179,356
6.888.500-0	Carolina del Río Goudie	16,701	162,655	179,356
4.773.832-6	José Luis del Río Goudie	16,701	162,655	179,356
8.717.000-4	Carlos Heller Solari	16,701	162,655	179,356
7.005.097-8	María Cecilia Karlezi Solari	16,701	162,655	179,356
8.506.868-7	Paola Cúneo Queirolo	16,701	121,991	138,692
TOTAL		339,028	1,626,550	1,965,578

Compensation of S.A.C.I. 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 Cúneo Solari	64,430	310,679	375,109
9.585.749-3	Carlo Solari Donaggio	137,592	155,340	292,932
7.017.522-3	Juan Carlos Cortés Solari	15,999	155,340	171,338
5.718.666-6	Hernán Büchi Buc	15,999	155,340	171,338
5.082.229-K	Sergio Cardone Solari	15,999	155,340	171,338
6.888.500-0	Carolina del Río Goudie	15,999	155,340	171,338
4.773.832-6	José Luis del Río Goudie	15,999	155,340	171,338
8.717.000-4	Carlos Heller Solari	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 Cúneo Queirolo	12,122	-	12,122
TOTAL		326,135	1,553,396	1,879,531

*Note: Juan Cúneo Solari was a director and Chairman until April of 2014

Compensation of S.A.C.I. Falabella Board members in Subsidiaries, 2015 (Th CLP):

TAXPAYER I.D.	DIRECTOR	DINALSA	MALLS	SODIMAC	FIF	RETAIL	TOTAL 2015
9.585.749-3	Carlo Solari Donaggio	16,701	30,071	16,834	15,010	16,678	95,295
7.017.522-3	Juan Carlos Cortés Solari	50,103	-	19,221	-	16,678	86,002
5.082.229-K	Sergio Cardone Solari	-	90,214	-	15,010	16,678	121,903
6.888.500-0	Carolina del Río Goudie	-	-	-	-	18,346	18,346
4.773.832-6	José Luis del Río Goudie	-	-	16,834	15,010	16,678	48,523
8.717.000-4	Carlos Heller Solari	-	-	6,908	-	66,714	73,622
7.005.097-8	María Cecilia Karlezi Solari	16,701	-	16,834	-	16,678	50,214
8.506.868-7	Paola Cúneo Queirolo	-	-	16,834	-	-	16,834
TOTAL		83,504	120,285	93,467	45,031	168,451	510,739

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

In 2015, the Board hired the advisory services of José Pablo Arellano and Cristián Lewin for the sum of CLP 73,714,462. 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 28th, 2015. 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 2015, 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 2015, there were no expenses allocated towards this budget.

During 2015, the Audit Committee met on March 2nd, March 26th, May 11th, August 24th, November 9th, and on December 11th, 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 its external auditor, 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	2014 ATTENDANCE	2015 ATTENDANCE
Hernán Büchi Buc (Chairman)*	5	6
Sergio Cardone Solari	5	6
José Luis del Río Goudie	3	4

*Independent Director

The Audit Committee held six meetings in 2015.

Audit Committee Compensation (Th CLP)

TAXPAYER I.D.	DIRECTOR	FIX PORTION OF PER DIEM	VARIABLE PORTION OF PER DIEM	TOTAL 2015	TOTAL 2014
5.082.229-K	Sergio Cardone Solari	1,890	54,218	56,108	53,586
5.718.666-6	Hernán Büchi Buc	22,371	54,218	76,590	53,586
4.773.832-6	Jose Luis del Río Goudie	1,890	54,218	56,108	53,141
TOTAL		26,151	162,655	188,806	160,312

Strategy Committee

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

The Strategy Committee examines the corporate strategic growth plan, as well as each business unit's strategic growth plan. Along these lines, the Committee proposes improvements to these 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 Strategy Committee held four meetings during 2015.

Members and Meeting Attendance

DIRECTOR	2014 ATTENDANCE	2015 ATTENDANCE
Carlo Solari Donaggio (Chairman)	4	4
Juan Carlos Cortés Solari	4	4
Hernan Büchi Buc	3	2
Sergio Cardone Solari	4	4
José Luis del Río Goudie	3	4
Paola Cúneo Queirolo	3	3
Juan Cúneo Solari	1	NA

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 company's different subsidiaries.

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

Regarding 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 2015.

Members and Meeting Attendance

DIRECTOR	2014 ATTENDANCE	2015 ATTENDANCE
Juan Carlos Cortés Solari (Chairman)	3	3
Carlo Solari Donaggio	3	3
Carolina del Río Goudie	3	3

Management

Main Executives



- > **Alejandro González Dale**
10.054.917-4
Chief Financial Officer
Business Administration
9 years in the company
Position since: November 2006
- > **Jordi Gaju Nicolau**
13.660.520-8
Chief Development Officer
Business Administration
6 years in the company
Position since: July 2009
- > **Ricardo Zimerman Heller**
0-E
Country Manager Argentina
Business Administration
17 years in the company
Position since: June 2014
- > **Rodrigo Fajardo Zilleruelo**
7.649.739-7
Country Manager Colombia
Business Administration
21 years in the company
Position since: February 2010
- > **Gonzalo Somoza García**
22.051.269-K
Corporate CEO Falabella Retail
Civil Engineer
16 years in the company
Position since: April 2014
- > **Enrique Gundermann Wylie**
9.900.567-K
Corporate CEO Sodimac
Civil Engineer
14 years in the company
Position since: October 2012
- > **Cristóbal Irrarázabal Philippi**
10.216.082-7
Corporate CEO Tottus
Civil Engineer
14 years in the company
Position since: January 2011
- > **Gonzalo Smith Ferrer**
9.959.968-5
General Counsel
Lawyer
<1 year in the company
Position since: December 2015
- > **Pablo Meza Martínez**
6.699.659-K
CEO TI Corp.
Civil Engineer
24 years in the company
Position since: April 1992
- > **Juan Xavier Roca Mendenhall**
0-E
Country Manager Pero
Economist
27 years in the company
Position since: September 2013
- > **Gastón Bottazzini**
22.923.569-9
Corporate CEO Falabella Financiero
Economist
7 years in the company
Position since: October 2008
- > **Fernando de Peña**
7.556.207-1
CEO Mall Plaza
Civil Engineer
26 years in the company
Position since: January 1990
- > **Ricardo Hepp de Los Ríos**
7.617.431-8
CEO Rentas Falabella Chile
Business Administration
21 years in the company
Position since: April 2009
- > **Sandro Solari Donaggio**
9.585.729-9
Chief Executive Officer
Civil Engineer
21 years in the company
Position since: November 2012
- > **Jorge Joannon Errázuriz**
7.003.348-8
Chief Audit Executive
Civil Engineer
1 year in the company
Position since: August 2014



As of December 31st, 2015, 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.

With regards to the main executives, 11 are of Chilean nationality, four are foreigners and all are men.

The following tables indicate the number of executives according to their age group or the number of years at the company.

Number of executives, by age

AGE	EXECUTIVES
Under 30 years	0
Between 30 and 40 years	1
Between 41 and 50 years	8
Between 51 and 60 years	4
Between 61 and 70 years	2
Older than 70 years	0

Number of executives, by years at the company

AGE	EXECUTIVES
Under 3 years	2
Between 3 and 6 years	1
Over 6 and less than 9 years	1
Between 9 and 12 years	1
Over 12 years	10

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. In addition, the company has bonus plans that provide payments based on the company's stock performance. For more information on stock based compensation, please refer to Note 21 d) in the company's December 2015 Financial Statements.

Ownership and Control

Controlling Group

The following groups of shareholders control the company. As of December 31st, 2015, the controlling group owns 80.18% 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.



Grupo Auguri

GRUPO AUGURI	TAXPAYER I.D.	NO. OF SHARES	%
SOLARI FALABELLA MARÍA LUISA (SUCCESSION)	4.284.209-5	19,478,080	0.80%
KARLEZI SOLARI MARÍA 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 by the individuals listed below:			
MARÍA CECILIA KARLEZI SOLARI	7.005.097-8		
SEBASTIÁN ARISPE KARLEZI	15.636.728-1		
LUCEC TRES SA	99.556.440-8	258,913,368	10.64%
This company is controlled by the individuals listed below:			
MARÍA CECILIA KARLEZI SOLARI	7.005.097-8		
SEBASTIÁN ARISPE KARLEZI	15.636.728-1		

Bethia

BETHIA	TAXPAYER I.D.	NO. OF SHARES	%
BETHIA SA	78.591.370-1	243,517,941	10.00%
This company is controlled 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 SA	85.487.000-9	2,678,697	0.11%
This company is controlled 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		

Grupo Corso

GRUPO CORSO	TAXPAYER I.D.	NO. OF SHARES	%
CORTÉS 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%
CORTÉS SOLARI MARÍA FRANCISCA	7.017.523-1	2,082,186	0.09%
INVERSIONES MAPTER UNO SA	76.839.420-2	13,954,363	0.57%
This company is controlled by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARÍA FRANCISCA CORTÉS SOLARI	7.017.523-1		

Grupo Corso (continuation)

GRUPO CORSO	TAXPAYER I.D.	NO. OF SHARES	%
INVERSIONES MAPTER DOS SA	76.839.460-1	4,196,649	0.17%
This company is controlled by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARÍA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INVERSIONES QUITAFAL LIMITADA	76.038.402-K	18,300,200	0.75%
This company is controlled by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARÍA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INVERSIONES QS SA	99.536.400-K	413,472	0.02%
This company is controlled by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARÍA FRANCISCA CORTÉS SOLARI	7.017.523-1		
INV Y RENTAS DON ALBERTO CUATRO SA	99.552.470-8	150,666,022	6.19%
This company is controlled by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARÍA FRANCISCA CORTÉS SOLARI	7.017.523-1		
MAPCOR CUATRO SA	99.556.480-7	108,247,346	4.45%
This company is controlled by the individuals listed below:			
TERESA MATILDE SOLARI FALABELLA	4.661.725-8		
JUAN CARLOS CORTÉS SOLARI	7.017.522-3		
MARÍA FRANCISCA CORTÉS SOLARI	7.017.523-1		

Grupo San Vitto

GRUPO SAN VITTO	TAXPAYER I.D.	NO. OF SHARES	%
INVERSIONES SAN VITTO LTDA	77.945.970-5	243,698,146	10.01%
This company is controlled 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		
ASESORÍAS E INVERSIONES BRUNELLO LIMITADA	78.907.380-5	8,235,709	0.34%
This company is controlled 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		
ASESORÍAS E INV BAROLO LTDA	78.907.350-3	8,235,729	0.34%
This company is controlled 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		

Grupo San Vitto (continuation)

GRUPO SAN VITTO	TAXPAYER I.D.	NO. OF SHARES	%
ASESORÍAS E INV SANGIOVESE LTDA	78.907.390-2	8,235,690	0.34%
This company is controlled 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		

Grupo Liguria

GRUPO LIGURIA	TAXPAYER I.D.	NO. OF SHARES	%
INVERSIONES LOS OLIVOS SA	76.360.576-0	290,369,988	11.93%
This company is controlled by the individuals listed below:			
JUAN CÚNEO SOLARI	3.066.418-3		
PAOLA CÚNEO QUEIROLO	8.506.868-7		
GIORGIANNA CÚNEO QUEIROLO	9.667.948-3		

Grupo Amalfi

GRUPO AMALFI	TAXPAYER I.D.	NO. OF SHARES	%
IMPORTADORA Y COMERCIALIZADORA AMALFI SPA	87.743.700-0	45,224,102	1.86%
INVERSIONES VIETRI SA	76.182.636-0	10,831,258	0.44%
This company is controlled by the individuals listed below:			
SERGIO CARDONE SOLARI	5.082.229-K		

Grupo Dersa

GRUPO DERSA	TAXPAYER I.D.	NO. OF SHARES	%
DERSA SA	95.999.000-K	138,024,501	5.67%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
DT CARRERA SA	76.338.127-7	34,012,040	1.40%
This company is controlled by the individuals listed below:			
FELIPE DEL RÍO GOUDIE	5.851.869-7		
MARÍANA DE JESÚS ARTEAGA VIAL	6.695.852-3		
LUIS FELIPE DEL RÍO ARTEAGA	13.234.925-8		
ANDRÉS ANTONIO DEL RÍO ARTEAGA	14.118.360-5		
MARTÍN DEL RÍO ARTEAGA	15.642.668-7		
JAVIER DEL RÍO ARTEAGA	16.605.546-6		
JOSÉ PABLO DEL RÍO ARTEAGA	17.703.172-0		
MARÍANA TERESITA CARMEN DEL RÍO ARTEAGA	18.641.820-4		

Grupo Dersa (continuation)

GRUPO DERSA	TAXPAYER I.D.	NO. OF SHARES	%
QUILICURA SA	76.338.077-7	31,827,793	1.31%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
EL ROQUERÍO SA	76.338.125-0	31,827,793	1.31%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
DT D Y D SA	76.338.126-9	31,827,793	1.31%
This company is controlled by the individuals listed below:			
JUAN PABLO DEL RÍO 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		
BFD SA	76.338.129-3	31,827,793	1.31%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		

Grupo Dersa (continuation)

GRUPO DERSA	TAXPAYER I.D.	NO. OF SHARES	%
DT PENUELAS SA	76.338.177-3	31,827,793	1.31%
This company is controlled by the individuals listed below:			
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
VÍCTOR HORACIO PUCCI LABATUT	6.474.224-8		
VÍCTOR 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		
LAS MARIPOSAS SA	76.338.144-7	14,892,110	0.61%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
INDER Spa	76.075.989-9	41,114,421	1.69%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
INVITACURA SA	88.494.700-6	5,376,695	0.22%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
INVERSIONES AUSTRAL LIMITADA	94.309.000-9	14,255,119	0.59%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		

Grupo Dersa (continuation)

GRUPO DERSA	TAXPAYER I.D.	NO. OF SHARES	%
INPESCA SA	79.933.960-9	49,343,681	2.03%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
JUAN PABLO DEL RÍO GOUDIE	5.898.685-2		
FELIPE DEL RÍO GOUDIE	5.851.869-7		
IGNACIO DEL RÍO GOUDIE	6.921.717-6		
SEBASTIÁN DEL RÍO GOUDIE	6.921.716-8		
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
AGER SA	76.142.164-6	11,847,169	0.49%
This company is controlled by the individuals listed below:			
JOSÉ LUIS DEL RÍO GOUDIE	4.773.832-6		
BÁRBARA DEL RÍO GOUDIE	4.778.798-K		
IGNACIO DEL RÍO GOUDIE	5.898.685-2		
SEBASTIÁN DEL RÍO GOUDIE	5.851.869-7		
INVERSIONES D Y D CUATRO SPA	76.156.657-1	1,168,606	0.05%
This company is controlled by the individuals listed below:			
JUAN PABLO DEL RÍO 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 LIMITADA	76.156.962-7	1,409,090	0.06%
This company is controlled by the individuals listed below:			
FELIPE DEL RÍO GOUDIE	5.851.869-7		
MARÍANA DE JESÚS ARTEAGA VIAL	6.695.852-3		
LUIS FELIPE DEL RÍO ARTEAGA	13.234.925-8		
ANDRÉS ANTONIO DEL RÍO ARTEAGA	14.118.360-5		
MARTÍN DEL RÍO ARTEAGA	15.642.668-7		
JAVIER DEL RÍO ARTEAGA	16.605.546-6		
JOSÉ PABLO DEL RÍO ARTEAGA	17.703.172-0		
MARÍANA TERESITA CARMEN DEL RÍO ARTEAGA	18.641.820-4		
INVERSIONES GUEIMEN SPA	76.156.978-3	986,788	0.04%
This company is controlled by the individuals listed below:			
CAROLINA DEL RÍO GOUDIE	6.888.500-0		
VÍCTOR HORACIO PUCCI LABATUT	6.474.224-8		
VÍCTOR 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 CONTROLADORES		1,951,921,887	80.18%

Equity

As of December 31st, 2015, the company's equity was divided into 2,434,465,103 shares of equal value and belonging to a single series, with 1,463 registered shareholders.

12 Largest Shareholders

NAME	TAXPAYER I.D.	SHARES	%
INVERSIONES LOS OLIVOS SA	76.360.576-0	290,369,988	11.93%
LUCEC TRES SA	99.556.440-8	258,913,368	10.64%
INVERSIONES SAN VITTO LTDA	77.945.970-5	243,698,146	10.01%
BETHIA SA	78.591.370-1	243,517,941	10.00%
INV Y RENTAS DON ALBERTO CUATRO SA	99.552.470-8	150,666,022	6.19%
DERSA SA	95.999.000-K	138,024,501	5.67%
MAPCOR CUATRO SA	99.556.480-7	108,247,346	4.45%
BANCO DE CHILE POR CUENTA DE TERCEROS NO RESIDENTES	97.004.000-5	99,595,190	4.09%
BANCO ITAU POR CUENTA DE INVERSIONISTAS EXTRANJEROS	76.645.030-K	65,951,985	2.71%
BANCO SANTANDER POR CUENTA DE INV EXTRANJEROS	97.036.000-K	60,807,076	2.50%
INPESCA SA	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 that the dividend policy is to distribute at least 30% of the company's net income in each fiscal year, 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 2013, 2014 and 2015 fiscal years are detailed below:

Dividends

CLP/SHARE	CLP/SHARE		
Final dividend No. 32	Final dividend No. 35		
Paid in May, 2013	30	Paid in November, 2014	25
Final dividend No. 33	Final dividend No. 36		
Paid in November, 2013	32	Paid in May, 2015	47
Final dividend No. 34	Interim dividend No. 37		
Paid in May, 2014	40	Paid in December, 2015	26



Corporate Information



Identification of the Company

Insurance

Trademarks and Patents

Regulatory Framework

Risks

Associations and Organizations

Awards and Recognitions

Summary of Material Facts

Shareholders' Comments and Proposals

Stock Market Information

Stores by Format and Country

Summary Corporate Structure

Financial Information of 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: 23802000; 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. Finally, on June 17th, 2015, public deed dated June 15th, 2015, executed in the Santiago Public Notary Office of Mr. Francisco Leiva Carvajal, with the statement contemplated by article 56 of the Regulation of Law number 18,046, was noted at the margin of the company's social inscription.

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:

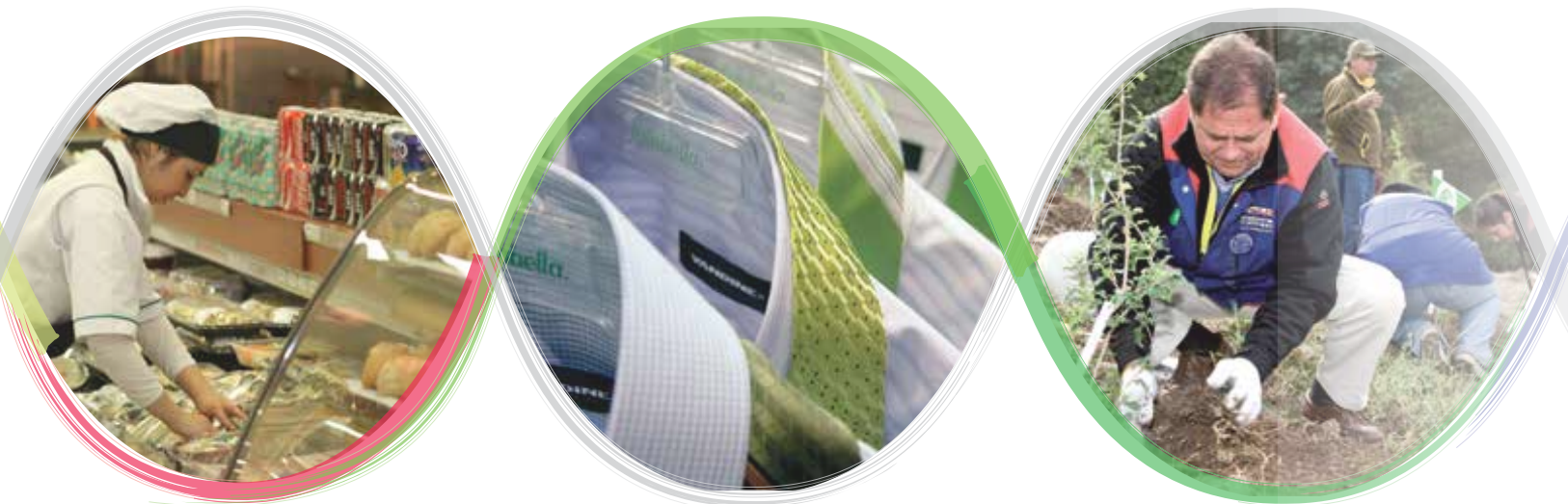
Falabella, Mall Plaza, CMR, Banco Falabella, Viajes Falabella, Seguros Falabella, Tottus, Open Plaza, Basement, Newport, Sybilla, Apology, Mica, University Club, Yamp, Fratta, Recco, Americanino, Doo, Mountain Gear, Roberta Allen, Textil Viña, Florencia, Sodimac, Homecenter, Homecenter Sodimac, Home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

S.A.C.I. Falabella and its subsidiaries are exposed to risks that may have an adverse impact on their businesses, operations, assets, results and investments to a greater or lesser extent. For that reason, the company has developed a series of measures and policies to identify, manage and mitigate these risks. The company has a Risk Management & Control Policy and an Internal Audit Policy. Both apply to S.A.C.I. Falabella and its subsidiaries, which may issue additional policies and guidelines, as long as they do not conflict with the policies mentioned above.

The company's main business units also have risk committees whose purpose is to analyze the potential risks to their respective operations. These committees hold regular meetings and are comprised by senior executives and the corresponding CEO of each business unit. The directors of S.A.C.I. Falabella and of its primary business units also analyze potential company risks at Board meetings and audit committee meetings. S.A.C.I. Falabella and its main subsidiaries have internal audit teams that report directly to the boards of each of these companies. These teams conduct internal audits in line with plans that the boards have previously approved. The results of these internal audits are reported to the audited units and to the corresponding board of directors, and are analyzed by the audit committee.

The following is a list of S.A.C.I. Falabella's main risks, according to the analysis carried out by the company with the information available to date. Should these risks materialize, they could have a negative impact on S.A.C.I. Falabella or its subsidiaries, including economic losses and negative effects on reputation. The risks that could affect S.A.C.I. Falabella and its subsidiaries are not limited to those listed here. While there are other risks, we consider these to be the most relevant, based on our experience and the information currently available.

Risk of Damage to People and Assets

The company and its subsidiaries operate a significant number of facilities and different kinds of assets that are necessary for carrying out their business, such as stores, shopping centers, distribution hubs, offices and equipment, among others. These facilities, goods and assets are subject to various events that could diminish or impair their operability, such as fires, floods, earthquakes and other damaging events and natural disasters,

some of which, or their effects, can be controlled to a greater extent than others. If such events affect our facilities they could also harm the people that use them, whether they be customers, employees or suppliers. Damage to people within our facilities could result in economic impacts for the company or its subsidiaries. Similarly, damage to facilities could either temporarily or permanently halt operations, leading to economic losses, negatively affecting revenues or the profitability of our businesses, depending on the scope of the event and the coverage of insurance policies maintained by the company.

Competition Risk

The company and its subsidiaries face competition in each of the markets in which they operate. This competition depends on various factors, including the price or rate, quality or exclusivity of the product or service, the location of the branch, store or shopping center, the functionality of the website or application, among other factors, depending on the case. Competition could intensify in the future, either with existing competitors or newcomers. The eventual inability of the company or its subsidiaries to compete effectively against current or future competitors could result in loss of market share, lower revenues, lower margins or even the obsolescence of the business model or value proposition, in an extreme scenario.

Exchange Rate Risk

The Chilean peso is subject to variations against the U.S. dollar and other currencies. Some of the products sold at S.A.C.I. Falabella stores are purchased in foreign countries, so while payment for such import operations is pending there is an exchange rate risk. The same is true in Argentina, Colombia, Peru, Brazil and Uruguay regarding the exchange rate of the local currencies to the U.S. dollar. A sharp depreciation in one or more of these local currencies could result in lower revenues and margins, and lead to a devaluation in our investments abroad.

Retail Sector Sensitivity to the Economic Cycle

The company's revenues are subject to fluctuations in the commercial sector and, therefore, to cycles of economic activity. Consumer





behavior is affected by many factors, including the perception of the economic outlook, based on factors such as inflation, economic growth, interest rates, etc. These factors can affect purchasing behavior and the willingness of consumers to repay loans. This could adversely affect revenues and the profitability of the company and its subsidiaries.

Inventory Management Risks

We must maintain sufficient stock levels to run our business successfully, avoiding either shortfalls or surpluses of stock. Suppliers usually need considerable time to fulfill product orders, so we need to submit purchase orders long before these are offered for sale. It is thus necessary to anticipate future demand accurately and estimate the time needed to obtain inventories in order to ensure appropriate stock levels. Weather conditions and seasonality also have an impact on the results of several of our business units. When preparing for high-demand seasons, inventories must be increased to above-average levels. Any unexpected drop in demand, error in our forecasts or delayed supply from our suppliers could force us to implement business strategies to offset or mitigate these situations, which can have a negative impact on the company's results.

Risk of Investments Abroad

Our financial situation and operating results rely to a great extent on the prevailing economic conditions in the countries in which we operate. Economic conditions in these countries may be affected by a number of factors that are beyond our control, including economic and/or other government-imposed policies, inflation policies and mechanisms to fight it, exchange rate fluctuations, and global and regional economic conditions, among others. Adverse changes in these variables could affect our businesses, customers and suppliers.

Risk of Rising Interest Rates

A high proportion of Falabella sales are made via loans granted by CMR and Banco Falabella. A significant rise in interest rates

could affect company revenues and its lending business, since consumption levels tend to decline in this type of scenario.

A small percentage of the company's debt bears a variable interest rate. Significant fluctuations that may occur in interest rates could impact the company's debt subject to such interest rates, increasing the financial cost of that debt. A change in market conditions could also affect the cost of borrowing for the company if it decides to refinance debt or issue new liabilities.

IT Systems and Information Security Risks

The company uses information technology systems and processes in various operations of all its businesses. A prolonged failure in any of these systems could disrupt some of these processes, potentially affecting sales, costs, or causing other adverse effects on the company. The company also is subject to third-party attacks on its systems aimed at accessing the confidential information of the company, its customers or suppliers. A breach of the company's IT security systems could seriously damage the reputation of the company or its subsidiaries and impact future revenues.

Human Capital Risks

The company relies on the experience and knowledge of its executives, employees and directors for its daily operations and to execute its investment plans. The inability to attract and retain talent could impact the company's capacity to compete effectively and continue to grow in its various markets.

Risk of Regulatory Change

The company and its subsidiaries operate in various legal and regulatory environments in different countries, all of which affect and determine the way in which our business evolves. It is possible that these legal and regulatory frameworks may change in the future, thus impacting, limiting or restricting the business models developed by the company and its subsidiaries, increasing costs and making them less profitable or unfeasible.

Associations and Organizations

The main associations and organizations in which each business unit participates are listed below:



Department Stores

- International Association of Department Stores
- United Nations Global Compact
- Sedex
- U.S. Green Building Council
- Acción RSE Chile (Entrepreneurial Action on Social Responsibility)
- Chilean National Chilean Association of Advertisers (ANDA)
- American Chamber of Commerce (AMCHAM)
- Santiago Chamber of Commerce
- National Chamber of Commerce, Services and Tourism
- Chile Green Building Council
- Fundación Chile
- PROhumana Foundation (Chile)
- Argentine Institute of Corporate Social Responsibility (IARSE)
- Laborum Inclusivo (Inclusion of disabled individuals)
- ProChile
- Argentine Association of Human Resources (ADRHA)
- Argentine Chamber of Commerce (CAC)
- Argentine Chamber of E-Commerce (CACE)
- Argentine-Chilean Chamber of Commerce
- Lima Chamber of Commerce
- Peruvian-Chilean Chamber of Commerce
- Peruvian Chamber of Construction (CAPECO)
- Banking and Commerce Club (Peru)
- National Confederation of Merchants (CONACO) (Peru)
- Peru Green Building
- Bogotá Chamber of Commerce (CCB)
- Colombian Chilean Chamber of Commerce and Industry
- Colombian National Federation of Merchants (FENALCO) (Colombia)

Home Improvement

- Global Home Improvement Network (GHIN)
- United Nations Global Compact
- ISO 26000
- Acción RSE Chile (Entrepreneurial Action on Social Responsibility)
- Chilean Agency of Energy Efficiency (AChEE)
- Chilean Safety Association (ACHS)
- Chilean National Association of Advertisers (ANDA)
- Chilean Chamber of Construction (CChC)
- Santiago Chamber of Commerce (CCS)
- National Chamber of Commerce, Services and Tourism of Chile (CNC)
- Chile Green Building Council
- Chile Transparente (Transparency International)
- Council on Advertising Self-regulation and Ethics (Conar) (Chile)
- Fundación Chile
- PROhumana Foundation (Chile)
- Generación Empresarial (Entrepreneurial Creation) (Chile)
- National Initiative of Water Efficiency (Chile)
- Environmental Declaration of Construction Products (DAPCO) (Chile)
- Aequales (Peru)
- Peruvian National Association of Advertisers (ANDA)
- Peruvian Chamber of Construction (CAPECO)
- National Confederation of Private Business Institutions (CONFIEP) (Peru)
- Peru Green Building Council
- Peru 2021
- OWIT (Peru)
- Reciclame Cumple con tu Planeta (Peru)
- Foreign Trade Society of Peru (COMEX)
- Peruvian Environmental Rights Society (SPDA)
- Peruvian Marketing Society
- Colombian Association of Concrete Producers (Asocreto)
- Bogotá and Cundinamarca Human Management Association (ACRIP)
- National Association of Colombian Business (ANDI)
- Colombian Chamber of Construction (CAMACOL)
- Colombian Chamber of Infrastructure
- Bogotá Chamber of Commerce
- Colombian Sustainable Construction Council
- Colombian Business Council for Sustainable Development (CECODES)
- conTREEbute (Colombia)
- Colombian National Federation of Merchants (FENALCO) (Colombia)
- Colombian National Federation of Wood Industry (Fedemadera) (Colombia)
- AI Verde Vivo Foundation (Colombia)
- Colombian Institute of Technical Standards and Certification (ICONTEC)
- Pro Bogotá
- National Learning Service (SENA) (Colombia)
- Transparency for Colombia
- Forge Foundation (Argentina)
- Reciduca Foundation (Argentina)
- Argentine Institute of Social Responsibility (IARSE)
- Associação Nacional dos Comerciantes de Material de Construção (Anamaco) (Brasil)
- Uruguayan National Chamber of Commerce and Services and Tourism
- DERES Corporate Social Responsibility Responsabilidad Social Empresarial (Uruguay)
- Fideicomiso PGE – Uruguayan Chamber of Industries
- Commercial Defense League (LIDECO) (Uruguay)



Supermarkets

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

Financial Services

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

Real Estate

- International Council of Shopping Centers (ICSC)
- Acción RSE (Entrepreneurial Action on Social Responsibility)
- Chilean Chamber of Shopping Centers (CCHCC)
- Chilean Chamber of Construction (CChC)
- Santiago Chamber of Commerce (CCS)
- Chile Green Building Council
- Development Corporation of the Loa Province (ProLoa)
- Industrial Corporation for the Development of the Bío Bío Region (CIDERE)
- Prohumana Foundation (Chile)
- Chilean Institution of Business Management (ICARE)
- Peruvian Shopping Center and Entertainment Association (ACCEP)
- Arequipa Chamber of Commerce and Industry (Peru)
- Lima Chamber of Commerce
- Liberty Chamber of Commerce and Production (Trujillo, Peru)
- Peru 2021

Awards and Recognitions



S.A.C.I. Falabella

- S.A.C.I. Falabella was included in the Dow Jones Sustainability Emerging Markets Index (DJSI EM), which tracks the leading sustainability-driven companies in Emerging Markets, selected based on the analysis of Environmental, Social, and Governance (ESG) factors. In the review process, 800 companies from 23 countries were invited to participate, of which 92 companies were selected for the DJSI EM, including two retail companies in Latin America.
- S.A.C.I. Falabella was included in the Dow Jones Sustainability Chile Index (DJSI Chile), the first sustainability index of Chilean publicly traded companies. The index includes 12 companies.
- S.A.C.I. Falabella (25th place) is the only company headquartered in Chile included in the Great Place to Work Institute's 2015 Best Multinational Workplaces in Latin America Ranking.
- S.A.C.I. Falabella (61st place) is the only company headquartered in Chile –and one of only four companies from Latin America– selected for Forbes's The World's Most Innovative Companies 2015 ranking.

Department Stores

- Falabella named most valuable brand in Chile and the 5th most value brand in Latin America, according to the 2015 BrandZ Top 50 Latin American Brands Ranking, conducted by Millward Brown for WPP.
- Falabella Colombia ranked 7th place (category +500 employees) in the Great Place to Work Ranking 2015 for that country. Saga Falabella obtained 8th place (+1,000 employees). Falabella Argentina also obtained 8th place (+1,000 employees). Falabella Chile came in 24th place.
- 1st place for Retail sector (6th place Company category) in MercoEmpresas Chile 2015 Ranking, which measures corporate reputation. In Retail sector, Saga Falabella obtained 2nd place in Peru and Falabella Colombia, 3rd place.
- 1st place in the category Department Stores for Saga Falabella in the XV Annual 2015 Executives Poll, conducted by the Lima Chamber of Commerce.
- 1st place for Saga Falabella in the OWIT Peru's Company Most Equitable in Gender Inclusion 2015.
- Gold Prize in the category Commerce/Retail in the Effie Awards Colombia 2015, for the advertising campaign "Tenis Combat".
- Award "Best Mobile Initiative for eCommerce" for Falabella.com in the eCommerce Awards 2015 in Chile and Colombia.
- Saga Falabella received the award "Brand Employer 2015" Retail sector in the study "Where do I Want to Work" conducted by Laborum and Arellano Marketing.
- Falabella received the award "Best Brand Employer Retail Sector Chile" according to the poll conducted by Trabajando.com.
- In the study Chile 3D Brands and Chilean Life Styles, conducted by GfK Adimark, Falabella won in the Department Store category.
- 3rd place Merco Responsibility and Corporate Governance 2015 Chile.
- 7th place for Saga Falabella in The Most Influential Brands 2015 Peru, by Ipsos.
- 8th place in the Corporate Sustainability Ranking conducted by the PROhumana Foundation (Chile).
- 16th place in the ranking of the 100 most valued brands by Chileans, according to Brand Asset Valuator (BAV), conducted by BavLab Y&R and published by Capital magazine.



Home Improvement

- Sodimac is the 2nd most valuable brand in Chile (after Falabella) and the 13th most valuable in Latin America, according to the 2015 BrandZ Top 50 Latin American Brands Ranking, conducted by Millward Brown for WPP.
- Sodimac Argentina obtained 3rd place in the Great Place to Work Ranking 2015 for that country (category +1,000 employees). Sodimac Uruguay, in its first year in operations, came in 4th place (+150 employees) and Sodimac Peru, in 10th (+1,000 employees).
- Sodimac won the National Award for Customer Satisfaction in the category home improvement, in the ProCalidad Awards 2015, a joint initiative between the Universidad Adolfo Ibáñez (Chile) and the consultant Praxis Customer Engagement.
- The Technology Development Corporation (CDT) of the Chilean Chamber of Construction (CChC) recognized Sodimac with the CDT Award in Sustainability.
- In the study Chile 3D Brands and Chilean Lifestyles, conducted by GfK Adimark, Sodimac lead the category home improvement and construction.
- The Institute for the National Defense of Competition and Protection of Intellectual Property (El Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelectual, Indecopi) awarded Sodimac Peru the recognition "First, the Clients – Carrying out of Guarantías" ("Primero, los Clientes – Ejecución de Garantías").
- Sodimac Colombia won the category Social Responsibility in the GestiónHumana.com Awards Gold 2015.
- 1st place Retail sector for Sodimac Peru in the MercoEmpresas 2015 ranking, which measures corporate reputation. Sodimac Chile obtained 2nd place Retail sector (8th place Company category) and Sodimac Colombia, 2nd place Retail sector.
- 1st place Retail category for Homecenter in Meaningful Brands ranking in Colombia, conducted by Havas Media Group.
- 1st place in home improvement category in the XV Annual 2015 Executives Poll, conducted by the Lima Chamber of Commerce.
- 2nd place Retail sector in the MercoTalento 2015 Colombia ranking.
- 2nd place in the OWIT Peru's Company Most Equitable in Gender Inclusion 2015.
- 4th place Retail sector in the MercoResponsibility and Corporate Governance 2015 Chile.
- 7th place in the Corporate Reputation Ranking 2015 conducted by Hill & Knowlton, GfK Adimark and Pulso newspaper.
- 10th place in the ranking of the 100 most valued brands by Chileans, according to Brand Asset Valuator (BAV), conducted by BavLab Y&R and published by Capital magazine.
- 12th place in the Corporate Sustainability Ranking conducted by the PROhumana Foundation (Chile).
- In the study Praxis Xperience Index (PXI) 2015 Chile, Sodimac was ranked among the companies that qualified as "Good Experiences in Service".

Awards and Recognitions



Supermarkets

- U.S. Green Building Council certified LEED Gold the Tottus Miraflores store in Peru. Tottus Miraflores became the first supermarket in Peru and in South America to receive this certification.
- Tottus is the 8th most valuable brand in Chile, according to the 2015 BrandZ Top 50 Latin American Brands Ranking, conducted by Millward Brown for WPP.
- Tottus placed 13th in the Great Place to Work Ranking 2015 for Peru (category +1,000 employees).
- 1st place in "Total Satisfaction" for Tottus Express (traditional supermarket category) and 2nd place for Tottus (large supermarket category), according to the First Study of Supermarket Service Quality 2015 from the Center for Retail Studies (CERET) of the Universidad de Chile.
- 2nd place Self Service category in the MercoEmpresas Peru 2015 ranking.
- 2nd place in the VBest Workplace Practices 2015, in the category Promoting Work With Clients and Suppliers, conducted by the Ministry of Labor and Promotion of Employment of Peru.
- 9th place in The Most Influential Brands 2015 Peru, from Ipsos Peru.
- 69th place in the ranking of the 100 most valued brands by Chileans, according to Brand Asset Valuator (BAV), conducted by BavLab Y&R and published by Capital magazine.
- Rimac recognized Tottus Peru, for a second year in a row, with the award "Excellence in the Prevention of Risks in the Workplace" in the category Successful Experiences in Peru.
- The Ministry of Women and the National Council for Inclusion of People with Disabilities (CONADIS) recognized Tottus Peru with the award "I am Capable", which highlights companies that hire and train people with disabilities.
- The Ministry of Education of Peru awarded Tottus Peru "Road to the highest grade" ("Rumbo a la nota más alta"), for its contribution to improve education in the country in 2015.
- The Ministry of the Environment of Peru recognized Tottus Peru for participating in "Reeducate: Recycle to Provide Shelter" ("REduca: Reciclar para Abrigar").
- In the study Praxis Xperience Index (PXI) 2015 Chile, Tottus was ranked among the companies that qualified as "Good Experiences in Service".

Financial Services

- CMR won the National Prize for Client Satisfaction in the category Commercial Credit Cards, in the ProCalidad Awards 2015, a joint initiative between the Universidad Adolfo Ibáñez (Chile) and the consultant Praxis Customer Engagement.
- 2nd place for Banco Falabella Chile in Service Satisfaction 2015, according to Servitest Ipsos.
- CMR Argentina received 4th place in the ranking Great Place to Work Ranking 2015 (category 251 to 1,000 employees) and Viajes Falabella Argentina received 8th place (< 251 employees). CMR Chile obtained 14th place in the ranking in Chile.
- In the Effie Awards Peru 2015, Banco Falabella Peru received the Silver award in the category Re-launches for its campaign "Every day, markdowns and benefits" ("Todos los días, descuentos y beneficios").
- The British magazine Global Banking & Finance named Banco Falabella Chile as the most innovative bank in the country, according to a study conducted by Best Place to Innovate.
- The Association of Good Employers in Peru (ABE) certified that Banco Falabella Peru's Human Resource practices comply with the



Real Estate

- standards set forth by the ABE and, therefore, the bank qualifies as an “Entrepreneur Partner” (“Socio Emprendedor”).
- 9th place for Banco Falabella Peru in the OWIT Peru’s Company Most Equitable in Gender Inclusion 2015.
- The Social Economic Forum recognized CMR Argentina with the Solidarity Entrepreneur Award Category Company, for its work with the community (Financial Education Program in schools).
- In the study Praxis Xperience Index (PXI) 2015 Chile, Banco Falabella and CMR were ranked among the companies that qualified as “Good Experiences in Service”.
- Mall Plaza obtained 2nd place (Gold Seal) in the Corporate Sustainability Ranking conducted by the PROhumana Foundation (Chile).
- U.S. Green Building Council certified Mall Plaza Egaña as LEED Gold. As a result, Mall Plaza Egaña became the 1st sustainable shopping center in the chain and the 1st certified LEED Gold shopping center in the country.
- The International Council of Shopping Centers (ICSC) in the RECon Latin America 2015 event recognized Mall Aventura Plaza Peru with three silver awards in the Marketing category for its campaigns: “Snow White, The Musical”, “Mural MAP Santa Anita” and “Remodelación de MAP Bellavista”. In the same event, Mall Plaza Egaña from Chile received gold in the subcategory “New Developments”. Mall Plaza (Chile) received silver for the musical “Beauty and the Beast”.
- In the Top 100 Ranking conducted by Capital magazine and Santander GBM, Mall Plaza won the award for Most Value Creation in Real Estate and Construction Segment.
- In the Effie Awards Chile 2015, Mall Plaza received two Silver awards: one in the Institutional/Corporate category for its event “Peter Pan, the Musical” and another for the Brand Experience & Engagement category for its campaign “FanFest”. In addition, according to the Effie Index Chile, Mall Plaza received 4th place in the ranking Top Advertisers 2015.
- 4th place in the Retail Sector in MercoEmpresas Chile 2015 Ranking, which measures corporate reputation.
- 49th place for Mall Plaza in Chile in the ranking in the ranking Great Place to Work Ranking 2015.
- In the study Chile 3D Brands and Chilean Life Styles, conducted by GfK Adimark, Mall Plaza won in the Malls category.

Summary of Material Facts During the Period

Material Fact N°1 April 1th, 2015

During the Board Meeting of the Company held on March 31th, 2015 the following was agreed upon:

1. To call an Ordinary Shareholders' Meeting for April 28th, 2015 at 15:00, at Hotel Galerias, Del Inca Room, located in San Antonio No. 65, 13th floor. The agenda will include the following points:
 - Approval of the Report, Balance Sheet, Income Statement and External Auditors' Certificate corresponding to the fiscal year ending December 31th, 2014.
 - Distribution of fiscal year 2014's profits.
 - Dividend policy.
 - Remuneration of the Board.
 - Selection of External Auditors and Risk Classifiers for fiscal year 2015.
 - Selection of the newspaper in which the Company's publications will appear.
 - Account of the operations referred to by Title XVI of Law No. 18.046.
 - Report of the Directors' Committee, determination of budget, expenses and remunerations.
 - Other topics under the scope of the Ordinary Shareholders' Meeting.
2. As far as the distribution of dividends is concerned, it was agreed upon to propose to the Ordinary Shareholders' Meeting a share-out of \$47 Chilean pesos per share as a final dividend, charged against the earnings of the fiscal year ending on December 31th, 2014.

Material Fact N°2 April 29th, 2015

During the Ordinary Shareholders' Meeting held on Tuesday, April 28 the following was agreed upon:

1. Approval of the Report, Balance Sheet, Income Statement and External Auditors Certificate corresponding to the fiscal year ending December 2014.
2. Approval of a share-out of CLP\$47 per share as a final dividend, charged against the earnings of the fiscal year ending December 2014. The mentioned dividend will be paid on May 12, 2015 to the xxx shareholders of the unique series that are registered in the Shareholders Registry by May 6, 2015. To that effect, Form No. 1 of the Bulletin No. 660 of the Superintendence is enclosed herewith.
3. Approval of a dividend policy consisting in the annual distribution of at least 30% of the net profits of each fiscal year.
4. Approval of the firm Ernst & Young to provide external audit services for the company's fiscal year 2015.
5. Finally, other subjects pertaining to the scope of these meetings were dealt with.

Material Fact N°3 September 30th, 2015

In the Ordinary Shareholders' Meeting held on September 29, 2015, the distribution of a provisional dividend of \$26 (twenty six Chilean pesos) per share, drawn from the earnings obtained in 2015 was approved. The aforementioned dividend will be paid on October 21, 2015 to all unique class series shareholders registered at the Shareholders' Registry by October 15, 2015. To this effect, Form No. 1 of Bulletin 660 of the Superintendence is attached.

Shareholders' Comments and Proposals

During the Ordinary Shareholders' Meeting held on the April 28th, 2015 there were no comments or proposals.



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.

S.A.C.I. Falabella Data 2014 – 2015

PERIOD	NO. OF SHARES	VOLUME	AVERAGE PRICE
1Q 2014	68,475,768	\$308,450,494,136	\$4,505
2Q 2014	92,508,776	\$464,139,156,731	\$5,017
3Q 2014	77,159,902	\$354,896,769,590	\$4,599
4Q 2014	58,555,715	\$248,163,414,257	\$4,238
1Q 2015	52,229,520	\$224,733,264,472	\$4,303
2Q 2015	131,417,876	\$616,586,913,399	\$4,692
3Q 2015	54,419,295	\$234,562,147,418	\$4,310
4Q 2015	64,673,615	\$290,907,329,024	\$4,498

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 N° 802	Concepción
3	Parque Arauco	Av. Presidente Kennedy N° 5413, Las Condes	Santiago
4	Temuco	Arturo Prat N° 570	Temuco
5	Viña del Mar	Sucre N° 250	Viña del Mar
6	Plaza Vespucio	Av. Vicuña Mackenna N° 7110, Santiago	Santiago
7	Lyon	Avenida Providencia N° 2188, Providencia	Santiago
8	Rancagua	Sargento Cuevas N° 405	Rancagua
9	Plaza Calama	Av. Balmaceda N° 3242, local 268	Calama
10	Alto Las Condes	Av. Kennedy N° 9001, Local 1001, Las Condes	Santiago
11	Plaza Oeste	Av. Américo Vespucio N° 1501, Maipú	Santiago
12	Plaza El Trebol	Av. José Alessandri N° 3177 Acceso Carriel Sur	Concepción
13	Osorno	Eleuterio Ramírez N° 840	Osorno
14	Chillán	El Roble N° 770, Local A	Chillán
15	Talca	1 Norte N° 1485	Talca
16	Copiapó	O´Higgins N° 734	Copiapó
17	Plaza Tobalaba	Av. Camilo Henríquez N° 3296, Puente Alto	Santiago
18	Plaza La Serena	Alberto Solari N° 1400, Mall Plaza La Serena	La Serena
19	Valparaiso	Independencia N° 1806	Valparaiso
20	Curicó	Peña N° 615	Curicó
21	Iquique	Héroes de la Concepción N° 2555	Iquique
22	Puerto Montt	Av. Juan Soler Manfredini N° 101	Puerto Montt
23	Quilpué	Diego Portales N° 822	Quilpué
24	Plaza Los Angeles	Valdivia N° 472	Los Ángeles
25	Plaza Norte	Av. Americo Vespucio N° 1737, Santiago	Santiago
26	Expo Pucón	O´Higgins 11, LOCAL 9/10/11 N° 1477	Pucón
27	Puente	Puente N° 530, Santiago	Santiago
28	Portal La Dehesa	La Dehesa N° 1445 local 1, Lo Barnechea	Santiago
29	Plaza Antofagasta	Balmaceda N° 2355, Mall Plaza	Antofagasta
30	La Calera	Prolongación J.J. Perez N° 12010	La Calera
31	Valdivia	Arauco N° 561	Valdivia
32	Melipilla	Vargas N° 457, Melipilla	Melipilla
33	Punta Arenas	Avenida Frei N° 01110	Punta Arenas
34	Manquehue	Avenida Manquehue Sur N° 329, Las Condes	Santiago

Department Stores Chile (continuation)

N°	STORES	ADDRESS	CITY
35	Plaza Alameda	Av. Libertador Bernardo O'Higgins N° 3470 Local A-2, Estación Central	Santiago
36	San Bernardo	Av. Jorge Alessandri N° 20040, Local 1, San Bernardo	Santiago
37	San Felipe	Av. Bernardo O'Higgins N° 1150	San Felipe
38	Costanera Center	Avenida Andrés Bello N° 2461, Providencia	Santiago
39	Arauco Maipu	Av. Américo Vespucio N° 399, Local 500, Maipú	Santiago
40	Expo Puente Alto	Av. Concha y Toro N° 1477	Santiago
41	Ovalle	Prolongación Benavente N° 1075	Ovalle
42	Plaza Egaña	Larrain N° 5862, La Reina	Santiago
43	San Fernando	Avenida Bernardo O'higgins N° 701 (Cardenal Caro esquina Chillán)	San Fernando
44	Plaza Copiapo	Maipú N° 110	Copiapó
45	Castro	San Martin N° 457	Castro

Department Stores Peru

N°	STORES	ADDRESS	CITY
1	San Isidro	Av. Paseo de la República N° 3220, San Isidro	Lima
2	San Miguel	Av. La Marina N° 2100 (Plaza San Miguel), San Miguel	Lima
3	Jockey Plaza	Av. Javier Prado Este N° 4200 (Jockey Plaza), Santiago de Surco	Lima
4	Lima Centro	Jr. de la Unión N° 517, Lima Cercado	Lima
5	Piura	Esquina Jr. Arequipa 802 y Jr. Huancavelica 551, Piura Cercado	Piura
6	Arequipa	Av. Ejército N° 793, Cayma	Arequipa
7	Miraflores	Av. Arequipa N° 5280, Miraflores	Lima
8	Chiclayo Mall	Calle Miguel de Cervantes N° 300 (Real Plaza), P.J. Diego Ferré	Chiclayo
9	MegaPlaza	Av. Industrial N° 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 N° 3866 (Mall Aventura Plaza), Bellavista	Lima
13	Atocongo	Av. Circunvalación (Atocongo Open Plaza), San Juan de Miraflores	Lima
14	Angamos	Av. Angamos Este N° 1803 (Angamos Open Plaza), Surquillo	Lima
15	Piura Mall Open Plaza	Av. Andres Avelino Caceres N° 147 (Piura Open Plaza), Castilla	Piura
16	Arequipa Porongoche	Av. Porongoche N° 502 (Mall Aventura Plaza), Paucarpata	Arequipa
17	Chimbote	Avenida Victor Raúl Haya de la Torre N° 4694, Nuevo Chimbote	Chimbote
18	Santa Anita	Av. Carretera central N° 111 (Tienda TD-1) Santa Anita - Lima	Lima
19	Lima Norte	Av. Alfredo Mendiola N° 1400, Ancla 6 (C.C. Plaza Norte) - Independencia	Lima
20	Cañete MegaPlaza Expo	Av. Mariscal Benavides N° 1000 - San Vicente de Cañete - Cañete	Lima
21	Ica Mall	Calle Lima N° 433, Ica Cercado	Ica
22	Pucallpa OP	Av. Centenario N° 2086 - Ancla 2 - Yarinacocha	Pucallpa
23	Iquitos Expo	Jr. Prospero N° 560 - Maynas	Iquitos
24	Salaverry	Av. General Felipe Salaverry N° 2370 - Jesus Maria	Lima
25	Huánuco	Jr. Dos De Mayo N° 125	Huánuco
26	Centro Cívico	Av. Garcilaso de la Vega N° 1337	Lima
27	Crate & Barrel *	Av. Javier Prado Este N° 4200 (Jockey Plaza), Santiago de Surco	Lima

* Crate & Barrel is a US-based industry-leading home furnishings and accessories specialty retailer. It is known for high-quality design, excellent value and clear functionality.

Department Stores Colombia

N°	STORES	ADDRESS	CITY
1	Santafe	Calle 185 N° 45 - 03, Centro Comercial Santafé	Bogotá
2	Suba	Avenida Carrera 104 N° 148 - 07, Centro Comercial Plaza Imperial	Bogotá
3	San Diego	Carrera 43 N° 36 - 04, Centro Comercial Sandiego	Medellín
4	Hayuelos	Callen 20 N° 82 - 52, Centro Comercial Hayuelos	Bogotá
5	Unicentro Bogotá	Avenida 15 N° 123 - 30, Centro Comercial Unicentro	Bogotá
6	Galerías	Calle 53 N° 25 - 35, Centro Comercial Galerías	Bogotá
7	Unicentro Cali	Calle 5 Cruce Paso Ancho, Centro Comercial Unicentro	Cali
8	Chipichape	38 N N° 6N - 35 Local 406 CC Chipichape	Cali
9	Centro Mayor	Autopista Sur N° 38 A Sur, Centro Comercial Centro Mayor	Bogotá
10	Santafe Medellin	Carrera 43a N° 7 Sur - 170, Centro Comercial Santafé Medellín	Medellín
11	Pereira	Av. Circunvalar N° 5 - 20, Local 214, Parque Arboleda Centro Comercial	Pereira
12	Villa Country	Calle 78 N° 53 - 70 local 100, Centro Comercial Villa Country	Pereira
13	Titan	Av. Cr. 72 N° 80-94 Local 130-350, Centro comercial Titán Plaza	Bogotá
14	El Castillo	Cra. 13 N° 31-45 Chambacu, Centro Comercial Mall Plaza	Cartagena
15	Floridablanca	Centro Comercial Parque Caracoli, Cra 23 N° 29-145 Local 101	Bucaramanga
16	Ibague	Calle 57 N° 60K - 8E Avenida Guabinal, Centro Comercial Acqua	Ibague
17	WTC Cali	Av 6° norte entre calles 35an y 36an, World Trade Center	Cali
18	Cacique	Transversal Oriental N° 90-182, Centro Comercial Cacique	Bucaramanga
19	Chía	Km 2.5 vía Chía-Cajicá	Chía
20	Jardin Plaza	Calle 25 N° 98-416 local 229, Centro Comercial Jardín Plaza	Cali

Department Stores Argentina

N°	STORES	ADDRESS	CITY
1	Mendoza	Acc. E. Lateral Norte N° 3280 - Guaymallén	Mendoza
2	Rosario	Córdoba N° 1101	Rosario
3	Cordoba	Duarte Quiroz N° 1400	Córdoba
4	San Juan	Peatonal Tucumán N° 163 Sur	San Juan
5	Unicenter	Paraná N° 3745, Martínez	Buenos Aires
6-8	Florida	Florida N° 202 / 343 / 665, Capital Federal	Buenos Aires
9	Avellaneda	Güemes N° 897, Avellaneda	Buenos Aires
10	Dot	Vedia N° 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	Av. Santa Rosa N° 7850, La Granja, Santiago	Santiago
2	HC Concepción	Av. Los Carrera N° 1175, Concepción	Concepción
3	Co Viña del Mar	Calle 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	Av. Vicuña Mackenna N° 680, Ñuñoa, Santiago	Santiago
6	Co Valparaíso	Yungay N° 2532, 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	Av. 15 Norte N° 961, Viña del Mar	Viña del Mar
12	HC Rancagua	Av. Nueva Einstein N° 297, Rancagua	Rancagua
13	HC Puente Alto	Av. Concha y Toro N° 1315, Puente Alto, Santiago	Santiago
14	Co La Florida	Av. Vicuña Mackenna N° 9101, La Florida, Santiago	Santiago
15	HC Maipú	Av. Pajaritos N° 4444, Maipú, Santiago	Santiago
16	HC El Trébol	Autopista N° 9200, Hualpén	Hualpén
17	HC La Serena	Av. Fco. de Aguirre N° 02, La Serena	La Serena
18	Imperial Mapocho	Calle Mapocho N° 5906, Quinta Normal, Santiago	Santiago
19	HC Parque Arauco	Av. Pdte. Kennedy N° 5601, Las Condes, Santiago	Santiago
20	Imperial Maipú	Calle Alberto Llona N° 1153, Maipú, Santiago	Santiago
21	Imperial Vespucio	Av. Américo Vespucio N° 1030, Peñalolén, Santiago	Santiago
22	HC San Miguel	Av. José Miguel Carrera N° 5505-5514, San Miguel, Santiago	Santiago
23	Imperial La Florida	Av. Vicuña Mackenna N° 7901 La Florida	Santiago
24	HC La Reina	Av. Jorge Alessandri N° 1347, La Reina, Santiago	Santiago
25	Co Vallenar	Merced N° 501, Vallenar	Vallenar
26	HC Ñuble	Av. Vicuña Mackenna N° 1700, Ñuñoa, Santiago	Santiago
27	HC Valdivia	Av. Ramón Picarte N° 3349, Valdivia	Valdivia
28	HC Nueva La Florida	Av. José Pedro Alessandri N° 6402, Peñalolén, Santiago	Santiago
29	Imperial Valparaíso	Av. Independencia N° 3033, Valparaíso	Valparaíso
30	HC SS Temuco	Av. Caupolicán N° 457, Temuco	Temuco
31	HC Huechuraba	Av. Américo Vespucio N° 1737, Huechuraba, Santiago	Santiago
32	HC Villarrica	Av. Saturnino Efulf N° 1580, Villarrica	Villarrica
33	HC Osorno	Av. René Soriano N° 2619, Osorno	Osorno
34	HC Angol	Av. Bdo O'Higgins N° 1744, Angol	Angol
35	HC Chillan	Av. Ecuador N° 599, Chillán	Chillan
36	HC Curico	Av. Carlos Condell N° 1192, Curicó	Curico
37	HC Coquimbo	Ruta 5 Norte N° 859, Coquimbo	Coquimbo
38	HC Plaza Oeste	Av. Américo Vespucio N° 1501, Cerrillos, Santiago	Santiago
39	HC La Calera	Prolongación JJ Pérez N° 12010, La Calera	La Calera
40	HC Pto. Montt	Av. Presidente Ibañez N° 650, Puerto Montt	Puerto Montt
41	Co Fontova	Pedro Fontova N° 5810, Conchalí, Santiago	Santiago
42	HC Plaza Vespucio	Av. Américo Vespucio N° 7310, La Florida, Santiago	Santiago
43	HC San Felipe	Calle Tocornal 2810, San Felipe	San Felipe

Home Improvement Chile (continuation)

N°	STORES	ADDRESS	CITY
44	HC Arica	Av. Santa María N° 2985, Arica	Arica
45	Imperial Concepción	Tucapel N° 1259, Concepción	Concepción
46	HC Iquique	Av. Héroes de la Concepción N° 2311, Iquique	Iquique
47	HC Antofagasta	Av. Balmaceda 2366, Antofagasta	Antofagasta
48	HC Plaza Concepción	Av. Pdte. Jorge Alessandri N° 3177, Talcahuano	Talcahuano
49	HC Punta Arenas	Avda. Pdte. Eduardo Frei M. N° 01400, Punta Arenas	Punta Arenas
50	HC Linares	Leon 0376, Linares	Linares
51	Imperial Huechuraba	Av. A. Vespucio N° 1399, esquina Pedro Fontova, Huechuraba, Santiago	Santiago
52	HC Talca	Av. 2 Norte N° 3344, Talca	Talca
53	HC Copiapó	Panamericana Sur N° 140, Copiapó	Copiapó
54	HC Estación Central	San Francisco de Borja N° 402, Estación Central, Santiago	Santiago
55	HC Los Angeles	Av. Alemania N° 850, Los Angeles	Los Angeles
56	HC El Bosque	Av. José Miguel Carrera N° 10375, El Bosque, Santiago	Santiago
57	HC Calama	Av. Balmaceda N° 3398, Calama	Calama
58	HC San Bernardo	Av. Jorge Alessandri N° 20040, San Bernardo, Santiago	Santiago
59	Imperial Temuco	Av. Caupolicán N° 1151, Temuco	Temuco
60	Homy Parque Arauco	Av. Pdte. Kennedy N° 5601, Piso 3, Las Condes, Santiago	Santiago
61	Imperial Hualpen	Av. Cristóbal Colón N° 8483, Hualpén	Hualpén
62	HC Coyhaique	Av. Ogana N° 869, Coyhaique	Coyhaique
63	HC Quilpue	Av. Freire N° 1351, Quilpue	Quilpue
64	Co Rancagua	Av. Koke N° 011, Rancagua	Rancagua
65	Imperial Rancagua	Calle La Cruz N° 01000, Rancagua	Rancagua
66	HC Reñaca Santa Julia	Calle Subida Alessandri 4025 ex 4085 Gomez Carreño, Viña del Mar	Viña del Mar
67	HC Quinta Vergara	Av. Valparaíso N° 1070, Viña del Mar	Viña del Mar
68	HC Quilicura	Av. Manuel A. Matta N° 581, Quilicura, Santiago	Santiago
69	HC Plaza Tobalaba	Av. Camilo Henríquez N° 3692, Puente Alto, Santiago	Santiago
70	HC Ribera Norte	Av. Los Carreras Poniente N° 301, Concepción	Concepción
71	Imperial Reñaca	Camino Internacional N° 1025 (rotonda Santa Julia), Viña del Mar	Viña del Mar
72	Imperial Talca	Av. San Miguel N° 2687, esquina 23 Oriente (ex San Pablo), Talca	Talca
73	HC Talca Poniente	Av. Colín N° 0635, Talca	Talca
74	HC San Fernando	Av. B. O'Higgins N° 0450, San Fernando	San Fernando
75	Homy Plaza Oeste	Av. Américo Vespucio N° 1501, Cerrillos, Santiago	Santiago
76	Imperial San Bernardo	Av. Padre Hurtado N° 15057-15095, San Bernardo, Santiago	Santiago
77	Homy Plaza Vespucio	Av. Vicuña Mackena 7110 Hm 300, La Florida, Santiago	Santiago
78	HC Alto Hospicio	Av. Los Aromos N° 2780, Alto Hospicio	Alto Hospicio
79	HC Castro	Ruta 5 Norte N° 2456, sector Ten Ten, Castro	Castro
80	HC Santa Cruz	Av. Rafael Casanova N° 360 ex 460, Santa Cruz	Santa Cruz
81	HC Ovalle	Av. Prolongación Benavente N° 1075, Ovalle	Ovalle
82	Homy Plaza Egaña	Av. Larrain N° 5862, La Reina, Santiago	Santiago
83	HC Quillota	Av. Ramón Freire 1551, Quillota	Quillota
84	Imperial Puerto Montt	Pilpilco 200, Parque Industrial, camino a Pargua, Pto. Montt	Puerto Montt
85	HC Coronel	Av. Carlos Prats 0901, Coronel	Coronel
86	HC Copiapó II	Av. Los Carrera 4723, Copiapó	Copiapó

Home Improvement Peru

N°	STORES	ADDRESS	CITY
1	HC San Miguel	Av. La Marina N° 2355 C.C. Open Plaza	Lima
2	HC Megaplaza	Av. Industrial N° 3515 - 3517 Local A-08 CC. Mega Plaza - Independencia	Lima
3	HC Atocongo	Av. Circunvalación N° 1801 - 1803 - 1805.	Lima
4	HC Javier Prado	Av. Javier Prado Este N° 1057	Lima
5	HC Chiclayo	Calle Víctor Raul Haya De La Torre N° 150, Urb. Federico Villareal	Chiclayo
6	Co Ica	Calle Nicolás de Rivera El Viejo N° 1105, Urb. La Moderna	Trujillo
7	HC Trujillo Open Plaza	Av. América Norte N° 1245, Ancla 2 Urb. Los Jardines	Trujillo
8	HC Lima Centro	Av. Tacna N° 640	Lima
9	HC Canta Callao	C.C. Canta Callao Open Plaza. Av. Japón (Ex Bertello) / Calle Las Begonias S/N Callao	Lima
10	HC Trujillo	Av. Mansiche S/N - CC Mall Aventura Plaza	Ica
11	HC Bellavista	Av. Oscar R. Benavides N° 3866	Lima
12	Co Ica Minka	Av. San Martín N° 727 Interior 101 (LM)	Ica
13	Co Chincha	Calle Leopoldo Carrillo y Calle San Carlos 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 ESQ C/ Angamos N° 961 ESQ. C/ Angamos N° 1803 - AN 1	Lima
15	HC Piura	Av. Andrés Avelino Cáceres 147 Urb. Miraflores Tienda Ancla 1 Secc. Sector, Distrito de Castilla, Provincia y departamento de Piura	Piura
16	HC Arequipa	C.C. Mall Aventura Plaza S.A., Local Comercial N° TH - 1 XX	Arequipa
17	HC Jockey Plaza	Av. Prado, Javier Este N° 4010 Tda TD-3 Urb. El Fundo Monterrico Chico	Lima
18	HC Chimbote	Av. Víctor Raul Haya De la Torre N° 4694 Interior A04 Mz. 1-A-1-A2 Parque Gran Chavín	Chimbote
19	HC Santa Anita (Ate)	Av. Los Frutales Nro. 182 Fundo Monterrico Grande Oeste	Lima
20	HC Cañete	Av. Mariscal Benavides Cdra 10	Lima
21	HC Huacho	Esquina de la Av. 28 de Julio con Av. 9 de Octubre S/N	Lima
22	HC San Juan Lurigancho	Av. Las Lomas, Las 601-649 MZ. L Lt. 11 - Urb- Zarate Industrial	Lima
23	HC Pucallpa	Av. Centenario N° 2086 - Ancla 3 - Distrito de Yarinacocha	Pucallpa
24	HC Sullana	Av. Carretera Sullana - Paíta / Av. Las Dalías - Calle Los Médalos entre Urb. Jardín y Asoc. Pro Vivienda Mariano Santos	Sullana
25	HC Villa El Salvador	Parque Ind. Parc. II Manz. C Lote 1 y 7	Lima
26	HC Cajamarca OP	Av. Vía de Evitamiento (N) S/N cdra. 26 - Urb. Horacio Zevallos Gomez	Cajamarca
27	Maestro Chacarilla	Av. Caminos del Inca N° 100 MZ. A Lt. 12345 Urb. El Tambo de Monterrico	Lima
28	Maestro Surquillo	Av. Angamos Este N° 1353 - 1355 Esq. Con Av. República de Panamá - Jr. San Lorenzo N° 881	Lima
29	Maestro Pueblo Libre	Av. Universitaria Sur N° 2271 - Pueblo Libre	Lima
30	Maestro Chorrillos	Av. Paseo de la República, Prlg. N° S/N Departamento LM 04, Plaza Lima Sur	Lima
31	Maestro Ate	Av. La Molina 378	Lima
32	Maestro Arequipa	Av. Lambramani Esq. Av. Los Incas S/N Cercado	Arequipa
33	Maestro Naranjal	Avenida Mendiola, Alfredo N° 5118 - 5110 Mza. CLte Acum. A, B Lot. Industrial Infantas, II Etapa	Lima
34	Maestro Callao	Av. Argentina N° 2842 - 2868 Callao (dirección tomada de ficha)	Lima

Home Improvement Peru (continuation)

N°	STORES	ADDRESS	CITY
35	Maestro Colonial	Av. Colonial 751	Lima
36	Maestro Piura	Zona Industrial III Avenida Sanchez Cerro N° 0 MZ. V	Piura
37	Maestro Independencia	Av. Alfredo Mendiola N° 1400 Sector 6 - CC. Plaza Lima Norte	Lima
38	Maestro Chiclayo	Calle Hermanos Galindo Cdra. 03, Urbanización Patazca	Chiclayo
39	Maestro Trujillo	Av. América Sur N° 1451 - 1459, Calle Jose Galvez N° 955 Urb. Barrio Chicago	Trujillo
40	Maestro Huancayo	Av. Huancavelica N° 221 - 225 El Tambo - Huancayo	Huancayo
41	Maestro Ica	Av. Los Maestros N° 206 - 208	Ica
42	Maestro Cusco	Urbanización Versalles	Cusco
43	Maestro Arequipa 2	El pago de Chillapampa Predio las Rojas Costado de Grifo La Fonda	Arequipa
44	Maestro San Luis	Av. Nicolás Ayllón Mz. A Lt. A Lt. O2 Ex Fundo El Pino Distrito de San Luis	Lima
45	Maestro Villa El Salvador	Parque Ind. Parc. II Manz. B Lote 1	Lima
46	Maestro Tacna	Cercado - Parcela - 03 Prolong. 2 de Mayo	Tacna
47	Maestro Cajamarca	Jr. San Luis S/N - BA Pueblo Libre	Cajamarca
48	Maestro Sullana	Av. Sanchez Cerro N° 100 Mz. A2 LT 01 - AH. Santa Teresita - Sullana	Sullana
49	Maestro Comas	Av. Chacra Cerro N° 121 Ex. Fundo Chacra Cerro - Comas	Lima
50	Maestro Puente Piedra	Calle 07 Mz. J Lt. 01 Urbanización Las Vegas	Lima
51	Maestro Huacho	Esq. Panam. Norte S/N - Av. Las Delicias Fundo Vista Alegre - Santa María	Huacho
52	Maestro Chincha	Av. San Idelfonso - C.P Acequia Grande Cinco Esquina - Sunampe	Chincha
53	Maestro Pucallpa	Jr. Salvador Allende N° 350	Pucallpa
54	Maestro Ventanilla	Calle Alonso de Molina Mz. I - 13 Lotes 5,6,7,8,9 y Sub Lote 14 - C Zona Industrial	Lima
55	Maestro San Juan de Miraflores	Av. Belisario Suarez N° 181 Zona Industrail	Lima
56	Maestro Barrios Altos	Jr. Luis Sotomayor 252	Lima
57	HC Chiclayo 2	Av. Jose María Escriba de Balaguer N° 1415, Chiclayo	Chiclayo

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	Ruía 8 y Ruía 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	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, Ringuelet	La Plata

Home Improvement Colombia

N°	STORES	ADDRESS	CITY
1	HC Calle 80	Avenida Carrera 68 N° 80-77	Bogotá
2	HC Sur	Avenida 68 37-37 Sur	Bogotá
3	HC Norte	Carrera 45 N° 174B-45	Bogotá
4	HC Medellín Industriales	Avenida Los Industriales N° 14-135	Medellín
5	HC Cali Sur	Carrera 100 N° 16-251, Centro Comercial Jardín Plaza	Cali
6	HC Barranquilla	Carrera 53 N° 99-160	Barranquilla
7	HC Pereira	Avenida de las Américas N° 45-06	Pereira
8	HC El Dorado	Calle 50 N° 82-55	Bogotá
9	HC Medellín San Juan	Calle 44 N° 65-100	Medellín
10	HC Cali Norte	Avenida 6A Nte. N° 35-00, Santa Monica del norte	Cali
11	HC Suba	Carrera 104 148-07 Local 152	Bogotá
12	HC Soacha	Cra 7 N° 32-35 Local 177, Centro Comercial Mercurio	Bogotá
13	HC Ibagué	Carrera 5ª. N° 84-40.	Ibagué
14	HC Cartagena	Avenida del Lago Calle 29B N° 22-127, Barrio Pie de la Popa Centro Comercial Caribe Plaza	Cartagena
15	HC Bello	Diagonal 51 34-16, Centro Comercial Puerta del Norte	Medellín
16	HC Molinos Medellín	Calle 30A 82A-26 Centro Comercial Los Molinos, Local 1200	Medellín
17	HC Cúcuta	Avenida Diagonal Santander N° 11-200	Cucuta
18	HC Villavicencio	Carrera 48 N° 1-180, KM 2 Vía Acacias	Villavicencio
19	HC Bucaramanga	Carrera 21 N° 45 - 02 Barrio La Concordia	Bucaramanga
20	HC Calima	Carrera 27 N° 21-75	Bogotá
21	HC Montería	Calle 65 N° 10-19	Montería
22	HC Neiva	Carrera 16 Calle 50 Esquina Sur Oriente	Neiva
23	HC Manizales	Calle 67 con Carrera 18 y Carrera 19 entre Calle 70 y 71, Sector baja Suiza	Manizales
24	HC Cedritos	Calle 152 9-08	Bogotá
25	HC Envigado	Calle 37 Sur Cra 48, entre calles 34 sur y 32B sur	Medellín
26	HC Valledupar	Transversal 19 N° 3-150	Valledupar
27	HC Santa Marta	Cra 35 N° 29A-355 Lote B	Santa Marta
28	HC Palmira	Calle 42 con Cra 39 esquina	Cali
29	HC Barranquilla Centro	Carrera 46 Nro 48 - 50	Barranquilla
30	HC Armenia	Carrera 6 3-180	Armenia
31	HC Rionegro	Cra 43 N° 54 - 134	Rionegro
32	HC Chia	Km 27 Vía Bogotá - Cajicá	Chia
33	Constructor Bogotá	Carrera 68 N° 12A-17	Bogotá
34	HC Tintal	Calle 10 B N° 86 - 50	Tintal
35	HC Girardot	Diagonal 8 # 36 - 18	Girardot
36	HC Yopal	Calle 24 N° 35-59	Yopal

Home Improvement Uruguay

N°	STORES	ADDRESS	CITY
1	HC Giannattasio	Arizona 865, Barra de Carrasco	Canelones
2	HC Sayago	Camino Ariel 4620	Montevideo

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 Taubaté	Av. Charles Shneider, 850	Taubaté
17	Dicico Mogi	R. Professor Ismael Alves dos Santos, 455	Mogi das Cruzes
18	Dicico Tremembé	Av. Coronel Sezefredo Fagundes, 1855	Tucuruvi
19	Dicico V. Carvalho	Av. Santos Dumont, 458	Guarujá
20	Dicico Peruíbe	Av. Padre Anchieta, 4741	Peruíbe
21	Dicico Diadema	Av. Piraporinha, 50	Diadema
22	Dicico Bertioga	Av. Dezenove de Maio, 396	Bertioga
23	Dicico T. Vilela	Av. Senador Teotônio Vilela, 8030	Cidade Dutra
24	Dicico Enseada	Av. Dom Pedro I, 2520	Guarujá
25	Dicico Abolição	R. da Abolição, 2013	Campinas
26	Dicico Itanhaém	R. João Pedro Orsi, 170 a 120	Itanhaém
27	Dicico Mongaguá	R. Antonio Martins de Araújo, 100	Mongaguá
28	Dicico Cubatão	Av. Nove de Abril, 3.400	Cubatão
29	Dicico Atibaia	Av. Dr. Joviano Alvim, 119	Atibaia
30	Dicico Bragança	Av. dos Imigrantes, 2400	Bragança Paulista
31	Dicico Guaratinguetá	Av. Juscelino Kubitschek de Oliveira, 880,	Guaratinguetá
32	Dicico Jacareí	Praça Charles Gates, 90	Jacareí
33	Dicico Limeira	Via Anhanguera, Km 150	Limeira
34	Dicico Taboão	Rod. Régis Bittencourt, km 1	Taboão da Serra
35	Dicico M. Tito	Av. Marechal Tito, 5.768,	Itaim Paulista
36	Dicico Indaiatuba	R. Presidente Kennedy, 303	Indaiatuba
37	Dicico Mauá	Av. Governador Mário Covas Junior, 01	Mauá
38	Dicico Itu	Av. Nove de Julho, 897	Itu
39	Dicico Mogi Guaçu	Av. Mogi Mirim, 256,	Mogi Guaçu
40	Dicico Hortolândia	R. Luiz Camilo de Camargo, 332,	Hortolândia
41	Dicico Rio Claro	Av. Visconde do Rio Claro, 1525,	Rio Claro
42	Dicico Guarapiranga	Av. Guarapiranga, 881	Socorro

Home Improvement Brazil - (continuation)

N°	STORES	ADDRESS	CITY
43	Dicico Santo André	R. Antonio Cardoso, 536	Santo André
44	Dicico Santa Bárbara	R. do Ósmio, 915	Santa Barbara D'Oeste
45	Dicico Arujá	Av. João Manoel, 115	Arujá
46	Dicico Fernão Dias	Rod. Fernão Dias, Km 87,	Guarulhos
47	Dicico Guarujá Balsa	R. Dr. Adhemar de Barros, 1531	Guarujá
48	Dicico Caraguatatuba	Av. Rio Branco, 450	Caraguatatuba
49	Dicico Poá	Rod. João Afonso de Souza Castellano, 141	Poá
50	Dicico São Carlos	Av. Getúlio Vargas, 157,	São Carlos
51	Dicico Guaianases	Est. Itaquera Guianazes, 2000	Guaianases
52	Dicico S.J.Campos	Av. Engenheiro Francisco José Longo, 1595	São José dos Campos
53	Dicico Vargem Grnade	Rod. Bunjiro Nakao, 45509	Vargem Grande Paulista
54	Dicico Jundiaí	Av. Antônio Frederico Ozanan, 6080	Jundiaí
55	Dicico Itatiba	Av. Nair Soares de Macedo Fatore - Ao lado do mercadão	0,00
56	Dicico Sumaré	Avenida José Mancine, 350	Sumaré
57	Sodimac Tamboré	Alameda Araguaia 1801 - Barueri - SP, Brasil. Esquina com Av. Tamboré, próximo ao shopping Tamboré.	Tamboré
58	Sodimac Ribeirao Preto	Av. Fábio Barreto 263 - Subsetor Norte 1, Ribeirão Preto - SP, Brasil	Ribeirão Preto

Supermarkets Chile

N°	STORES	ADDRESS	CITY
1	El Monte	Los Libertadores N° 316, El Monte	Santiago
2	Talagante Plaza	Eyzaguirre N° 715, Talagante	Santiago
3	SB Plaza	O'Higgins N° 550, San Bernardo	Santiago
4	Buín	San Martín N° 174, Buín	Santiago
5	SB Estación	Arturo Prat N° 117, San Bernardo	Santiago
6	Peñaflor	Alcalde Luis Araya Cereceda N° 4237, Peñaflor	Santiago
7	Rengo	Condell N° 100	Rengo
8	Melipilla	Avda. Serrano N° 395, Melipilla	Santiago
9	San Antonio	Avda. Barros Luco N° 1399	San Antonio
10	Talagante Cordillera	Caletera Los Aromos N° 0441, Talagante	Santiago
11	Puente Alto	Avda. Concha Y Toro N° 1477, Puente Alto	Santiago
12	Nataniel	Nataniel Cox N° 620, Santiago	Santiago
13	La Calera	Prolongación Pérez N° 12010	La Calera
14	Pedro Fontova	Pedro Fontova N° 5810, Conchalí	Santiago
15	Antofagasta Mall	Balmaceda N° 2355	Antofagasta
16	Plaza Oeste	Avda. Américo Vespucio N° 1501, Cerrillos	Santiago
17	Puente Alto Eyzag.	Eyzaguirre N° 105, Puente Alto	Santiago
18	La Florida	Avda. Américo Vespucio N° 7310, La Florida	Santiago
19	Antofagasta Centro	Condell N° 2639-2645	Antofagasta
20	Kennedy	Avda. Kennedy N° 5601, Las Condes	Santiago
21	Colina	Avda. Concepción N° 47, Colina	Santiago
22	Alameda	Av. Libertador Bernardo O'Higgins N° 3470, Estación Central	Santiago
23	El Bosque	Gran Avenida, José Miguel Carrera N° 10375, El Bosque	Santiago
24	San Fernando	Av. Carampangue N° 681	San Fernando
25	Quillota	Freire N° 252	Quillota
26	Padre Hurtado	Camino San Alberto Hurtado N° 2436, Padre Hurtado	Santiago
27	San Felipe	Av. Libertador Bernardo O'Higgins N° 1150	San Felipe
28	Talca	Calle 4 Norte N° 1530	Talca
29	Peñalolén	Av. Tobalaba N° 11.201, Peñalolén	Santiago
30	Catedral	Catedral N° 1850, Santiago	Santiago
31	Machalí	Avda. San Juan N° 133, Machalí	Machalí
32	Santa Julia	Avda. Alessandri N° 4025	Viña del Mar
33	Calama Mall	Mall Balmaceda N° 2902	Calama
34	Calama Centro	Centro Avda. Granaderos N° 3651	Calama
35	Huechuraba	Santa Marta de Huechuraba N° 7300, Huechuraba	Santiago

Supermarkets · (continuation)

N°	STORES	ADDRESS	CITY
36	Llolleo	Av. Los Aromos N° 318 Llolleo, Comuna de San Antonio	Llolleo
37	Bío Bío	Avda. Los Carrera Poniente N° 301, Concepción	Bióbío
38	Chillán	Ecuador N° 599	Chillán
39	Rancagua Centro	Cuevas N° 405	Rancagua
40	Vicuña Mackenna	Av. Vicuña Mackenna N° 665, Santiago	Santiago
41	Mall Plaza Tobalaba	Avda. Camilo Henríquez N° 3692, Local H100 Puente Alto	Santiago
42	Los Ángeles	Mendoza N° 535	Los Ángeles
43	Vitacura	Avda. Vitacura N° 9019, Vitacura	Santiago
44	El Trébol	Av. Jorge Alessandri N° 3177	Talcahuano
45	Plaza Egaña	Av. Larrain N° 5862, Local H100, La Reina	Santiago
46	Ovalle	Prolongación Calle Benavente N° 1075, Local 200	Ovalle
47	Quilpué	Av. Freire N° 120	Quilpué
48	Concón	Av. Manantiales N° 955	Concón
49	Walker Martínez	Walker Martínez N° 3600, La Florida	Santiago
50	Mall Plaza Copiapó	Maipú N°109, Lote B	Copiapó
51	Reñaca	Av. Vicuña Mackenna 1050, local N°1; Reñaca Bajo	Viña del Mar
52	Chamisero	Av. Chamisero, Lote A8, Local N° 1, Colina	Santiago
53	Vivaceta	Av. Fermin Vivaceta N° 1018-1030, Independencia	Santiago
54	Copiapó Los Carrera	Av. Los Carrera N°4723	Copiapó
55	Maitencillo	Vía F-30 e, Esquina Calle San Isidro, Local N°1, Maitencillo, Puchuncavi	Maitencillo
56	Talca Colín	Av. Colín N° 0665	Talca
57	Cerro Blanco	Av. Recoleta N°888, Recoleta	Santiago

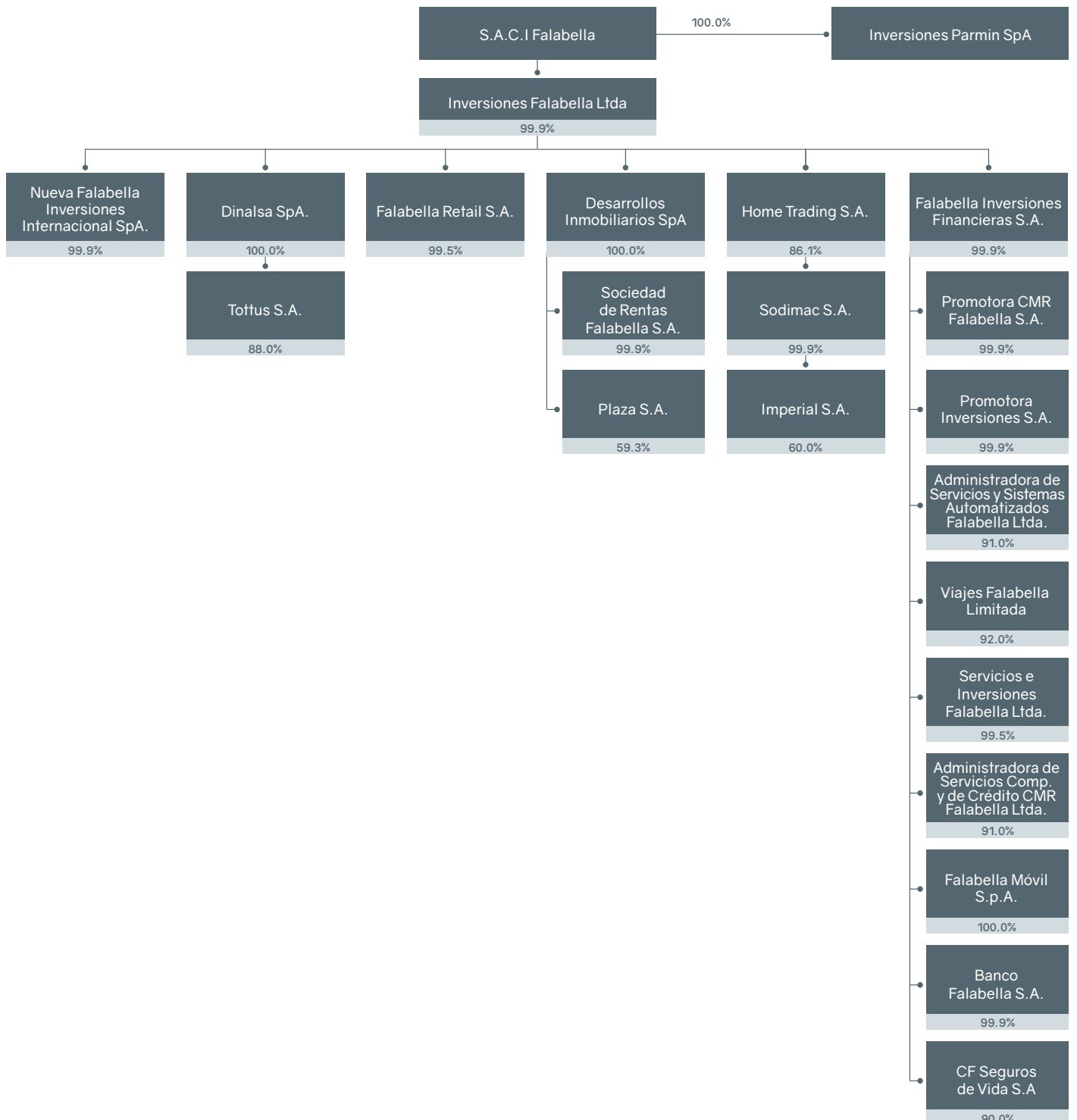
Supermarkets Peru

N°	STORES	ADDRESS	CITY
1	Megaplaza	Alfredo Mendiola N° 3698, Centro Comercial Mega Plaza, Independencia	Lima
2	Las Begonias	Av.Las Begonias N° 785, - Urb. Jardín, San Isidro	Lima
3	La Marina	Av. La Marina N° 2355 Urb Maranga - 1era Etapa Ancla 2 - San Miguel	Lima
4	Atocongo	Av. Circunvalacion N° 1803 Tienda Ancla N°2 San Juan de Miraflores	Lima
5	Huaylas	Av Defensores del Morro N° 1350, Chorrillos	Lima
6	Trujillo 1	Av. Mansiche S/N - Caserio Cortijo	Trujillo
7	Chiclayo 1	Victor Raul Haya de la Torre 150 - 250 - Urb. San Eduardo - Tienda Ancla 1	Chiclayo
8	Quilca	Av. Lima N° 4208, Urb. Bocanegra, Provincia Constitucional del Callao	Lima
9	Saenz Peña	Calle Castilla N° 496, Provincia Constitucional del Callao	Lima
10	Canta Callao	Carretera Canta Callao N° 378 , Calle Castilla 496, Provincia Constitucional del Callao	Lima
11	Lima Centro	Av. Tacna N° 665 - Cercado de Lima	Lima
12	El Agustino	Av. Ancash N° 2479, El Agustino	Lima
13	Puente Piedra	Av. Puente Piedra Sur N° 322 - Alt. Km 30 Panamericana Norte - Puente Piedra	Lima
14	Trujillo 2	Av. America Norte N° 1245 Urb. Los Jardines Open Plaza Trujillo	Trujillo
15	Bellavista	Av. Oscar R.Benavides N° 3866 (SM 1) Bellavista - Callao	Lima
16	Ica	Av. San Martin N° 763	Ica
17	Pachacútec	Av. Prolong. Pachacutec N° 6321, Tablada de Lurin Zona 4 Villa Maria del Triunfo	Lima
18	Zorritos	Av. Colonial N° 1291, 1293 - Jr. Zorritos N° 1504, 1548, 1552	Lima
19	La Fontana	Av. La Fontana N° 790, Urb. La Rivera de Monterrico II Etapa La Molina	Lima
20	Angamos	Av. Angamos Este N° 1803 - Esq Tomas Marsano y Angamos Este - Surquillo	Lima
21	Tusilagos	Av. Los Tusilagos Oeste N° 281 Urb. Los Jardines de San Juan Sector 3 San Juan de Lurigancho	Lima
22	Piura	Av. Andrés Avelino Cáceres N° 147 Sector 1B Tda Ancla 2 - Urb. Miraflores - Castilla	Piura
23	Arequipa Cayma	Av. Ejercito N° 793, Arequipa Cayma	Arequipa
24	Arequipa Porongoche	Av. Porongoche N° 500, Distrito de Paucarpata	Arequipa
25	Próceres	Av. Los Próceres N° 1030, Santiago de Surco	Lima
26	Jockey Plaza	Av. Javier Prado Este N° 4010, Urb. Fundo Monterrico Chico, Santiago de Surco	Lima
27	Chiclayo Belaúnde y Lora	Av. Fernando Belaunde Terry N° 685 - Urb La Primavera	Chiclayo
28	Campoy	Av. Prolongación Malecón Checa, con A.D.V 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 N° 5810, Los Olivos	Lima
33	Chiclayo San José	Av. Luis Gonzales N° 881	Chiclayo

Supermarkets Peru (continuation)

N°	STORES	ADDRESS	CITY
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
37	Pacasmayo	Av. Gonzalo Ugaz Salcedo N° 23	Pacasmayo
38	Arequipa Parra	Av. Parra N° 218 - 218A - 220	Arequipa
39	Sullana	Av. Panamericana N° 445 esq. Ca. Santo Toribio N° 160	Sullana
40	Oriente	Av. Centenario N° 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 N° 1045, Miraflores (Centro comercial Paso 28 de Julio)	Lima
43	Tottus Saga Ica	Calle Lima N° 433 - Cercado	Ica
44	Hiperbodega Puente Piedra	Av. Leoncio Prado N° 1916 - Puente Piedra - Lima	Lima
45	Chepén	Carretera Panamericana N° 715 - 721	Chepén
46	Huanuco	Jr. 2 de Mayo N° 125 - Huánuco	Lima
47	Hiperbodega Huaycan	Av. Los Incas N° 205 Mz. A Lt. 7 Ex. Av. Circunvalacion - Ate	Huaycan
48	Cajamarca OP	Jr. Cinco Esquinas S/N C/Av. Via De Evitamiento	Cajamarca
49	San Hilarión	Av San Hilarion Este N° 150-180 Urb. San Hilarion SJ Lurigancho (temporal)	Lima
50	Molicentro	Av. 7 N° 510 - El Suace - Rinconada - La Molina	Lima
51	Huaral	Av. Chancay km. 8. 5 Huaral	Lima
52	Huacho	Avenida Moore, N° 213-215, Huacho, Provincia de Huaura, Departamento de Lima	Lima

Summary Ownership Structure





Financial Information of Subsidiaries and Affiliated Companies

A.- Subsidiaries

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.

MANAGEMENT S.A.C.I. Falabella.

Legal Representatives: Mr. Carlo Solari Donaggio
Mr. Sandro Solari Donaggio
Mr. Juan Carlos Cortés Solari

INVERSIONES PARMIN SpA

	2015 TH\$	2014 TH\$
Total Assets	2,065,562	2,006,630
Total Liabilities	548,926	579,816
Total Equity	1,516,636	1,426,814
Net Income	247,130	182,120
Changes in Equity	89,822	33,377
Increase (decrease) in cash and cash equivalents, net	3	2,670

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.

MANAGEMENT S.A.C.I. Falabella.

Legal Representatives: Mr. Carlo Solari Donaggio
Mr. Sandro Solari Donaggio
Mr. Juan Carlos Cortés Solari

INVERSIONES FALABELLA LTDA.

	2015 TH\$	2014 TH\$
Total Assets	13,402,727,445	12,602,368,160
Total Liabilities	9,401,967,539	8,398,146,571
Total Equity	4,000,759,906	4,204,221,589
Net Income	571,596,661	503,432,574
Changes in Equity	(203,461,683)	803,124,183
Increase (decrease) in cash and cash equivalents, net	59,376,398	(53,433,239)



B.- 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.

The company has a 49% stake in Sodimac Colombia S.A.

BOARD OF DIRECTORS AND MANAGEMENT

MAIN DIRECTORS:

Mr. Carlos Enrique Moreno Mejía (Chairman)
 Mr. Álvaro Andres Echavarría Olano
 Mr. Juan Manuel Ayerbe Muñoz
 Mr. Sandro Solari Donaggio
 Mr. Enrique Gundermann Wylie

ALTERNATE DIRECTORS:

Mr. Daniel Echavarría Arango
 Mr. Pedro Miguel Navas Sanz de Santamaría
 Mr. José Eugenio Muñoz Menéndez
 Mr. Rodrigo Agustín Fajardo Zilleruelo
 Mr. Sergio Muñoz Gómez

CEO:

Mr. Miguel Pardo Brigard

SODIMAC COLOMBIA S.A.

	2015 TH\$	2014 TH\$
Total Assets	434,435,209	462,870,126
Total Liabilities	268,431,142	311,076,083
Total Equity	166,004,067	151,794,043
Net Income	35,031,024	36,619,993
Changes in Equity	14,210,024	(6,545,598)
Percentage ownership by SACI	49%	49%
Participation of the company's assets	1.32%	1.34%

AVENTURA PLAZA S.A.

Development and management of shopping centers in Peru.

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

BOARD OF DIRECTORS AND MANAGEMENT

CHAIRMAN:

Sr. Luis Miguel Palomino Bonilla

DIRECTORS:

Mr. Lázaro Calderón Volochinsky
 Mr. Andrés Calderón Volochinsky
 Mr. Sergio Cardone Solari
 Mr. Juan Xavier Roca Mendenhall

ALTERNATE DIRECTORS:

Mr. Hernán Pedro Pablo Uribe Gabler
 Mr. Norberto Rossi
 Mr. Carlo Solari Donaggio
 Mr. Juan Pablo Montero Schapeler

CEO:

Mr. Mauricio Mendoza

AVENTURA PLAZA S.A.

	2015 TH\$	2014 TH\$
Total Assets	282,904,588	271,577,555
Total Liabilities	119,147,418	131,873,864
Total Equity	163,757,170	139,703,691
Net Income	13,485,385	13,660,593
Changes in Equity	24,053,479	30,252,905
Percentage ownership by SACI	60%	60%
Participation of the Company's assets	1.30%	1.23%



Summary Consolidated 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-DIC-15 TH\$	31-DIC-14 TH\$
ASSETS		
Non-banking Businesses		
Current assets		
Cash and cash equivalents	207,308,226	211,219,868
Other financial assets	23,604,836	10,591,044
Other non-financial assets	88,637,767	88,613,455
Trade and other accounts receivable	1,681,913,169	1,469,813,782
Accounts receivable from related parties	5,099,194	14,382,645
Inventory	1,173,671,356	1,019,199,966
Tax assets	54,621,659	49,566,343
Total of current assets different from those assets or disposal groups classified as held for sale or as held for distribution to owners	3,234,856,207	2,863,387,103
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	2,935,337	5,150,100
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	2,935,337	5,150,100
Total Current Assets	3,237,791,544	2,868,537,203
Non-current Assets		
Other financial assets	164,996,973	71,524,973
Other non-financial assets	36,599,317	32,688,857
Accounts receivable	203,915,411	206,165,723
Investments accounted for using the equity method	184,148,339	163,334,299
Intangible assets other than goodwill	246,913,398	233,503,315
Goodwill	461,664,958	465,969,088
Property, plant and equipment	2,236,502,072	2,118,686,008
Investment properties	2,228,710,662	2,121,112,163
Deferred tax assets	91,930,367	68,168,041
Total Non-current Assets	5,855,381,497	5,481,152,467
Total Assets – Non-banking Business	9,093,173,041	8,349,689,670
Banking Services Assets (Presentation)		
Cash and bank deposits	372,864,747	347,215,192
Transactions with settlement in progress	13,884,905	10,125,348
Financial assets held for trading	110,154,548	55,864,410
Financial derivative contracts	8,744,053	14,503,691
Due from banks	-	29,977,748
Loans and accounts receivable from clients	2,471,067,255	2,180,384,460
Available for sale instruments	423,103,649	264,017,567
Investments in companies	2,801,387	1,910,151
Intangibles	34,128,788	23,769,265
Property, plant and equipment	35,555,641	36,934,564
Current taxes	1,850,246	1,873,669
Deferred taxes	18,580,064	14,509,536
Other assets	21,088,331	16,184,783
Total Bank Services Assets	3,513,823,614	2,997,270,384
TOTAL ASSETS	12,606,996,655	11,346,960,054

	31-DIC-15 THS	31-DIC-14 THS
NET EQUITY AND LIABILITIES		
Non - banking Business		
Current Liabilities		
Other financial liabilities	738,717,161	736,529,589
Trade and other accounts payable	1,020,371,592	966,061,609
Accounts payable to related parties	3,240,430	9,894,036
Other current provisions	11,978,083	10,248,584
Current tax liabilities	44,919,936	25,734,030
Employee benefits provisions	121,651,114	110,578,122
Other non - financial liabilities	138,768,939	129,538,281
Total Current Liabilities	2,079,647,255	1,988,584,251
Non - current Liabilities		
Other financial liabilities	2,700,830,781	2,316,360,511
Other liabilities	1,262,231	1,208,738
Other long - term provisions	15,174,089	17,548,571
Deferred tax liabilities	366,958,659	368,505,463
Employee benefits provision	21,045,521	19,717,004
Other non - financial liabilities	40,266,934	32,183,682
Total Non - current Liabilities	3,145,538,215	2,755,523,969
Total Non - banking Business Liabilities	5,225,185,470	4,744,108,220
Banking Services Liabilities (Presentation)		
Deposits and other demand liabilities	321,693,368	241,347,479
Transactions with settlement in progress	9,542,490	4,852,755
Time deposits and other term deposits	1,988,206,540	1,671,548,562
Financial derivative contracts	8,166,601	8,637,377
Due to banks	89,884,439	66,923,264
Debt instruments issued	294,047,824	240,739,591
Other financial obligations	159,527,592	175,729,113
Current taxes	4,327,573	59,511
Provisions	6,396,024	5,491,575
Other liabilities	56,727,698	49,257,187
Total Banking Services Liabilities	2,938,520,149	2,464,586,414
Total Liabilities	8,163,705,619	7,208,694,634
Net Equity		
Issued capital	533,409,643	533,409,643
Retained earnings	3,241,684,974	2,913,524,436
Share premium	93,482,329	93,482,329
Own shares in portfolio	(8,632,349)	(3,495,432)
Other reserves	(131,932,183)	(92,000,283)
Equity attributable to owners of the parent	3,728,012,414	3,444,920,693
Non - controlling interests	715,278,622	693,344,727
Total Equity	4,443,291,036	4,138,265,420
TOTAL EQUITY AND LIABILITIES	12,606,996,655	11,346,960,054

Income Statement

FOR THE YEAR ENDED AS OF	31-DIC-15 TH\$	31-DIC-14 TH\$
INCOME STATEMENT		
Non - banking Business		
Revenue from continuing operations	7,758,561,352	7,038,379,788
Cost of sales	(5,096,908,599)	(4,654,988,923)
Gross Profit	2,661,652,753	2,383,390,865
Distribution costs	(82,294,591)	(82,780,323)
Administrative expenses	(1,685,587,191)	(1,457,458,761)
Other expenses, by function	(142,275,799)	(136,398,084)
Other gains (losses)	33,614,695	8,506,262
Financial income	33,868,899	19,557,464
Financial expenses	(174,032,519)	(139,227,173)
Equity interest in profits (losses) of associates accounted for using the equity method	25,272,409	26,155,945
Foreign currency translation	(18,208,873)	(40,226,654)
Income from indexation units	(33,455,450)	(41,114,681)
Profit (Loss), before Taxes	618,554,333	540,404,860
Income tax expense	(135,354,388)	(101,425,824)
Profit (loss) from Non-banking Business	483,199,945	438,979,036
Banking Services		
Interest and indexation revenue	485,319,456	445,605,716
Interest and indexation expenses	(133,370,243)	(129,938,794)
Net Income from Interest and Indexation	351,949,213	315,666,922
Fee revenue	135,915,710	106,875,474
Fee expenses	(33,607,581)	(29,218,656)
Net Fee Income	102,308,129	77,656,818
Net income from financial operations	2,341,646	-1,118,943
Net exchange gains (losses)	8,854,487	10,760,905
Other operating income	2,147,794	827,146
Provision for loan losses	(114,698,003)	(89,422,063)
Total Operating Income, net	352,903,266	314,370,785
Employee remunerations and expenses	(90,919,630)	(83,551,772)
Administrative expenses	(112,366,201)	(101,215,795)
Depreciation and amortization	(15,638,353)	(15,489,687)
Other operating expenses	(10,548,992)	(10,502,339)
Total Operating Expenses	(229,473,176)	(210,759,593)
Operating Income	123,430,090	103,611,192
Income from equity method investments in companies	531,214	358,358
Income before Income Taxes	123,961,304	103,969,550
Income tax expense	(33,179,362)	(25,843,026)
Profit (loss) from Banking Business	90,781,942	78,126,524
Profit (Loss)	573,981,887	517,105,560
Profit (loss), Attributable to:		
Owners of the parent	519,951,164	464,728,694
Non-controlling interests	54,030,723	52,376,866
Profit (Loss)	573,981,887	517,105,560
Earnings per share		
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	0.2136	0.1911
Basic Earnings (Loss) per Share	0.2136	0.1911
Diluted Earnings per Share		
From continuing operations	0.2136	0.1903
DILUTED EARNINGS (LOSS) PER SHARE	0.2136	0.1903

Statement of Comprehensive Income

FOR THE YEAR ENDED AS OF	31-DIC-15 TH\$	31-DIC-14 TH\$
COMPREHENSIVE INCOME STATEMENT		
Profit (loss)	573,981,887	517,105,560
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	(1,382,206)	(2,920,125)
Other comprehensive income that will not be reclassified to income for the year	(1,382,206)	(2,920,125)
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	(53,895,585)	19,951,067
Other comprehensive income, before taxes, foreign currency translation	(53,895,585)	19,951,067
Profits (losses) on new measurement of financial assets available for sale, before taxes	(1,902,093)	(12,322)
Other comprehensive income before taxes, financial assets available for sale	(1,902,093)	(12,322)
Cash flow hedges		
Profits (losses) on cash flow hedges, before taxes	(4,308,957)	9,910,716
Other comprehensive income, before taxes, cash flow hedges	(4,308,957)	9,910,716
Other components of other comprehensive income, before taxes	(60,106,635)	29,849,461
Income taxes related to components of other comprehensive income		
Income taxes related to actuarial profit (losses) on defined benefit plans	331,343	613,226
Sum of income taxes related to components of other comprehensive income	331,343	613,226
Income taxes related to components of other comprehensive income		
Income taxes related to other comprehensive income related to financial assets available for sale	427,971	2,588
Income taxes related to cash flow hedges	1,367,151	(2,081,250)
Sum of income taxes related to components of other comprehensive income	1,795,122	(2,078,662)
Total other comprehensive income	(59,362,376)	25,463,900
Total comprehensive income	514,619,511	542,569,460
Comprehensive income attributable to:		
Shareholders of the parent company	474,834,667	489,649,857
Non-controlling interests	39,784,844	52,919,603
TOTAL COMPREHENSIVE INCOME	514,619,511	542,569,460

Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY DEC. 2015

	ISSUED CAPITAL	SHARE PREMIUM	OWN SHARES IN PORTFOLIO (NOTE 21.D)	FOREIGN CURRENCY TRANSLATION RESERVE	CASH FLOW HEDGE RESERVE
CURRENT PERIOD BEGINNING BALANCE 01/01/2015	533,409,643	93,482,329	(3,495,432)	(51,454,926)	(1,498,691)
Changes in equity					
Comprehensive income					
Profit (loss)					
Other comprehensive income				(39,719,783)	(2,871,612)
Comprehensive income				(39,719,783)	(2,871,612)
Equity issuance					
Dividends					
Increase (decrease) due to transfers and other changes					
Increase (decrease) due to share transactions			(5,136,917)		
Total changes in equity			(5,136,917)	(39,719,783)	(2,871,612)
CURRENT PERIOD ENDING BALANCE 01/01/2015	533,409,643	93,482,329	(8,632,349)	(91,174,709)	(4,370,303)

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
CURRENT PERIOD BEGINNING BALANCE 01/01/2014	530,806,267	67,679,807	-	(70,771,186)	(9,420,227)
Changes in equity					
Comprehensive income					
Profit (loss)					
Other comprehensive income				19,316,260	7,921,536
Comprehensive income				19,316,260	7,921,536
Equity issuance					
Equity issuance	2,603,376	25,802,522			
Dividends					
Effect of Chilean tax reform (Official Circular No. 856) (Note 2, 25, 2 and Note 10)					
Increase (decrease) due to transfers and other changes					
Increase (decrease) due to share transactions			(3,495,432)		
Total changes in equity	2,603,376	25,802,522	(3,495,432)	19,316,260	7,921,536
CURRENT PERIOD ENDING BALANCE 01/01/2015	533,409,643	93,482,329	(3,495,432)	(51,454,926)	(1,498,691)

RESERVE FOR ACTUARIAL PROFITS OR LOSSES ON DEFINED BENEFIT PLANS	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
(4,783,662)	620,476	(34,883,480)	(92,000,283)	2,913,524,436	3,444,920,693	693,344,727	4,138,265,420
				519,951,164	519,951,164	54,030,723	573,981,887
(1,050,980)	(1,474,122)		(45,116,497)		(45,116,497)	(14,245,879)	(59,362,376)
(1,050,980)	(1,474,122)		(45,116,497)	519,951,164	474,834,667	39,784,844	514,619,511
						3,831,268	3,831,268
				(99,057,172)	(99,057,172)	(9,071,166)	(108,128,338)
		5,184,597	5,184,597	(92,733,454)	(87,548,857)	(12,611,051)	(100,159,908)
					(5,136,917)		(5,136,917)
(1,050,980)	(1,474,122)	5,184,597	(39,931,900)	328,160,538	283,091,721	21,933,895	305,025,616
(5,834,642)	(853,646)	(29,698,883)	(131,932,183)	3,241,684,974	3,728,012,414	715,278,622	4,443,291,036

RESERVE FOR ACTUARIAL PROFITS OR LOSSES ON DEFINED BENEFIT PLANS	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
(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
				464,728,694	464,728,694	52,376,866	517,105,560
(2,306,899)	(9,734)		24,921,163		24,921,163	542,737	25,463,900
(2,306,899)	(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)	(83,312,7629)
					(3,495,432)		(3,495,432)
(2,306,899)	(9,734)	6,214,872	31,136,035	236,845,909	292,892,410	20,727,345	313,619,755
(4,783,662)	620,476	(34,883,480)	(92,000,283)	2,913,524,436	3,444,920,693	693,344,727	4,138,265,420

Statement of Cash Flows

	31-DIC-15 THS	31-DIC-14 THS
STATEMENT OF CASH FLOWS		
Cash flows provided by (used in) operating activities		
Non-banking Business		
Classes of proceeds from operating activities		
Proceeds from sale of goods and providing services	8,876,519,998	8,423,131,674
Classes of payments		
Payment to suppliers for supplying goods and services	(7,057,658,841)	(6,600,826,090)
Payments to and on account of employees	(937,622,406)	(854,213,160)
Income taxes refunded (paid)	(126,155,139)	(96,087,932)
Other cash inflows (outflows)	(205,913,143)	(182,442,277)
Subtotal net cash flows provided by Non-banking Business operating activities	549,170,469	689,562,215
Banking Services		
Consolidated net income (loss) for the period	90,781,942	78,126,524
Charges (credits) to income that do not involve cash movements:		
Depreciation and amortization	15,638,353	15,489,687
Credit risk provision	139,502,654	111,964,182
Profit losses from equity method investments	(531,214)	(358,358)
Other charges (credits) that do not involve significant cash flow movements	22,754,684	13,604,448
Net change in interest, indexations and fees accrued on assets and liabilities	(8,113,894)	(5,317,759)
Changes in assets and liabilities affecting cash flow:		
Net (Increase) decrease due from banks	29,977,748	(29,977,748)
Net increase in loans and accounts receivable from clients	(426,135,989)	(371,398,995)
Net decrease in instruments held for trading	(19,399,412)	32,388,060
Increase in deposits and other demand obligations	73,171,331	74,182,743
Increase in deposits and other time deposits	321,176,561	166,881,822
Increase in obligations with banks	22,790,290	19,909,293
Other use of cash	(29,894,799)	(16,237,180)
Subtotal net cash flows provided by (used in) Banking Services operating activities	231,718,255	89,256,719
Net cash flows provided by operating activities	780,888,724	778,818,934
Cash flows provided by (used in) investing activities		
Non-banking Business		
Cash flows used to obtain control of subsidiaries and other businesses	-	(290,890,488)
Cash flows to affiliated companies	(4,090,717)	(4,571,220)
Loans to related parties	(1,781,920)	(1,161,013)
Proceeds from disposal of property, plant and equipment	4,289,281	3,342,178
Additions to property, plant and equipment	(329,915,643)	(368,093,957)
Additions to intangible assets	(31,320,396)	(31,274,803)
Proceeds from other long-term assets	249,380	488,038
Additions to other long-term assets	(148,799,729)	(175,579,140)
Dividends received	9,217,815	4,544,614
Interest received	11,698,121	19,826,717
Other cash inflows (outflows)	24,404,734	18,574,471
Subtotal net cash flows used in investing activities in the Non-banking Business	(466,049,074)	(824,794,603)

Statement of Cash Flows · continuation

	31-DIC-15 THS	31-DIC-14 THS
Banking Services		
Net (Increase) decrease in investment securities available for sale	(159,135,213)	(2,958,934)
Additions to property, plant and equipment	(26,394,009)	(20,735,628)
Cash flows to affiliated companies	(819,263)	-
Dividends received from investments in subsidiaries	444,365	202,870
Other sources of cash	2,066,323	2,925,600
Subtotal net cash flows provided by (used in) Banking Services investing activities	(183,837,797)	(20,566,092)
Net cash flows provided by (used in) investing activities	(649,886,871)	(845,360,695)
Cash flows provided by (used in) financing activities		
Non-banking Business		
Proceeds from issuance of shares	3,831,268	53,379,941
Payments to acquire own shares	(5,136,917)	(3,495,432)
Proceeds from long-term loans	256,796,220	833,657,276
Proceeds from short-term loans	3,000,044,363	2,599,217,628
Total proceeds from loans	3,256,840,583	3,432,874,904
Payment of loans	(2,998,109,042)	(3,101,725,973)
Payment of financial lease liabilities	(24,997,036)	(17,297,516)
Dividends paid	(197,397,585)	(179,029,165)
Interest paid	(152,688,957)	(88,246,885)
Other cash inflows (outflows)	4,012,861	4,235,845
Subtotal net cash flows provided by (used in) Non-banking Business financing activities	(113,644,825)	100,695,719
Banking Services		
(Redemption) Letters of credit issuance	(10,429,838)	(6,246,302)
Bond payments and other long term loans	62,723,237	(40,303,374)
Other	(11,598,629)	(38,741,239)
Subtotal net cash flows provided by (used in) Banking Services financing activities	40,694,770	(85,290,915)
Net cash flows used in financing activities	(72,950,055)	15,404,804
Net increase in cash and cash equivalents, before the effect of changes in the exchange rate	58,051,798	(51,136,957)
Effects of changes in the exchange rate on cash and cash equivalents		
Effects of changes in the exchange rate on cash and cash equivalents	(7,118,807)	13,573,178
Net increase (decrease) in cash and cash equivalents	50,932,991	(37,563,779)
Cash and cash equivalents at beginning of period	610,126,163	647,689,942
CASH AND CASH EQUIVALENTS AT END OF PERIOD	661,059,154	610,126,163

Analysis Of Results

The consolidated revenue for the year reached CLP 8,381,944 million, which represented a 10.4% increase compared to 2014. This growth is mainly due to the opening of 23 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 13.3% compared to the previous year, reaching a total of CLP 4,153,726 million as of December 31st, 2015. The loan portfolio grew across all markets: 10.2% in Chile; 27.1% in Peru; 18.7% in Colombia; and 49.8% in Argentina (in local currency).

The gross margin for the fiscal year was 36%. The gross profit reached CLP 3,014,556 million, representing 11.7% annual growth. The increase in the gross profit margin was primarily attributable to the performance of the operations in the three retail formats in Chile, Banco Falabella Chile and the operations in Peru.

Sales and administrative expenses ascended to CLP 2,139,631 million, equal to 25.5% of revenues, representing an increase of 67 basis points compared to 2014. The increase is attributable, in part, to pre-opening expenses related to the launch of the first

Sodimac stores in both Brazil and Uruguay, as well as higher IT expenses at a regional level. In addition, the slowdown in consumer demand, particularly in Peru, resulted in lower dilution of fixed expenses. Higher expenses in Sodimac Chile also contributed to the SG&A margin pressure.

Consequently, consolidated EBITDA for the year reached CLP 1,113,884 million, with an EBITDA margin of 13.3%. Consolidated net income reached CLP 519,951 million, with a 6.2% net income margin. It is important to note that net income does not include gains or losses from the revaluation of assets from S.A.C.I. Falabella's real estate investments, as the company adopted the historical cost accounting method in 2009.

In 2015, the company opened two shopping centers: Open Plaza Huánuco and Open Plaza Cajamarca, both in Peru. Additionally, the company inaugurated 23 new stores in the region: Falabella Retail opened four department stores (one in Chile, one in Peru and two in Colombia) and its first Crate & Barrel store in Peru. Sodimac opened ten home improvement stores (three in Chile, two in Peru, one in Colombia, two in Brazil and two in Uruguay). Tottus opened eight supermarkets (five in Chile and three in Peru).



Definition of Content and Guidelines

For the third year in a row, S.A.C.I. Falabella 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.

The annual sustainability report of 2015 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. 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 company'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 Efficiency

- Emissions Reduction
- Waste Management
- Resources
- Efficient Water Use

- SOCIAL IMPACT
 - Employment
 - Health and Safety of the Employees
 - Training and Education
 - Quality of Life
 - Supplier Evaluation

- PRODUCT AND SERVICES RESPONSIBILITY
 - Health and Safety of Clients
 - Responsible Marketing
 - Client Privacy
 - Transparency

- Human Rights
 - Discrimination
 - Child Labor
 - Forced labor
 - Labor Rights
 - Supplier Evaluation

- Society:
 - Battle Against Corruption
 - Social Impact of Suppliers
 - Quality of Life

As a result, we have grouped the material issues with the most relevance to our businesses according to the pillars that S.A.C.I. Falabella has defined in its Sustainability Strategy: Customers, Employees, Suppliers, Community, Environment, Corporate Governance and Shareholders.

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 company's businesses participated, and then validated, this process.

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Declaration of Responsibility

The directors and CEO of S.A.C.I. Falabella who sign this declaration, based on the information provided by the management of the company, are responsible under oath regarding the veracity of the information contained in this Annual Report.

Los Directores de S.A.C.I. Falabella y el Gerente General, firmantes de esta declaración, con base en la información proporcionada por la administración de la compañía, se hacen responsables bajo juramento, respecto de la veracidad de la información contenida en la presente Memoria Anual.

Sr. Carlo Solari Donaggio
RUT 9.585.749-3
Presidente

Sr. Juan Carlos Cortés Solari
RUT 7.017.522-3
Vicepresidente

Sra. María Cecilia Karlezi Solari
RUT 7.005.097-8
Director

Sr. Sergio Cardone Solari
RUT 5.082.229-K
Director

Sra. Paola Cúneo 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
Gerente General

APPENDIX I

Subsidiaries

TAX PAYER I.D.	NAME OF SUBSIDIARY	OWNERSHIP %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	PERCENTAGE OF TOTAL ASSETS. SACI INDIVIDUAL DEC-15 (A)
		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %	31 · DEC · 14 TOTAL · %			
76.020.391-2	INVERSIONES FALABELLA LTDA.	99.978	0.022	100	100	CHILE	CLP	54.034%
76.020.385-8	INVERSIONES PARMIN S. p. A.	100	-	100	100	CHILE	CLP	0.025%
0-E	FALABELLA SUCURSAL URUGUAY S.A.	100	-	100	100	URUGUAY	CLP	0.091%
99.500.360-0	HOMETRADING S.A.	-	100	100	100	CHILE	CLP	8.424%
99.593.960-6	DESARROLLOS INMOBILIARIOS S. p. A.	-	100	100	100	CHILE	CLP	16.131%
0-E	FALLBROOKS PROPERTIES LTD	-	99.999	99.999	99.999	BRITISH V.I.	CLP	0.926%
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	-	100	100	100	CHILE	CLP	4.686%
76.882.330-8	NUEVOS DESARROLLOS S.A. (EX-PLAZA ALAMEDA S.A.)	-	45.94	45.94	45.94	CHILE	CLP	6.375%
99.555.550-6	PLAZA ANTOFAGASTA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.853%
76.882.090-2	PLAZA CORDILLERA S.A.	-	45.94	45.94	45.94	CHILE	CLP	0.487%
96.653.660-8	PLAZA DEL TRÉBOL S.A.	-	59.278	59.278	59.278	CHILE	CLP	5.619%
96.795.700-3	PLAZA LA SERENA S.A.	-	59.278	59.278	59.278	CHILE	CLP	1.025%
96.653.650-0	PLAZA OESTE S.A.	-	59.278	59.278	59.278	CHILE	CLP	10.761%
76.017.019-4	PLAZA S.A.	-	59.278	59.278	59.278	CHILE	CLP	18.481%
76.034.238-6	PLAZA S. P.A.	-	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	1.135%
76.677.940-9	PLAZA VALPARAÍSO S.A.	-	45.94	45.94	45.94	CHILE	CLP	0.066%
96.538.230-5	PLAZA VESPUCCIO S.A.	-	59.278	59.278	59.278	CHILE	CLP	3.934%
76.099.956-3	SERVICIOS GENERALES CATEDRAL LTDA.	-	88	88	88	CHILE	CLP	2.998%
79.990.670-8	ADMINISTRADORA PLAZA VESPUCCIO S.A.	-	59.252	59.252	59.252	CHILE	CLP	1.260%
76.883.720-1	DESARROLLOS E INVERSIONES INTERNACIONALES S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.460%
99.564.380-4	DESARROLLOS URBANOS S.A.	-	45.94	45.94	45.94	CHILE	CLP	1.046%
76.299.850-5	INVERSIONES PLAZA LTDA. (EX INV. ALCALÁ)	-	59.278	59.278	59.278	CHILE	CLP	0.158%
76.044.159-7	AUTOPLAZA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.059%
96.792.430-K	SODIMAC S.A.	-	100	100	100	CHILE	CLP	3.755%
99.556.180-8	SODIMAC TRES S.A.	-	100	100	100	CHILE	CLP	0.011%
96.678.300-1	SOC. ADM. DE TARJETAS DE CRÉDITOS COMERCIALES LTDA.	-	100	100	100	CHILE	CLP	0.004%
79.530.610-2	COMERCIALIZADORA E IMPORTADORA IMPOMAC LTDA.	-	100	100	100	CHILE	CLP	0.002%
96.681.010-6	TRAINEEMAC S.A.	-	100	100	100	CHILE	CLP	0.000%
76.054.094-3	INVERSIONES SODMIN S. p.A.	-	100	100	100	CHILE	CLP	0.000%
76.054.151-6	TRAINEEMAC NUEVA S.A.	-	100	100	100	CHILE	CLP	0.005%
78.582.500-4	HOMELET LTDA.	-	100	100	100	CHILE	CLP	0.000%
96.520.050-9	HOMECENTER LTDA.	-	100	100	100	CHILE	CLP	0.002%
76.821.330-5	IMPERIAL S.A.	-	60	60	60	CHILE	CLP	0.518%
79.553.230-7	SOC. DE CRÉDITOS COMERCIALES LTDA.	-	100	100	100	CHILE	CLP	0.045%
96.665.150-4	SODILOG S.A.	-	100	100	100	CHILE	CLP	0.045%

TAX PAYER I.D.	NAME OF SUBSIDIARY	OWNERSHIP %			31 · DEC · 14 TOTAL · %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	PERCENTAGE OF TOTAL ASSETS, SACI INDIVIDUAL DEC-15 (A)
		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %				
78.611.350-4	SERVICIOS DE COBRANZA CYSER LTDA.	-	100	100	100	CHILE	CLP	0.000%
76.007.327-K	INVERSIONES VENSER DOS LTDA.	-	-	-	100	CHILE	CLP	0.00%
76.033.206-2	INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	100	100	100	CHILE	CLP	0.054%
76.033.208-9	INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	100	100	100	CHILE	CLP	0.055%
76.033.211-9	INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	100	100	100	CHILE	CLP	0.009%
76.222.370-8	SERVICIOS GENERALES BASCUÑÁN LTDA.	-	100	100	100	CHILE	CLP	0.007%
76.015.722-8	SERVICIOS GENERALES ALAMEDA S.p.A	-	100	100	100	CHILE	CLP	1.364%
76.644.120-3	APORTA LTDA.	-	100	100	100	CHILE	CLP	0.501%
76.046.439-2	APYSER S. p.A.	-	100	100	100	CHILE	CLP	0.061%
76.665.890-3	PRODUCTORA DE SERVICIOS GENERALES CALE S. p. A	-	100	100	100	CHILE	CLP	5.095%
76.661.890-1	CERRILLOS LTDA.	-	88	88	88	CHILE	CLP	1.534%
76.662.120-1	CERRO COLORADO LTDA.	-	88	88	88	CHILE	CLP	(22.601%)
76.910.520-4	COLINA LTDA.	-	88	88	88	CHILE	CLP	2.660%
96.579.870-6	SERVICIOS GENERALES ECOCYCSA S.p.A.	-	100	100	100	CHILE	CLP	8.190%
76.033.452-9	EL BOSQUE LTDA.	-	88	88	88	CHILE	CLP	4.992%
76.014.726-5	ESTACIÓN CENTRAL LTDA.	-	88	88	88	CHILE	CLP	4.019%
76.009.382-3	SERVICIOS GENERALES MANQUEHUE S.p.A.	-	100	100	100	CHILE	CLP	1.245%
76.811.460-9	SERVICIOS GENERALES MELIPILLA S.p.A.	-	100	100	100	CHILE	CLP	1.216%
76.012.536-9	SERVICIOS GENERALES MULTIBRAND S.p.A.	-	100	100	100	CHILE	CLP	1.445%
76.973.030-3	SERVICIOS GENERALES PUNTA ARENAS S.p.A.	-	100	100	100	CHILE	CLP	1.073%
76.033.294-1	SERVICIOS GENERALES SAN BERNARDO S.p.A.	-	100	100	100	CHILE	CLP	1.326%
76.033.466-9	SAN FERNANDO LTDA.	-	88	88	88	CHILE	CLP	3.080%
76.767.330-2	ANTOFAGASTA CENTRO LTDA.	-	88	88	88	CHILE	CLP	2.061%
76.553.390-2	FONTOVA LTDA.	-	88	88	88	CHILE	CLP	3.523%
76.557.960-0	LA CALERA LTDA.	-	88	88	88	CHILE	CLP	4.031%
76.318.540-0	SERVICIOS GENERALES LA DEHESA S.p.A.	-	100	100	100	CHILE	CLP	1.645%
76.662.280-1	LA FLORIDA LTDA.	-	88	88	88	CHILE	CLP	0.491%
76.429.990-6	NATANIEL LTDA.	-	88	88	88	CHILE	CLP	6.376%
76.383.840-4	SERVICIOS GENERALES PRESERTEL S.p.A.	-	100	100	100	CHILE	CLP	1.406%
76.035.886-K	PRESTADORA DE SERVICIOS TELEFÓNICOS S.p.A.	-	100	100	100	CHILE	CLP	0.904%
78.406.360-7	SERVICIOS GENERALES PROALTO S.p.A.	-	100	100	100	CHILE	CLP	13.283%
78.526.990-K	SERVICIOS GENERALES OESTE S.p.A.	-	100	100	100	CHILE	CLP	12.700%
96.811.120-5	SERVICIOS GENERALES PASEO CENTRO S.p.A.	-	100	100	100	CHILE	CLP	4.687%
78.839.160-9	PRODUCTORA DE SERVICIOS GENERALES CHILLAN S.p.A.	-	100	100	100	CHILE	CLP	3.540%
89.627.600-K	PRODUCTORA DE SERVICIOS GENERALES S.p.A	-	100	100	100	CHILE	CLP	2.593%
78.334.680-K	SERVICIOS GENERALES PROSEÑOR S.p.A.	-	100	100	100	CHILE	CLP	8.638%

TAX PAYER I.D.	NAME OF SUBSIDIARY	OWNERSHIP %			31 · DEC · 14 TOTAL · %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	PERCENTAGE OF TOTAL ASSETS, SACI INDIVIDUAL DEC-15 (A)
		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %				
77.565.820-7	PRODUCTORA DE SERVICIOS GENERALES ROSAS S.p.A.	-	100	100	100	CHILE	CLP	1.736%
78.636.190-7	SERVICIOS GENERALES PROSEVAL S.p.A.	-	100	100	100	CHILE	CLP	6.645%
76.662.220-8	PLAZA PUENTE ALTO LTDA.	-	88	88	88	CHILE	CLP	2.177%
76.429.790-3	PUENTE ALTO 37 LTDA.	-	88	88	88	CHILE	CLP	4.282%
76.291.110-8	SERVICIOS GENERALES PUENTE S.p.A.	-	100	100	100	CHILE	CLP	1.573%
76.583.290-K	PUERTO ANTOFAGASTA LTDA.	-	88	88	88	CHILE	CLP	2.093%
77.880.500-6	SERVICIOS GENERALES LOS ANGELES S.p.A.	-	100	100	100	CHILE	CLP	1.321%
78.625.160-5	SERVICIOS GENERALES EL TREBOL S.p.A.	-	100	100	100	CHILE	CLP	5.112%
77.039.380-9	SERVICIOS GENERALES SEGECOP S.p.A.	-	100	100	100	CHILE	CLP	3.220%
77.462.160-1	SERVICIOS GENERALES CURICÓ S.p.A.	-	100	100	100	CHILE	CLP	1.270%
77.962.250-9	SERVICIOS GENERALES HUECHURABA S.p.A.	-	100	100	100	CHILE	CLP	1.608%
77.423.730-5	SERVICIOS GENERALES IQUIQUE S.p.A.	-	100	100	100	CHILE	CLP	1.354%
77.598.800-2	SERVICIOS GENERALES PUERTO MONTT S.p.A.	-	100	100	100	CHILE	CLP	1.617%
78.991.740-K	SERVICIOS GENERALES ANTOFAGASTA S.p.A.	-	100	100	100	CHILE	CLP	1.291%
78.151.550-7	SERVICIOS GENERALES SEGEPRO S.p.A.	-	100	100	100	CHILE	CLP	1.872%
77.622.370-0	SERVICIOS GENERALES QUILPUE S.p.A.	-	100	100	100	CHILE	CLP	1.308%
79.731.890-6	SERVICIOS GENERALES QUINTA REGION S.p.A.	-	100	100	100	CHILE	CLP	2.257%
78.150.440-8	SERVICIOS GENERALES SEXTA REGIÓN S.p.A.	-	100	100	100	CHILE	CLP	2.056%
78.665.660-5	SERVICIOS GENERALES OSORNO S.p.A.	-	100	100	100	CHILE	CLP	1.647%
78.904.400-7	SERVICIOS GENERALES TALCA S.p.A.	-	100	100	100	CHILE	CLP	1.070%
77.212.050-8	SERVICIOS GENERALES VALPARAÍSO S.p.A.	-	100	100	100	CHILE	CLP	1.465%
77.152.390-0	SERVICIOS GENERALES TOBALABA S.p.A.	-	100	100	100	CHILE	CLP	1.385%
78.738.460-9	TRANSPORTES Y DISTRIBUCIONES S.p.A.	-	100	100	100	CHILE	CLP	(8.146%)
78.919.640-0	TRANSPORTES Y DISTRIBUCIONES DEL SUR S.p.A.	-	100	100	100	CHILE	CLP	1.870%
78.745.900-5	TRASCIENDE LTDA.	-	100	100	100	CHILE	CLP	5.589%
78.015.390-3	SOCIIEDAD COMERCIAL Y DE SERVICIOS VESPUCIO S.p.A.	-	100	100	100	CHILE	CLP	2.345%
77.166.470-9	SERVICIOS GENERALES SERENA S.p.A.	-	100	100	100	CHILE	CLP	1.375%
76.042.509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA.	-	100	100	100	CHILE	CLP	0.585%
76.046.445-7	CONFECCIONES INDUSTRIALES S. p.A.	-	100	100	100	CHILE	CLP	0.255%
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	-	100	100	100	CHILE	CLP	0.256%
76.039.672-9	DINALSA S.p.A.	-	100	100	100	CHILE	CLP	0.302%
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	-	88	88	88	CHILE	CLP	0.869%
78.722.910-7	TOTTUS S.A.	-	88	88	88	CHILE	CLP	0.769%
76.046.433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100	100	100	CHILE	CLP	12.907%
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	-	99.996	99.996	99.996	CHILE	CLP	7.796%
77.612.410-9	ADESSA LTDA.	-	100	100	100	CHILE	CLP	0.532%

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		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %	31 · DEC · 14 TOTAL · %			
79.598.260-4	ADMINISTRADORA CMR FALABELLA LTDA.	-	100	100	100	CHILE	CLP	0.764%
77.235.510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA.	-	100	100	100	CHILE	CLP	1.122%
76.027.815-7	SERVICIOS Y ASISTENCIAS LIMITADA	-	100	100	100	CHILE	CLP	0.029%
76.027.825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100	100	100	CHILE	CLP	-0.001%
78.566.830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA.	-	100	100	100	CHILE	CLP	0.05%
96.847.200-3	SERVICIOS E INVERSIONES FALABELLA LTDA.	-	100	100	100	CHILE	CLP	0.266%
77.099.010-6	SEGUROS FALABELLA CORREDORES LTDA.	-	100	100	100	CHILE	CLP	0.059%
76.512.060-8	SOLUCIONES CREDITICIAS CMR LTDA.	-	100	100	100	CHILE	CLP	0.025%
78.997.060-2	VIAJES FALABELLA LTDA.	-	100	100	100	CHILE	CLP	0.029%
77.261.280-K	FALABELLA RETAIL S.A.	-	100	100	100	CHILE	CLP	2.979%
76.000.935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65	65	65	CHILE	CLP	0.062%
96.951.230-0	INMOBILIARIA MALL CALAMA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.561%
77.132.070-8	SOUTH AMÉRICA TEXTILES S. p A.	-	100	100	100	CHILE	CLP	0.000%
0-E	SHEARVAN CORPORATE S.A.	-	100	100	100	BRITISH V.I.	USD	0.06%
77.072.750-2	COMERCIAL MONSE LTDA.	-	100	100	100	CHILE	CLP	0.072%
76.042.371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES S. p A.	-	100	100	100	CHILE	CLP	13.412%
96.647.930-2	INVERSIONES INVERFAL PERÚ S. p A.	-	100	100	100	CHILE	CLP	19.828%
76.023.147-9	NUEVA INVERFIN S. p A.	-	100	100	100	CHILE	CLP	2.754%
76.007.317-2	INVERCOL S. p A.	-	100	100	100	CHILE	CLP	0.004%
0-E	INVERSORA FALKEN S.A.	-	100	100	100	URUGUAY	CLP	13.664%
0-E	TEVER CORP.	-	100	100	100	URUGUAY	CLP	0.639%
0-E	INVERSIONES FALABELLA ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.139%
0-E	FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.394%
0-E	CMR ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.189%
0-E	VIAJES FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.015%
0-E	CLAMIJU S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.000%
0-E	CENTRO LOGÍSTICO APLICADO S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS	0.047%
0-E	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	100	100	100	ARGENTINA	ARS	0.000%
0-E	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	100	100	100	COLOMBIA	COP	3.207%
0-E	FALABELLA COLOMBIA S.A.	-	65	65	65	COLOMBIA	COP	0.805%
0-E	AGENCIA DE SEGUROS FALABELLA LTDA.	-	65	65	65	COLOMBIA	COP	0.058%
0-E	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S.	-	65	65	65	COLOMBIA	COP	0.005%
0-E	ABC DE SERVICIOS S.A.S.	-	65	65	65	COLOMBIA	COP	0.138%
0-E	FALABELLA PERÚ S.A.A.	-	94.183	94.183	94.183	PERU	PEN	16.316%
0-E	SAGA FALABELLA S.A.	-	89.002	89.002	89.002	PERU	PEN	2.361%

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		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %				
0-E	HIPERMERCADOS TOTTUS S.A.	-	94.183	94.183	94.183	PERU	PEN	2.499%
0-E	SODIMAC PERÚ S.A.	-	94.183	94.183	94.183	PERU	PEN	6.096%
0-E	OPEN PLAZA S.A.C.	-	94.183	94.183	94.183	PERU	PEN	2.508%
0-E	VIAJES FALABELLA S.A.	-	89.002	89.002	89.002	PERU	PEN	0.012%
0-E	CORREDORA DE SEGUROS FALABELLAS.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.077%
0-E	FALABELLA SERVICIOS GENERALES S.A.C.	-	94.089	94.089	94.089	PERU	PEN	0.042%
0-E	FALACUATRO S.A.C.	-	94.188	94.188	94.188	PERU	PEN	0.004%
0-E	INMOBILIARIA KAINOS S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.147%
0-E	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.114%
0-E	INVERSIONES INMOBILIARIAS BETA S.A.	-	94.183	94.183	94.183	PERU	PEN	0.154%
0-E	INVERSIONES INMOBILIARIAS GAMMA S.A.	-	94.183	94.183	94.183	PERU	PEN	0.166%
76.075.082-4	SERVICIOS GENERALES HIPERPUENTE LTDA.	-	88	88	88	CHILE	CLP	1.545%
76.080.519-K	SERVICIOS GENERALES QUILLOTA LTDA	-	88	88	88	CHILE	CLP	1.671%
96.509.660-4	BANCO FALABELLA S.A.	-	100	100	100	CHILE	CLP	3.147%
0-E	BANCO FALABELLA PERÚ S.A.	-	92.817	92.817	92.817	PERU	PEN	2.266%
0-E	BANCO FALABELLA S.A. (COLOMBIA)	-	65	65	65	COLOMBIA	COP	1.235%
76.099.954-7	SERVICIOS GENERALES PADRE HURTADO LTDA.	-	88	88	88	CHILE	CLP	2.404%
0-E	SALÓN MOTOR PLAZA S.A.	-	59.278	59.278	59.278	PERU	PEN	0.020%
76.011.659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA.	-	100	100	100	CHILE	CLP	0.017%
76.112.525-7	SERVICIOS GENERALES PEÑALOLÉN LIMITADA	-	88	88	88	CHILE	CLP	3.113%
76.112.533-8	SERVICIOS GENERALES SAN FELIPE LIMITADA	-	88	88	88	CHILE	CLP	3.740%
76.112.537-0	SERVICIOS GENERALES VIÑA DEL MAR LIMITADA	-	88	88	88	CHILE	CLP	2.113%
76.112.543-5	SERVICIOS GENERALES TALCA DOS LIMITADA	-	88	88	88	CHILE	CLP	3.474%
76.112.548-6	SERVICIOS GENERALES LLOLLEO LIMITADA	-	88	88	88	CHILE	CLP	1.188%
76.113.257-1	SERVICIOS GENERALES CORDILLERA SPA	-	100	100	100	CHILE	CLP	1.178%
0-E	SERVICIOS INFORMÁTICOS FALABELLA S.A.C.	-	92.817	92.817	92.817	PERU	PEN	0.015%
76.141.045-8	INVERSIONES INVERFAL COLOMBIA S. p A.	-	100	100	100	CHILE	CLP	1.300%
76.141.046-6	INVERSIONES INVERFAL ARGENTINA S. p A.	-	100	100	100	CHILE	CLP	-1.361%
76.153.987-6	ADMYSER S.p A.	-	100	100	100	CHILE	CLP	0.045%
76.153.976-0	CAPYSER S.p A.	-	100	100	100	CHILE	CLP	0.006%
0-E	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	41.495	41.495	41.495	COLOMBIA	COP	0.15%
0-E	MALL PLAZA COLOMBIA S.A.S.	-	59.278	59.278	59.278	COLOMBIA	COP	0.659%
0-E	CENTRO COMERCIAL MANIZALES S.A.S.	-	47.424	47.424	47.424	COLOMBIA	COP	0.083%
76.142.721-0	GIFT CORP. S.p A.	-	100	100	100	CHILE	CLP	0.001%
76.149.308-6	INVERSIONES BRASIL S.p A.	-	100	100	100	CHILE	CLP	-0.902%

TAX PAYER I.D.	NAME OF SUBSIDIARY	OWNERSHIP %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	PERCENTAGE OF TOTAL ASSETS, SACI INDIVIDUAL DEC-15 (A)
		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %	31 · DEC · 14 TOTAL · %			
76.154.299-0	SERVICIOS GENERALES RANCAGUA LTDA.	-	88	88	88	CHILE	CLP	2.046%
76.154.491-8	SERVICIOS GENERALES SANTA MARTA DE HUECHURABA LTDA.	-	88	88	88	CHILE	CLP	1.682%
76.159.664-0	INVERSIONES URUGUAY S. p A.	-	100	100	100	CHILE	CLP	-0.282%
76.159.684-5	INVERFAL URUGUAY S. p A.	-	100	100	100	CHILE	CLP	-0.282%
76.166.215-5	SERVICIOS GENERALES CALAMA CENTRO LTDA.	-	88	88	88	CHILE	CLP	1.745%
0-E	COMPAÑÍA SAN JUAN S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.037%
76.166.208-2	SERVICIOS GENERALES CALAMA MALL LTDA.	-	88	88	88	CHILE	CLP	2.11%
76.169.826-5	SERVICIOS GENERALES COSTANERA SPA	-	100	100	100	CHILE	CLP	1.50%
76.308.853-7	NUEVA INVERFAL ARGENTINA S. p A.	-	100	100	100	CHILE	CLP	1.333%
76.179.527-9	FALABELLA MÓVIL S. p A.	-	100	100	100	CHILE	CLP	0.000%
76.167.965-1	SERVICIOS LOGISTICOS SODILOG LTDA.	-	100	100	100	CHILE	CLP	0.04%
76.201.304-5	RENTAS HOTELERAS S. p A.	-	100	100	100	CHILE	CLP	(0.011%)
0-E	CONTAC CENTER FALABELLA S.A.C.	-	92.818	92.818	92.818	PERU	PEN	0.039%
0-E	OPEN PLAZA ORIENTE S.A.	-	94.184	94.184	94.184	PERU	PEN	0.00%
76.212.895-0	SERVICIOS GENERALES BIO-BIO MALL LTDA.	-	88	88	88	CHILE	CLP	1.701%
76.232.164-5	SERVICIOS GENERALES VICUÑA MACKENNA LTDA.	-	88	88	88	CHILE	CLP	1.589%
76.232.178-5	SERVICIOS GENERALES MP TOBALABA LTDA.	-	88	88	88	CHILE	CLP	1.549%
76.232.172-6	SERVICIOS GENERALES VITACURA LTDA.	-	88	88	88	CHILE	CLP	1.450%
76.232.689-2	SERVICIOS GENERALES MAIPÚ S. p A.	-	100	100	100	CHILE	CLP	1.971%
76.240.391-9	SERVICIOS GENERALES CHILLÁN LTDA.	-	88	88	88	CHILE	CLP	1.60%
76.233.398-8	SERVICIOS GENERALES MP LOS ANGELES LTDA.	-	88	88	88	CHILE	CLP	1.449%
76.254.205-6	SERVICIOS GENERALES RANCAGUA CENTRO LTDA.	-	88	88	88	CHILE	CLP	1.254%
96.824.450-7	INMOBILIARIA MALL LAS AMÉRICAS S.A.	-	42.89	42.89	42.89	CHILE	CLP	0.311%
76.318.636-9	SERVICIOS GENERALES MP EGAÑA LIMITADA	-	88	88	88	CHILE	CLP	1.220%
76.337.217-0	SERVICIOS GENERALES QUILPUE DOS LIMITADA	-	88	88	88	CHILE	CLP	0.688%
76.337.209-k	SERVICIOS GENERALES CON CON LIMITADA	-	88	88	88	CHILE	CLP	0.971%
76.362.983-k	SERVICIOS GENERALES MP COPIAPÓ LIMITADA	-	88	88	88	CHILE	CLP	0.792%
76.412.572-k	SERVICIOS GENERALES REÑACA LIMITADA	-	88	88	88	CHILE	CLP	0.612%
76.318.627-k	SERVICIOS GENERALES RECOLETA LIMITADA	-	88	88	88	CHILE	CLP	0.079%
76.349.709-7	SERVICIOS GENERALES OVALLE LIMITADA	-	88	88	88	CHILE	CLP	1.009%
0-E	SHEARVAN COMMERCIAL (SHANGAI)	-	100	100	100	CHINA	CNY	0.018%
76.283.127-9	SERVICIOS GENERALES PLAZA EGAÑA SPA.	-	100	100	100	CHILE	CLP	1.002%
0-E	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.114%
0-E	SODIMAC ORIENTE S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.074%
76.319.068-4	INVERSIONES DESREG S. p A.	-	100	100	100	CHILE	CLP	0.000%

TAX PAYER I.D.	NAME OF SUBSIDIARY	OWNERSHIP %				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	PERCENTAGE OF TOTAL ASSETS, SACI INDIVIDUAL DEC-15 (A)
		31 · DEC · 15 DIRECT · %	31 · DEC · 15 INDIRECT · %	31 · DEC · 15 TOTAL · %	31 · DEC · 14 TOTAL · %			
76.319.054-4	DESREG S. p A.	-	100	100	100	CHILE	CLP	0.000%
0-E	FALABELLA BRASIL LTDA.	-	100	100	100	BRASIL	BRL	0.975%
0-E	SODIMAC BRASIL LTDA.	-	100	100	100	BRASIL	BRL	0.973%
0-E	INVERSIONES FALABELLA URUGUAY S.A.	-	100	100	100	URUGUAY	UYU	0.344%
0-E	HOMECENTER SODIMAC S.A.	-	100	100	100	URUGUAY	UYU	0.246%
0-E	JOSMIR S.A.	-	100	100	100	URUGUAY	UYU	0.036%
76.335.739-2	INVERSIONES DESNNE S. p A.	-	100	100	100	CHILE	CLP	0.000%
76.335.749-k	DESNNE S. p A.	-	100	100	100	CHILE	CLP	0.000%
76.282.188-5	INVERFAL BRASIL S. p A.	-	100	100	100	CHILE	CLP	-0.902%
0-E	SAGA FALABELLA IQUITOS S.A.C.	-	89.002	89.002	89.002	PERU	PEN	0.025%
0-E	SAGA FALABELLA ORIENTE S.A.C.	-	89.002	89.002	89.002	PERU	PEN	0.098%
0-E	CONSTRUDECOR S.A.	-	50.1	50.1	50.1	BRASIL	BRL	0.730%
0-E	CONSTRUDECOR SERVICIOS LTDA.	-	50.1	50.1	50.1	BRASIL	BRL	0.007%
0-E	CONSTRUDECOR PROPERTIES LTDA.	-	50.1	50.1	50.1	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 S. p A.	-	100	100	100	CHILE	CLP	1.471%
76.327.698-8	SERVICIOS GENERALES LIMARI S. p A.	-	100	100	100	CHILE	CLP	1.359%
76.328.138-8	SERVICIOS GENERALES MP EL TRÉBOL DE TALCAHUANO LTDA.	-	88	88	88	CHILE	CLP	1.15%
0-E	LILLE INVERSIONES	-	50.1	50.1	50.1	BRASIL	BRL	0.170%
76.379.784-8	SERVICIOS LEGALES S. p A.	-	100	100	100	CHILE	CLP	-0.001%
76.377.255-1	SERVICIOS GENERALES WALKER MARTÍNEZ LTDA.	-	88	88	88	CHILE	CLP	0.681%
0-E	SHEARVAN PURCHASING INDIA	-	100	100	100	INDIA	INR	0.002%
76.434.317-4	PROMOTORA INVERSIONES S.A.	-	99.996	99.996	99.996	CHILE	CLP	0.12%
76.389.515-7	SERVICIOS GENERALES COLCHAGUA SPA	-	100	100	100	CHILE	CLP	0.970%
0-E	MAESTRO PERÚ S.A.	-	94.183	94.183	94.183	PERU	PEN	1.790%
0-E	MAESTRO PERÚ AMAZONIA S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.050%
0-E	INMOBILIARIA DOMEL S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.832%
0-E	INDUSTRIAS DELTA S.A.C.	-	94.183	94.183	94.183	PERU	PEN	0.099%
0-E	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	38.531	38.531	38.531	COLOMBIA	COP	0.25%
76.414.847-9	SERVICIOS GENERALES CHAMISEROS LTDA.	-	88	88	88	CHILE	CLP	0.612%
76.416.888-7	NUEVA INVERSIONES PLAZA S.A.	-	59.278	59.278	59.278	CHILE	CLP	0.000%
76.427.811-9	SERVICIOS DE INFRAESTRUCTURA FALABELLA S. p A.	-	100	100	-	CHILE	CLP	-0.003%
76.477.116-8	CF SEGUROS DE VIDA S.A.	-	99	99	-	CHILE	CLP	0.038%
0-E	GESTIONES INTEGRALES DE SERVICIOS S.A.	-	100	100	-	PERU	PEN	0.022%

(A) The percentage is determined by taking net individual assets (assets – liabilities = equity) of each company divided by total assets of SACI Individual

Non-Financial Audit Statement



Independent Assurance of S.A.C.I. Falabella of key non-financial data and systems for the Annual Report: ISAE 3000 statement

The nature of the assurance

This is a report done by Corporate Citizenship for the Corporate Planning and Development Manager of S.A.C.I. Falabella.

Corporate Citizenship has undertaken limited assurance of key non-financial data and systems' of Falabella's annual report against the GRI's *Principles for Determining Report Quality*. The indicators are presented in page 114 of this report where the following key non-financial data were covered:

- 1. Employees: Turnover, Training, Unionization, Accident rate, Occupational Disease rate, Lost Days rate, Absence rate, General and 360° Performance Evaluation.*
- 2. Suppliers: Number of active suppliers, Number of suppliers with Vendor Compliance and ESG clauses in contracts, Timely payment to Small and Medium Companies, Number of suppliers audited under Sedex and other ESG standards during the period under review.*
- 3. Community: Volunteer time and Number of beneficiaries of social programmes.*
- 4. Environment: LEED certified stores and Eco-Friendly facilities, Energy consumption*

S.A.C.I. Falabella is entirely and solely responsible for the production and publication of the data assured, while Corporate Citizenship is responsible for its assurance.

This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (*Assurance Engagements other than Audits or Reviews of Historical Financial Information*).

Corporate Citizenship has complied with the requirements for independence, professional ethics and quality control as stipulated by ISAE 3000.

Assurance work performed

The assurance work was commissioned in January 2016 and was completed on the 1st of April 2016. Detailed records were kept of meetings, assurance visits and correspondence related to the assurance. A

team of three, led by an Associate Director, undertook the assurance and commentary process. A Director acted as adviser to the group.

The assurance engagement was undertaken to a limited level, and involved the following activities:

- 1. Conducted thorough checks to ensure that the definitions used in Falabella's data collection system accorded with GRI definitions and through interviews checked user comprehension of the definitions.*
- 2. Carried out tests on the system.*
- 3. Conducted Management Interviews and Data Verification covering the key figures reported by the business units of S.A.C.I. Falabella in Chile, Peru, Argentina, Brazil, Uruguay, and Colombia.*
- 4 Checked figures incorporated in to text of report for accuracy.*

Conclusion

Based on the scope of work and assurance procedures performed, nothing has come to our attention that causes us to believe that the material assured is not prepared, in all material respects, in accordance with the GRI Principles for Determining Report Quality.

Corporate Citizenship Limited

London

4 April 2016



S.A.C.I. Falabella and Subsidiaries

Consolidated Financial Statements

December 31, 2015



ThCh\$ - Thousands of Chilean pesos

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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, which comprise the consolidated statement of financial position as of December 31, 2015 and 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with instructions and standards of preparation and presentation of financial information issued by *Superintendencia de Valores y Seguros* described in Note 2.1 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 audits. We conducted our audits 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 from 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 consolidated financial position of S.A.C.I. Falabella and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in conformity with instructions and standards of preparation and presentation of consolidated financial information issued by the *Superintendencia de Valores y Seguros* described in Note 2.1 to the consolidated financial statements.

Basis of Accounting

As described in Note 2.1 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.

However, notwithstanding that they were prepared on the same basis of accounting, the statements of comprehensive income and the preparation of the related statements of changes in shareholders' equity for the years ended December 31, 2015 and 2014, with regard to registration of differences of assets and liabilities for deferred taxes are not comparative according to the explanation provided in the previous paragraph and whose effect is explained in Note 2.1.

Marek Borowski

EY LTDA.

Santiago, March 1st 2016

Consolidated Statement of Financial Position

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



For the years ended December 31, 2015 and December 31, 2014.

	Note No.	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Assets			
Non-banking Business (Presentation)			
Current assets			
Cash and cash equivalents	3	207,308,226	211,219,868
Other current financial assets	4	23,604,836	10,591,044
Other current non-financial assets	5	88,637,767	88,613,455
Current trade and other accounts receivable	6	1,681,913,169	1,469,813,782
Current accounts receivable from related parties	7	5,099,194	14,382,645
Inventory	8	1,173,671,356	1,019,199,966
Current tax assets	9	54,621,659	49,566,343
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to the owners		3,234,856,207	2,863,387,103
Non-current assets or disposal groups classified as held for sale	2.16	2,935,337	5,150,100
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners		2,935,337	5,150,100
Total current assets		3,237,791,544	2,868,537,203
Non-current assets			
Other non-current financial assets	4	164,996,973	71,524,973
Other non-current non-financial assets	16	36,599,317	32,688,857
Non-current entitlement receivables	6	203,915,411	206,165,723
Investments accounted for using the equity method	11	184,148,339	163,334,299
Intangible assets other than goodwill	12	246,913,398	233,503,315
Goodwill	13	461,664,958	465,969,088
Property, plant and equipment	14	2,236,502,072	2,118,686,008
Investment properties	15	2,228,710,662	2,121,112,163
Deferred tax assets	10	91,930,367	68,168,041
Total non-current assets		5,855,381,497	5,481,152,467
Total Non-banking Business Assets		9,093,173,041	8,349,689,670
Banking Business Assets (Presentation)			
Cash at banks and deposits	3	372,864,747	347,215,192
Operations with settlement in progress	3	13,884,905	10,125,348
Instruments held for trading	3	110,154,548	55,864,410
Financial derivative contracts		8,744,053	14,503,691
Loans and advances to banks		-	29,977,748
Loans and accounts receivable from customers	6	2,471,067,255	2,180,384,460
Investment securities available for sale	41	423,103,649	264,017,567
Investments in companies	11	2,801,387	1,910,151
Intangibles	12	34,128,788	23,769,265
Property, plant and equipment	14	35,555,641	36,934,564
Current tax	9	1,850,246	1,873,669
Deferred tax	10	18,580,064	14,509,536
Other assets	17	21,088,331	16,184,783
Total Banking Business Assets		3,513,823,614	2,997,270,384
Total Assets		12,606,996,655	11,346,960,054

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

Consolidated Statement of Financial Position

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



For the years ended December 31, 2015 and December 31, 2014.

	Note No.	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Net Liabilities and Shareholders' Equity			
Non-banking Business (Presentation)			
Current Liabilities			
Other current financial liabilities	18	738,717,161	736,529,589
Trade and other accounts payable	19	1,020,371,592	966,061,609
Current accounts payable to related parties	7	3,240,430	9,894,036
Other current provisions	20	11,978,083	10,248,584
Current tax liabilities	9	44,919,936	25,734,030
Current employee benefits allowances	21	121,651,114	110,578,122
Other current non-financial liabilities	22	138,768,939	129,538,281
Total Current Liabilities		2,079,647,255	1,988,584,251
Non-current Liabilities			
Other non-current financial liabilities	18	2,700,830,781	2,316,360,511
Non-current liabilities	19	1,262,231	1,208,738
Other non-current provisions	20	15,174,089	17,548,571
Deferred tax liabilities	10	366,958,659	368,505,463
Non-current employee benefits provisions	21	21,045,521	19,717,004
Other non-current non-financial liabilities	22	40,266,934	32,183,682
Total Non-current Liabilities		3,145,538,215	2,755,523,969
Total Non-banking Business Liabilities		5,225,185,470	4,744,108,220
Banking Business Liabilities (Presentation)			
Deposits and other demand obligations		321,693,368	241,347,479
Transactions with settlement in progress	3	9,542,490	4,852,755
Deposits and other time deposits	23	1,988,206,540	1,671,548,562
Financial derivative contracts		8,166,601	8,637,377
Obligations with banks	24	89,884,439	66,923,264
Debt instruments issued	25	294,047,824	240,739,591
Other financial obligations	25	159,527,592	175,729,113
Current tax	9	4,327,573	59,511
Provisions	20	6,396,024	5,491,575
Other liabilities	26	56,727,698	49,257,187
Total Banking Business Liabilities		2,938,520,149	2,464,586,414
Total Liabilities		8,163,705,619	7,208,694,634
Net Equity			
Issued capital	34	533,409,643	533,409,643
Retained earnings		3,241,684,974	2,913,524,436
Issuance premiums	34	93,482,329	93,482,329
Treasury shares		(8,632,349)	(3,495,432)
Other reserves	34	(131,932,183)	(92,000,283)
Shareholders' Equity Attributable to Owners of the Parent		3,728,012,414	3,444,920,693
Non-controlling interests		715,278,622	693,344,727
Total Shareholders' Equity		4,443,291,036	4,138,265,420
Total Liabilities and Shareholders' Equity		12,606,996,655	11,346,960,054

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



Consolidated Statement of Comprehensive Income by Function

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

For the years ended December 31, 2015 and December 31, 2014.

	Note No.	For the year ended Dec-31-2015 ThCh\$	For the year ended Dec-31-2014 ThCh\$
Income Statement			
Non-banking Businesses (Presentation)			
Income from operating activities	27	7,758,561,352	7,038,379,788
Cost of sales	28	(5,096,908,599)	(4,654,988,923)
Gross Margin		2,661,652,753	2,383,390,865
Distribution costs		(82,294,591)	(82,780,323)
Administrative expenses	29	(1,685,587,191)	(1,457,458,761)
Other expenses, by function		(142,275,799)	(136,398,084)
Other profits (losses)	31	33,614,695	8,506,262
Finance income		33,868,899	19,557,464
Finance costs	30	(174,032,519)	(139,227,173)
Share of profits (losses) of associates and joint ventures accounted for using the equity method	11	25,272,409	26,155,945
Foreign currency translation		(18,208,873)	(40,226,654)
Income from indexation units	30	(33,455,450)	(41,114,681)
Profit before tax		618,554,333	540,404,860
Income tax expense	10	(135,354,388)	(101,425,824)
Profit from Non-banking Business		483,199,945	438,979,036
Banking Business (Presentation)			
Interest and readjustment income	27	485,319,456	445,605,716
Interest and readjustment costs	28	(133,370,243)	(129,938,794)
Net income from interest and readjustments		351,949,213	315,666,922
Commissions income	27	135,915,710	106,875,474
Commissions costs	28	(33,607,581)	(29,218,656)
Net income from commissions		102,308,129	77,656,818
Financial transactions profit (loss), net		2,341,646	(1,118,943)
Foreign currency translation profit (loss), net		8,854,487	10,760,905
Other operating income		2,147,794	827,146
Credit risk allowance	28	(114,698,003)	(89,422,063)
Total operating income, net		352,903,266	314,370,785
Employee payroll and expenses	29	(90,919,630)	(83,551,772)
Administrative expenses	29	(112,366,201)	(101,215,795)
Depreciation and amortization	29	(15,638,353)	(15,489,687)
Other operating expenses	29	(10,548,992)	(10,502,339)
Total operating expenses		(229,473,176)	(210,759,593)
Operating income		123,430,090	103,611,192
Income from investments in companies	11	531,214	358,358
Income before income tax		123,961,304	103,969,550
Income tax	10	(33,179,362)	(25,843,026)
Profit from banking business		90,781,942	78,126,524
Profit		573,981,887	517,105,560
Profit attributable to			
Profit attributable to owners of the parent	32	519,951,164	464,728,694
Profit attributable to non-controlling interests		54,030,723	52,376,866
Profit		573,981,887	517,105,560
Profit per share			
Basic profit per share			
Basic profit per share from continuing operations	32	0.2136	0.1911
Basic profit per share		0.2136	0.1911
Diluted profit per share			
Diluted profit per share from continuing operations	32	0.2136	0.1903
Diluted profit per share		0.2136	1.1903

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



Consolidated Statement of Comprehensive Income

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

For the years ended December 31, 2015 and December 31, 2014

	For the year ended Dec-31-2015 ThCh\$	For the year ended Dec-31-2014 ThCh\$
Comprehensive Income Statement		
Profit	573,981,887	517,105,560
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	(1,382,206)	(2,920,125)
Other comprehensive income that will not be reclassified to income for the year	(1,382,206)	(2,920,125)
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	(53,895,585)	19,951,067
Other comprehensive income, before tax, foreign currency translation	(53,895,585)	19,951,067
Profits from re-measurement of financial assets available for sale, before tax	(1,902,093)	(12,322)
Other comprehensive income, before tax, financial instruments available for sale	(1,902,093)	(12,322)
Cash flow hedges		
Profits (losses) on cash flow hedges, before tax	(4,308,957)	9,910,716
Other comprehensive income, before tax, cash flow hedges	(4,308,957)	9,910,716
Other components of other comprehensive income that will be reclassified to income for the year, before tax	(60,106,635)	29,849,461
Income tax related to components of other comprehensive income		
Income tax related to other comprehensive income defined benefits plans	331,343	613,226
Total of income tax related to components of other comprehensive income that will not be reclassified to income for the year	331,343	613,226
Income tax related to components of other comprehensive income		
Income tax related to other comprehensive income financial assets available for sale	427,971	2,588
Income tax related to other comprehensive income cash flow hedges	1,367,151	(2,081,250)
Sum of income tax related to components of other comprehensive income	1,795,122	(2,078,662)
Total other comprehensive income	(59,362,376)	25,463,900
Total comprehensive income	514,619,511	542,569,460
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	474,834,667	489,649,857
Comprehensive income attributable to non-controlling interests	39,784,844	52,919,603
Total comprehensive income	514,619,511	542,569,460

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

Statement of Changes in Equity

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



a) The Statement of Changes in Net Equity for the year ended December 31, 2015 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 01/01/2015	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	4,138,265,420
Changes in equity													
Comprehensive income													
Profit (loss)	-	-	-	-	-	-	-	-	-	519,951,164	519,951,164	54,030,723	573,981,887
Other comprehensive income	-	-	-	(39,719,783)	(2,871,612)	(1,050,980)	(1,474,122)	-	(45,116,497)	-	(45,116,497)	(14,245,879)	(59,362,376)
Comprehensive income	-	-	-	(39,719,783)	(2,871,612)	(1,050,980)	(1,474,122)	-	(45,116,497)	519,951,164	474,834,667	39,784,844	514,619,511
Equity issuance	-	-	-	-	-	-	-	-	-	-	-	3,831,268	3,831,268
Dividends	-	-	-	-	-	-	-	-	-	(99,057,172)	(99,057,172)	(9,071,166)	(108,128,338)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	5,184,597	5,184,597	(92,733,454)	(87,548,857)	(12,611,051)	(100,159,908)
Increase (decrease) due to share transactions	-	-	(5,136,917)	-	-	-	-	-	-	-	(5,136,917)	-	(5,136,917)
Total changes in equity	-	-	(5,136,917)	(39,719,783)	(2,871,612)	(1,050,980)	(1,474,122)	5,184,597	(39,931,900)	328,160,538	283,091,721	21,933,895	305,025,616
Current Period Ending Balance 12/31/2015	533,409,643	93,482,329	(8,632,349)	(91,174,709)	(4,370,303)	(5,834,642)	(853,646)	(29,698,883)	(131,932,183)	3,241,684,974	3,728,012,414	715,278,622	4,443,291,036

b) 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	3,824,645,665
Changes in equity													
Comprehensive income													
Profit (loss)	-	-	-	-	-	-	-	-	-	464,728,694	464,728,694	52,376,866	517,105,560
Other comprehensive income	-	-	-	19,316,260	7,921,536	(2,306,899)	(9,734)	-	24,921,163	-	24,921,163	542,737	25,463,900
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	542,569,460
Equity issuance	2,603,376	25,802,522	-	-	-	-	-	-	-	-	28,405,898	24,974,043	53,379,941
Dividends	-	-	-	-	-	-	-	-	-	(102,588,955)	(102,588,955)	(16,914,815)	(119,503,770)
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)	(76,017,682)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	6,214,872	6,214,872	(78,576,981)	(72,362,109)	(10,950,653)	(83,312,762)
Increase (decrease) due to share transactions	-	-	(3,495,432)	-	-	-	-	-	-	-	(3,495,432)	-	(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)	(9,734)	6,214,872	31,136,035	236,845,909	292,892,410	20,727,345	313,619,755
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	4,138,265,420

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

Consolidated Statement of Cash Flows

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



For the years ended December 31, 2015 and December 31, 2014

SVS Statement of Cash Flows - Direct Method	Dec-31-2015	Dec-31-2014
	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	8,876,519,998	8,423,131,674
Classes of payments		
Payments to suppliers for goods and services provided	(7,057,658,841)	(6,600,826,090)
Payments to and on behalf of employees	(937,622,406)	(854,213,160)
Income tax paid	(126,155,139)	(96,087,932)
Other cash outflows	(205,913,143)	(182,442,277)
Subtotal Net Cash Flows Provided by Operating Activities from Non-banking Business	549,170,469	689,562,215
Banking Business (Presentation)		
Consolidated profit for the year	90,781,942	78,126,524
Charges (credits) to income that do not involve cash movements		
Depreciation and amortization	15,638,353	15,489,687
Credit risk provisions	139,502,654	111,964,182
Net profit from investments in companies with significant influence	(531,214)	(358,358)
Other charges that do not involve cash movements	22,754,684	13,604,448
Net change in interest, readjustments and commissions accrued on assets and liabilities	(8,113,894)	(5,317,759)
Changes in assets and liabilities that affect operating cash flows		
Net increase in loans and advances to banks	29,977,748	(29,977,748)
Increase in loans and accounts receivable from customers	(426,135,989)	(371,398,995)
Net decrease (increase) in instruments held for trading	(19,399,412)	32,388,060
Increase in deposits and other demand obligations	73,171,331	74,182,743
Increase in deposits and other time deposits	321,176,561	166,881,822
Decrease in obligations with banks	22,790,290	19,909,293
Other	(29,894,799)	(16,237,180)
Subtotal Net Cash Flows Provided By Banking Business Operating Activities	231,718,255	89,256,719
Net Cash Flows Provided By Operating Activities	780,888,724	778,818,934
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)
Cash flows used to purchase non-controlling interests	(4,090,717)	(4,571,220)
Loans to related parties	(1,781,920)	(1,161,013)
Proceeds from disposal of property, plant and equipment	4,289,281	3,342,178
Additions to property, plant and equipment	(329,915,643)	(368,093,957)
Additions to intangible assets	(31,320,396)	(31,274,803)
Proceeds from other non-current assets	249,380	488,038
Addition of other non-current assets	(148,799,729)	(175,579,140)
Dividends received	9,217,815	4,544,614
Interest received	11,698,121	19,826,717
Other cash inflows (outflows)	24,404,734	18,574,471
Subtotal Net Cash Flows Used In Non-banking Business Investing Activities	(466,049,074)	(824,794,603)
Banking Business (Presentation)		
Net increase in investment instruments available for sale	(159,135,213)	(2,958,934)
Additions to property, plant and equipment	(26,394,009)	(20,735,628)
Disposal of property, plant and equipment	(819,263)	-
Dividends received from investments in companies	444,365	202,870
Other	2,066,323	2,925,600
Subtotal Net Cash Flows Used In Banking Business Investing Activities	(183,837,797)	(20,566,092)
Net Cash Flows Used In Investing Activities	(649,886,871)	(845,360,695)

Consolidated Statement of Cash Flows

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



For the years ended December 31, 2015 and December 31, 2014 (continued)

SVS Statement of Cash Flows - Direct Method	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Cash Flows Provided By (Used In) Financing Activities		
Non-banking Business (Presentation)		
Proceeds from share issuances	3,831,268	53,379,941
Payments to acquire shares of the entity	(5,136,917)	(3,495,432)
Proceeds from long-term loans	256,796,220	833,657,276
Proceeds from short-term loans	3,000,044,363	2,599,217,628
Total proceeds from loans	3,256,840,583	3,432,874,904
Loan payments	(2,998,109,042)	(3,101,725,973)
Payment of financial lease liabilities	(24,997,036)	(17,297,516)
Dividends paid	(197,397,585)	(179,029,165)
Interest paid	(152,688,957)	(88,246,885)
Other cash inflows	4,012,861	4,235,845
Subtotal Net Cash Flows Provided By Non-banking Business Financing Activities	(113,644,825)	100,695,719
Banking Business (Presentation)		
Redemption of letters of credit	(10,429,838)	(6,246,302)
Payment of bonds and other long-term borrowings	62,723,237	(40,303,374)
Other	(11,598,629)	(38,741,239)
Subtotal Net Cash Flows Used In Banking Business Financing Activities	40,694,770	(85,290,915)
Net Cash Flows Provided by Financing Activities	(72,950,055)	15,404,804
Net (Decrease) Increase in Cash and Cash Equivalents, Before the Effect of Changes in the Exchange Rate	58,051,798	(51,136,957)
Effect of Changes in the Exchange Rate on Cash and Cash Equivalents		
Effect of changes in the exchange rate on cash and cash equivalents	(7,118,807)	13,573,178
Net (Decrease) Increase in Cash and Cash Equivalents	50,932,991	(37,563,779)
Cash and Cash Equivalents, Beginning of Year	610,126,163	647,689,942
Cash and Cash Equivalents, End of Year	661,059,154	610,126,163

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 consolidated financial statements originally 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, 2015 and as of December 31, 2014, the group has the following number of employees:

COUNTRY	Dec-31-2015	Dec-31-2014
Chile	51,195	51,968
Peru	29,699	30,403
Colombia	6,998	7,348
Argentina	5,620	5,392
Brazil	3,435	3,172
Uruguay	357	41
TOTAL	97,304	98,324
Main Executives	3,216	3,291



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 consolidated statements of comprehensive income by function, the statements of changes in equity, and the consolidated cash flow statements as of December 31, 2015 and December 31, 2014, 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 Note 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 2014 were approved by its Board of Directors during a meeting held on March 3, 2015 and subsequently presented for the consideration of the General Shareholders’ Meeting held on April 28, 2015, 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. The reclassifications are not significant. In addition, the consolidated financial statements as of December 31, 2014, have been amended to reflect the changes mentioned in Note 40.

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, 2014.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of consolidated financial statements originally 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 statements of comprehensive income, the statements of cash flows, and the statements of changes in equity for the periods ended December 31, 2015 and December 31, 2014.

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".

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Notes to the Consolidated Classified Financial Statements



(Translation of consolidated financial statements originally 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-31-2014 TOTAL %	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		Dec-31-2015 DIRECT %	Dec-31-2015 INDIRECT %	Dec-31-2015 TOTAL %			
76,020,391-2	INVERSIONES FALABELLA LTDA.	99.978	0.022	100.000	100.000	CHILE	CH\$
76,020,385-8	INVERSIONES PARMIN S. p. A.	100.000	-	100.000	100.000	CHILE	CH\$
FOREIGN	FALABELLA SUCURSAL URUGUAY S.A.	100.000	-	100.000	100.000	URUGUAY	CH\$
99,500,360-0	HOMETRADING S.A.	-	100.000	100.000	100.000	CHILE	CH\$
99,593,960-6	DESARROLLOS INMOBILIARIOS S. p. A.	-	100.000	100.000	100.000	CHILE	CH\$
FOREIGN	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. (EX-PLAZA ALAMEDA 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. (EX INV. ALCALÁ)	-	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	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	SERVICIOS GENERALES ALAMEDA S.p A	-	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	PRODUCTORA DE SERVICIOS GENERALES CALE S. p. A	-	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\$

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TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		Dec-31-2015 DIRECT %	Dec-31-2015 INDIRECT %	Dec-31-2015 TOTAL %	Dec-31-2014 TOTAL %		
96,579,870-6	SERVICIOS GENERALES ECOCYCSA S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,033,452-9	EL BOSQUE LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76,014,726-5	ESTACIÓN CENTRAL LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76,009,382-3	SERVICIOS GENERALES MANQUEHUE S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,811,460-9	SERVICIOS GENERALES MELIPILLA S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,012,536-9	SERVICIOS GENERALES MULTIBRAND S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,973,030-3	SERVICIOS GENERALES PUNTA ARENAS S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,033,294-1	SERVICIOS GENERALES SAN BERNARDO S.p A.	-	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	SERVICIOS GENERALES LA DEHESA S.p A.	-	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	SERVICIOS GENERALES PRESERTEL S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,035,886-K	PRESTADORA DE SERVICIOS TELEFÓNICOS S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,406,360-7	SERVICIOS GENERALES PROALTO S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,526,990-K	SERVICIOS GENERALES OESTE S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
96,811,120-5	SERVICIOS GENERALES PASEO CENTRO S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,839,160-9	PRODUCTORA DE SERVICIOS GENERALES CHILLAN S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
89,627,600-K	PRODUCTORA DE SERVICIOS GENERALES S.p A	-	100.000	100.000	100.000	CHILE	CH\$
78,334,680-K	SERVICIOS GENERALES PROSEÑOR S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,565,820-7	PRODUCTORA DE SERVICIOS GENERALES ROSAS S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,636,190-7	SERVICIOS GENERALES PROSEVAL S.p A.	-	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	SERVICIOS GENERALES PUENTE S.p A.	-	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	SERVICIOS GENERALES LOS ANGELES S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,625,160-5	SERVICIOS GENERALES EL TREBOL S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,039,380-9	SERVICIOS GENERALES SEGECOP S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,462,160-1	SERVICIOS GENERALES CURICÓ S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,962,250-9	SERVICIOS GENERALES HUECHURABA S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,423,730-5	SERVICIOS GENERALES IQUIQUE S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,598,800-2	SERVICIOS GENERALES PUERTO MONTT S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,991,740-K	SERVICIOS GENERALES ANTOFAGASTA S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,151,550-7	SERVICIOS GENERALES SEGEPRO S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,622,370-0	SERVICIOS GENERALES QUILPUE S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
79,731,890-6	SERVICIOS GENERALES QUINTA REGION S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,150,440-8	SERVICIOS GENERALES SEXTA REGIÓN S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,665,660-5	SERVICIOS GENERALES OSORNO S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,904,400-7	SERVICIOS GENERALES TALCA S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,212,050-8	SERVICIOS GENERALES VALPARAÍSO S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,152,390-0	SERVICIOS GENERALES TOBALABA S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,738,460-9	TRANSPORTES Y DISTRIBUCIONES S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
78,919,640-0	TRANSPORTES Y DISTRIBUCIONES DEL SUR S.p A.	-	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	SOCIEDAD COMERCIAL Y DE SERVICIOS VESPUCIO S.p A.	-	100.000	100.000	100.000	CHILE	CH\$
77,166,470-9	SERVICIOS GENERALES SERENA S.p A.	-	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	ADESSA 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\$

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TAXPAYER ID	NAME OF SUBSIDIARY	PERCENTAGE OF INTEREST				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY
		Dec-31-2015 DIRECT %	Dec-31-2015 INDIRECT %	Dec-31-2015 TOTAL %	Dec-31-2014 TOTAL %		
77,235,510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA.	-	100.000	100.000	100.000	CHILE	CH\$
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\$
FOREIGN	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 PERU 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\$
FOREIGN	INVERSORA FALKEN S.A.	-	100.000	100.000	100.000	URUGUAY	CH\$
FOREIGN	TEVER CORP.	-	100.000	100.000	100.000	URUGUAY	CH\$
FOREIGN	INVERSIONES FALABELLA ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
FOREIGN	FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
FOREIGN	CMR ARGENTINA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
FOREIGN	VIAJES FALABELLA S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
FOREIGN	CLAMIJU S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
FOREIGN	CENTRO LOGÍSTICO APLICADO S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
FOREIGN	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	100.000	100.000	100.000	ARGENTINA	ARS
FOREIGN	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	100.000	100.000	100.000	COLOMBIA	COP
FOREIGN	FALABELLA COLOMBIA S.A.	-	65.000	65.000	65.000	COLOMBIA	COP
FOREIGN	AGENCIA DE SEGUROS FALABELLA LTDA.	-	65.000	65.000	65.000	COLOMBIA	COP
FOREIGN	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S.	-	65.000	65.000	65.000	COLOMBIA	COP
FOREIGN	ABC DE SERVICIOS S.A.S.	-	65.000	65.000	65.000	COLOMBIA	COP
FOREIGN	FALABELLA PERU S.A.A.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	SAGA FALABELLA S.A.	-	89.002	89.002	89.002	PERU	PEN
FOREIGN	HIPERMERCADOS TOTTUS S.A.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	SODIMAC PERU S.A.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	OPEN PLAZA S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	VIAJES FALABELLA S.A.	-	89.002	89.002	89.002	PERU	PEN
FOREIGN	CORREDORA DE SEGUROS FALABELLAS.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	FALABELLA SERVICIOS GENERALES S.A.C.	-	94.089	94.089	94.089	PERU	PEN
FOREIGN	FALACUATRO S.A.C.	-	94.188	94.188	94.188	PERU	PEN
FOREIGN	INMOBILIARIA KAINOS S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	INVERSIONES INMOBILIARIAS BETA S.A.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	INVERSIONES INMOBILIARIAS GAMMA S.A.	-	94.183	94.183	94.183	PERU	PEN
76,075,082-4	SERVICIOS GENERALES HIPERPUENTE LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76,080,519-K	SERVICIOS GENERALES 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\$
FOREIGN	BANCO FALABELLA PERU S.A.	-	92.817	92.817	92.817	PERU	PEN
FOREIGN	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\$
FOREIGN	SALÓN MOTOR PLAZA 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\$
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 SPA	-	100.000	100.000	100.000	CHILE	CH\$
FOREIGN	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\$

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		Dec-31-2015 DIRECT %	Dec-31-2015 INDIRECT %	Dec-31-2015 TOTAL %	Dec-31-2014 TOTAL %		
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\$
FOREIGN	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	41.495	41.495	41.495	COLOMBIA	COP
FOREIGN	MALL PLAZA COLOMBIA S.A.S.	-	59.278	59.278	59.278	COLOMBIA	COP
FOREIGN	CENTRO COMERCIAL MANIZALES S.A.S.	-	47.424	47.424	47.424	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\$
FOREIGN	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 SPA	-	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 MÓVIL 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\$
FOREIGN	CONTAC CENTER FALABELLA S.A.C.	-	92.818	92.818	92.818	PERU	PEN
FOREIGN	OPEN PLAZA ORIENTE S.A.	-	94.184	94.184	94.184	PERU	PEN
76,212,895-0	SERVICIOS GENERALES BIO-BIO 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 S. p A.	-	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\$
76,318,636-9	SERVICIOS GENERALES MP EGAÑA LIMITADA	-	88.000	88.000	88.000	CHILE	CH\$
76,337,217-0	SERVICIOS GENERALES QUILPUE 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\$
76,412,572-k	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\$
FOREIGN	SHEARVAN COMMERCIAL (SHANGAI)	-	100.000	100.000	100.000	CHINA	CNY
76,283,127-9	SERVICIOS GENERALES PLAZA EGAÑA SPA.	-	100.000	100.000	100.000	CHILE	CH\$
FOREIGN	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	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\$
FOREIGN	FALABELLA BRASIL LTDA.	-	100.000	100.000	100.000	BRAZIL	BRL
FOREIGN	SODIMAC BRASIL LTDA.	-	100.000	100.000	100.000	BRAZIL	BRL
FOREIGN	INVERSIONES FALABELLA URUGUAY S.A.	-	100.000	100.000	100.000	URUGUAY	UYU
FOREIGN	HEMOCENTER SODIMAC S.A.	-	100.000	100.000	100.000	URUGUAY	UYU
FOREIGN	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\$
FOREIGN	SAGA FALABELLA IQUITOS S.A.C.	-	89.002	89.002	89.002	PERU	PEN
FOREIGN	SAGA FALABELLA ORIENTE S.A.C.	-	89.002	89.002	89.002	PERU	PEN
FOREIGN	CONSTRUDECOR S.A.	-	50.100	50.100	50.100	BRAZIL	BRL
FOREIGN	CONSTRUDECOR SERVICIOS LTDA.	-	50.100	50.100	50.100	BRAZIL	BRL
FOREIGN	CONSTRUDECOR PROPERTIES LTDA.	-	50.100	50.100	50.100	BRAZIL	BRL
FOREIGN	SEGUROS FALABELLA PRODUCTORES S.A.	-	99.999	99.999	99.999	ARGENTINA	ARS
76,327,526-4	SERVICIOS GENERALES ATACAMA S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,327,698-8	SERVICIOS GENERALES LIMARI S. p A.	-	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\$

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		Dec-31-2015 DIRECT %	Dec-31-2015 INDIRECT %	Dec-31-2015 TOTAL %	Dec-31-2014 TOTAL %		
FOREIGN	LILLE INVESTIMENTOS	-	50.100	50.100	50.100	BRAZIL	BRL
76,379,784-8	SERVICIOS LEGALES S. p A.	-	100.000	100.000	100.000	CHILE	CH\$
76,377,255-1	SERVICIOS GENERALES WALKER MARTÍNEZ LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
FOREIGN	SHEARVAN PURCHASING INDIA	-	100.000	100.000	100.000	INDIA	INR
76,434,317-4	PROMOTORA INVERSIONES S.A.	-	99.996	99.996	99.996	CHILE	CH\$
76,389,515-7	SERVICIOS GENERALES COLCHAGUA SPA	-	100.000	100.000	100.000	CHILE	CH\$
FOREIGN	MAESTRO PERU S.A.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	MAESTRO PERU AMAZONIA S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	INMOBILIARIA DOMEL S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	INDUSTRIAS DELTA S.A.C.	-	94.183	94.183	94.183	PERU	PEN
FOREIGN	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	38.531	38.531	38.531	COLOMBIA	COP
76,414,847-9	SERVICIOS GENERALES CHAMISEROS LTDA.	-	88.000	88.000	88.000	CHILE	CH\$
76,416,888-7	NUEVA INVERSIONES PLAZA S.A.	-	59.278	59.278	59.278	CHILE	CH\$
76,427,811-9	SERVICIOS DE INFRAESTRUCTURA FALABELLA S.pA.	-	100.000	100.000	-	CHILE	CH\$
76,477,116-8	CF SEGUROS DE VIDA S.A.	-	99.000	99.000	-	CHILE	CH\$
FOREIGN	GESTIONES INTEGRALES DE SERVICIOS S.A.	-	100.000	100.000	-	PERU	PEN

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.

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.

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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, 2015 and December 31, 2014 are detailed as follows:

	Dec-31-2015	Dec-31-2014
US Dollar (USD)	710.16	606.75
Peruvian Nuevo Sol (PEN)	208.25	202.93
Argentinean Peso (ARG)	54.75	70.97
Uruguayan Peso (UYU)	23.77	25.02
Euro (EUR)	774.61	738.05
Colombian Peso (COP)	0.22	0.25
Real (BRL)	178.31	228.27
Indian Rupee (INR)	10.7	9.57
Yuan (CNY)	108.11	97.59
Unidad de Fomento (UF)	25,629.09	24,627.10

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 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.

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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 and 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.

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 Note 2.10.

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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 Peru S.A. acquired 100% of Maestro Peru S.A., valuing the operation using the purchase method (Note 40).

The Company tests Goodwill impairment every year in accordance with IFRS, and has found no impairment.

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 with defined useful lives 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.

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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 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, 2015 and 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.
- 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 waived.

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 measured 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, 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

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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.

In addition, the Company has granted specific share based compensation plans for its executives. Unlike the foregoing plans, these be paid in cash. They are disclosed in "Provisions for Employee Benefits" in the statement of financial position and are measured at fair value, in accordance with IFRS 2.

In both cases, 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.

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.

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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. 20,780 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 ThCh\$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

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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).

- **Share-based payments**

The Company estimates the fair value of share based compensation plans provided to its executives. That value is estimated as of the grant date using an appropriate valuation 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.

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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 15	Revenue from Contracts with Customer	January 1, 2018
IFRS 16	Leases	January 1, 2019

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.

IFRS 15 “Revenue from Contracts with Customers”

This standard, which was issued in May 2015, 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.

IFRS 16 "Leases"

In January 2016, the IASB issued IFRS 16 "Leases". IFRS 16 establishes the definition of a lease and specifies the accounting treatment of assets and liabilities arising from lease contracts from the point of view of the lessor and the lessee. The new standard does not differ significantly from the previous standard, IAS 17 "Leases", with respect to the accounting treatment from the point of view of the lessor. However, from the point of view of the lessee, the new standard requires the recognition of assets and liabilities for most leases. IFRS 16 is mandatory for annual periods beginning on or after January 1, 2019. Early application is permitted if it is taken in conjunction with IFRS 15 "Revenue from Contracts with Customers".

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

	Improvements and Modifications	Date of Mandatory Application
IAS 16	Property, Plant and Equipment	January 1, 2016
IAS 38	Intangible Assets	January 1, 2016

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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 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.

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”

Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” (2011) address an inconsistency between the requirements of IFRS 10 and IAS 28 (2011) 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. The mandatory

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application date for these amendments has not yet been determined because the IASB plans a thorough investigation that could result in a simplification of accounting for associates and joint ventures. Early adoption is permitted.

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

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.

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.

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

Note 3 - Cash and Cash Equivalents

Consolidated cash and cash equivalents are detailed as follows:

	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Total Consolidated Cash and Cash Equivalents	661,059,154	610,126,163
a) Cash and cash equivalents - non-banking business	207,308,226	211,219,868
b) Cash and cash equivalents - banking business	453,750,928	398,906,295

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

Classes of Cash and Cash Equivalents	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Cash	42,210,914	38,558,049
Bank balances	99,663,101	107,623,263
Time deposits	60,819,013	54,667,043
Repurchase agreements	1,604,475	10,371,513
Mutual Funds	3,010,723	-
Total	207,308,226	211,219,868

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

Currency	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Chilean pesos	104,392,851	102,748,690
US dollars	58,479,460	15,217,674
Euros	1,061,374	2,220,715
Argentinean pesos	1,523,589	3,047,200
Peruvian nuevos soles	29,628,100	44,331,950
Colombian pesos	8,724,483	33,671,323
Yen	1,258,463	1,021,773
Indian Rupees	63,119	64,618
Uruguayan pesos	191,965	35,715
Brazilian reals	1,984,822	8,860,210
Total	207,308,226	211,219,868

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b) Information on Cash and Cash Equivalents for Banking Business

Classes of Cash and Cash Equivalents	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Cash	154,232,042	117,653,400
Bank balances	217,944,998	187,604,324
Time deposits	687,707	41,957,468
Cash and deposits in banks	372,864,747	347,215,192
Highly liquid financial instruments ⁽¹⁾	76,543,766	46,418,510
Transactions with settlement in process, net ⁽²⁾	4,342,415	5,272,593
Total	453,750,928	398,906,295

Information on Cash and Cash Equivalents by Currency for Banking Business

Currency	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Chilean pesos	255,569,745	143,252,756
US dollars	114,673,431	158,536,264
Peruvian nuevos soles	68,228,627	82,549,173
Colombian pesos	15,279,125	14,568,102
Total	453,750,928	398,906,295

⁽¹⁾ Mainly 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\$ 33,610,782 as of December 31, 2015 and ThCh\$ 9,445,900 as of December 31, 2014.

⁽²⁾ Net difference between Asset and Liability operations.

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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-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Held for Trading		
Derivative instruments (non-hedging)	5,832,270	2,369,483
Mutual funds	1,346,555	150,324
Funds with restriction	4,775,429	3,372,305
Other	346	346
Other Financial Assets	11,954,600	5,892,458
Hedging assets	11,650,236	4,698,586
Total Other Current Financial Assets	23,604,836	10,591,044

Description of Other Non-current Financial Assets	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Held for Trading		
Hedging assets	164,821,000	71,342,907
Other	175,973	182,066
Total Other Non-current Financial Assets	164,996,973	71,524,973

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.

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-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Advertising contracts	2,335,561	2,138,629
Prepaid rent	11,090,918	8,782,063
VAT	57,821,494	60,225,732
Software maintenance contract	3,004,945	3,182,266
Insurance policies	4,561,577	5,450,771
Deposit guaranteeing the purchase of land	1,229,857	1,879,633
Other	8,593,415	6,954,361
Total	88,637,767	88,613,455

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Note 6 - Trade and Other Accounts Receivable

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

	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
a) Non-Banking Business		
Current trade and other accounts receivable	1,681,913,169	1,469,813,782
Non-current receivables	203,915,411	206,165,723
b) Banking Business		
Loans and accounts receivable from clients	2,471,067,255	2,180,384,460
Total	4,356,895,835	3,856,363,965

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

	Current		Non-Current	
	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Trade accounts receivable	234,165,222	203,096,673	200,818	174,653
Allowance for doubtful accounts	(8,175,541)	(8,751,994)	-	-
Subtotal of Trade Accounts Receivable, Net	225,989,681	194,344,679	200,818	174,653
Notes receivable	77,998,824	96,191,058	2,125,389	1,897,893
Allowance for doubtful accounts	(6,448,974)	(6,363,459)	(139,525)	(104,582)
Subtotal of Notes Receivable, Net	71,549,850	89,827,599	1,985,864	1,793,311
Miscellaneous receivables	98,163,803	73,732,465	3,230,513	2,947,119
Allowance for doubtful accounts	(3,334,380)	(2,741,332)	-	-
Subtotal of Miscellaneous Receivables, Net	94,829,423	70,991,133	3,230,513	2,947,119
Financial accounts receivable	1,338,637,951	1,159,349,873	200,040,028	202,841,903
Allowance for doubtful accounts	(49,093,736)	(44,699,502)	(1,541,812)	(1,591,263)
Subtotal of Financial Accounts Receivable, Net	1,289,544,215	1,114,650,371	198,498,216	201,250,640
Total Trade and Other Accounts Receivable	1,681,913,169	1,469,813,782	203,915,411	206,165,723

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.

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, 2015, the percentage of renegotiated loans is 4.05%, and as of December 31, 2014 is 4.06% of the total financial accounts receivable.

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

	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Loans and Accounts Receivable from Clients	2,615,047,580	2,303,577,156
Allowance for Doubtful Accounts	(143,980,325)	(123,192,696)
Total Loans and Accounts Receivable from Clients	2,471,067,255	2,180,384,460

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.

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- 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-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Consumer loans	2,139	95,875	(1,944)	(40,728)	195	55,147
Credit card receivables	1,338,635,812	1,159,253,998	(49,091,792)	(44,658,774)	1,289,544,020	1,114,595,224
Total Current Financial Accounts Receivable	1,338,637,951	1,159,349,873	(49,093,736)	(44,699,502)	1,289,544,215	1,114,650,371

- 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-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Credit card receivables	200,040,028	202,841,903	(1,541,812)	(1,591,263)	198,498,216	201,250,640
Total Non-Current Financial Accounts Receivable	200,040,028	202,841,903	(1,541,812)	(1,591,263)	198,498,216	201,250,640

- 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-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Commercial loans	95,480,023	97,494,925	(2,592,068)	(1,273,186)	92,887,955	96,221,739
Home loans	417,275,791	399,608,090	(3,786,788)	(3,442,566)	413,489,003	396,165,524
Consumer loans	1,075,138,030	958,838,886	(67,568,437)	(61,797,587)	1,007,569,593	897,041,299
Credit card receivables	1,027,153,736	847,635,255	(70,033,032)	(56,679,357)	957,120,704	790,955,898
Total Loans and Accounts Receivable from Clients	2,615,047,580	2,303,577,156	(143,980,325)	(123,192,696)	2,471,067,255	2.180.384.460

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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-31-2015	1,954,562,548	1,684,737,193	157,272,006	45,254,191	21,221,800	14,613,156	31,464,202
Dec-31-2014	1,740,231,637	1,498,988,123	136,065,089	40,447,849	18,633,921	13,462,923	32,633,732

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-31-2015	2,615,047,580	2,436,473,599	22,258,707	23,640,400	26,989,960	87,568,240	18,116,674
Dec-31-2014	2,303,577,156	2,153,525,036	18,349,723	18,503,127	20,041,393	80,539,728	12,618,149

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).

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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 Falabella S.A. in Chile, CMR Falabella S.A. in Argentina.

g.1.1) CMR Falabella Card, CMR VISA and CMR Mastercard.

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 businesses and automatic payment of accounts:

It finances the purchase of goods and services in Group stores (Falabella, Tottus, Sodimac, among others) and affiliated businesses. Customers with a CMR Falabella Visa or Mastercard have the same options as previously mentioned, with access to a wider network of businesses, as 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 financing methods 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, for transactions in owned stores, 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.

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- 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, aged between 18 and 75 years old, with a stable domicile, provide proof of minimum income (which can vary but is always higher than the minimum legal salary,) provide proof of years of employment service, comply with the minimum credit score in an analysis of credit risk, and have no record of bounced 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, Falabella stores, Sodimac, Tottus, Banco Falabella, branches of Banco de Chile (with facilities to collect CMR card payments) in addition to the electronic means available on Internet payment portals.

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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, and 365 days per year.

In Argentina, the general conditions to be a client are: a citizen of that country or foreigner with permanent residency, between 21 and 75 years old, have a minimum income (5,500 Argentinean pesos net), comply with the minimum credit score in an analysis of credit risk, and have no record of bounced 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.

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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 refinancing nor a maximum number of refinancing.

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-31-2015 % Average Loss		Portfolio Dec-31-2014 % Average Loss	
	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated
Up to date	0.60%	3.46%	0.62%	3.77%
1 to 30 days	5.58%	9.29%	5.54%	9.95%
31 to 60 days	20.11%	16.80%	19.67%	17.87%
61 a 90 days	38.74%	28.35%	38.77%	30.04%
91 to 120 days	63.40%	46.27%	64.20%	48.82%
121 to 150 days	70.82%	54.38%	71.89%	56.96%
151 to 180 days	83.78%	71.52%	86.23%	75.36%

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CMR Argentina

Overdue	Portfolio Dec-31-2015 % Average Loss		Portfolio Dec-31-2014 % Average Loss	
	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated
Up to date	0.35%	6.01%	0.34%	6.09%
1 to 30 days	2.28%	12.88%	2.17%	12.83%
31 to 60 days	16.72%	27.28%	16.14%	26.84%
61 a 90 days	39.72%	38.88%	38.83%	38.15%
91 to 120 days	70.27%	53.45%	69.64%	52.52%
121 to 150 days	93.61%	73.07%	93.29%	72.34%
151 to 180 days	97.87%	86.57%	97.38%	85.07%

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 4.05% of the total portfolio as of December 2015, which corresponds to ThCh\$ 62,360,582.

g.1.5) Write-offs

Accounts receivable are written off 180 days after falling overdue.

Recovery of accounts written-off is performed through various collections actions that are entrusted to specialized collection companies, which use means such as telephone calls, reminder letters, collectors in the field, and judicial processes.

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

Promotora CMR and Soluciones Crediticias

	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Total non-renegotiated portfolio provision	40,393,934	36,135,310
Total renegotiated portfolio provision	7,508,312	6,725,502
Total write-offs for the period	85,669,931	73,816,571
Total recoveries for the period	32,893,176	32,081,270

CMR Argentina

	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Total non-renegotiated portfolio provision	2,372,531	2,803,991
Total renegotiated portfolio provision	360,771	625,962
Total write-offs for the period	6,147,579	5,311,095
Total recoveries for the period	1,947,329	1,532,735

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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	2.9	5.4
Cash advances	1 to 48	20.3	7.9
Renegotiations (renegotiations for CMR)	1 to 48	23.9	20.1
Refinancing	1 to 48	23.3	-

g.1.8) Total refinanced amounts receivable

Promotora CMR

	Dec-14 ThCh\$	Dec-13 ThCh\$
Total amount of refinanced receivables	23,318,209	20,018,437
% refinanced receivables for non-renegotiated portfolio	1.77%	1.71%
No. of refinanced receivables	18,379	17,595
% refinanced receivables for non-renegotiated receivables	0.76%	0.76%

g.2) Stratification of portfolio

g.2.1) Stratification of total portfolio

As of December 31, 2015

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	2,170,050	1,194,530,028	44,097	33,485,387	1,228,015,415
1 to 30 days	123,083	61,568,966	13,165	11,260,659	72,829,625
31 to 60 days	42,242	23,027,719	6,961	5,952,870	28,980,589
61 to 90 days	24,755	14,256,305	4,280	3,696,126	17,952,431
91 to 120 days	16,837	9,650,141	2,840	2,285,803	11,935,944
121 to 150 days	14,411	8,771,048	2,355	1,978,811	10,749,859
151 to 180 days	13,051	7,647,377	2,031	1,568,723	9,216,100
Total	2,404,429	1,319,451,584	75,729	60,228,379	1,379,679,963

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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	434,314	137,165,169	4,142	1,179,552	138,344,721
1 to 30 days	54,860	15,730,346	1,208	427,010	16,157,356
31 to 60 days	8,318	2,114,802	559	199,332	2,314,134
61 to 90 days	3,091	841,637	291	137,940	979,577
91 to 120 days	1,711	471,056	206	81,822	552,878
121 to 150 days	1,276	345,600	138	67,211	412,811
151 to 180 days	753	197,203	89	39,336	236,539
Total	504,323	156,865,813	6,633	2,132,203	158,998,016

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	212,895	21,760,602	-	-	21,760,602
1 to 30 days	26,217	2,260,581	-	-	2,260,581
31 to 60 days	3,510	323,472	-	-	323,472
61 to 90 days	1,378	137,790	-	-	137,790
91 to 120 days	731	75,372	-	-	75,372
121 to 150 days	511	45,045	-	-	45,045
151 to 180 days	312	25,675	-	-	25,675
Total	245,554	24,628,537	-	-	24,628,537

g.3) Number of cards

Promotora CMR

	Dec-31-2015	Dec-31-2014
Total No. of cards issued to holders	3,225,329	3,096,094
Total No. of cards with balance	2,480,153	2,383,074
Monthly Average No. of renegotiations	6,311	6,332

CMR Argentina

	Dec-31-2015	Dec-31-2014
Total No. of cards issued to holders	1,380,085	1,337,439
Total No. of cards with balance	510,956	521,315
Monthly Average No. of renegotiations	594	937

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g.4) Risk indexes

Promotora CMR and Soluciones Crediticias

	% Provision/Non-Renegotiated Portfolio	% Provision/Renegotiated Portfolio	% Provision/Total Portfolio
Risk index Dec-2015	3.06%	12.47%	3.47%

CMR Argentina

	% Provision/Non-Renegotiated Portfolio	% Provision/Renegotiated Portfolio	% Provision/Total Portfolio
Risk index Dec-2015	1.51%	16.92%	1.72%

Promotora CMR and Soluciones Crediticias

	% Write-Off/Total Portfolio
Risk index Dec-2015	6.21%

CMR Argentina

	% Write-Off/Total Portfolio
Risk index Dec-2015	3.87%

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.

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 ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	
Balance as of January 1, 2015	17,856,785	104,582	44,699,502	1,591,263	64,252,132
Expense for the period	18,692,937	34,943	214,895,980	1,425,468	235,049,328
Amount used (less)	(8,732,772)	-	(209,696,919)	(1,469,820)	(219,899,511)
Reversal of unused amounts	(9,361,210)	-	-	-	(9,361,210)
Conversion adjustment	(496,845)	-	(804,827)	(5,099)	(1,306,771)
Balance as of December 31, 2015	17,958,895	139,525	49,093,736	1,541,812	68,733,968
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

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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, 2015	123,192,696
Expense for the period	141,552,206
Amount used (less)	(118,007,691)
Reversal of unused amounts	(419,133)
Conversion adjustment	(2,337,753)
Balance as of December 31, 2015	143,980,325
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

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, 2015 and December 31, 2014.

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 2015. This amount is ThCh\$ 24,628,537 and as of December 31, 2014 the amount is ThCh\$ 16,653,447.

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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		Currency
				Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	
FOREIGN	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	2,324,659	10,895,772	COP
FOREIGN	AVENTURA PLAZA S.A.	PERU	ASSOCIATE	1,539,661	2,197,344	PEN
VARIOUS	OTHER COMPANIES	CHILE	RELATED DIRECTOR	397,789	404,973	CH\$
76074938-9	DEPORTES SPARTA LIMITADA	CHILE	RELATED DIRECTOR	307,509	281,187	CH\$
82995700-0	DERCOCENTER S.A.	CHILE	RELATED DIRECTOR	235,644	229,757	CH\$
94141000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	164,221	98,395	CH\$
76762740-8	SOCIEDAD COMERCIALIZADORA DE REPUESTOS S.A.	CHILE	RELATED DIRECTOR	42,884	56,312	CH\$
79952350-7	RED TELEVISIVA MEGAVISION S.A.	CHILE	RELATED DIRECTOR	32,214	600	CH\$
79757460-0	AGRICOLA ANCALI LIMITADA	CHILE	RELATED DIRECTOR	23,145	14,644	CH\$
78057000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	11,439	151,958	CH\$
93061000-3	INDUSTRIA AUTOMOTRIZ FRANCOMECANICA S.A.	CHILE	RELATED DIRECTOR	7,880	5,083	CH\$
96545450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	6,353	10,584	CH\$
96955560-3	HALDEMAN MINING COMPANY S.A.	CHILE	RELATED DIRECTOR	2,859	19,221	CH\$
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	CHILE	RELATED DIRECTOR	2,617	10,748	CH\$
96831560-9	THE ENGLISH FASHION SPA	CHILE	RELATED DIRECTOR	304	-	CH\$
76177760-2	MEGEVE CONSULTING S.A.	CHILE	RELATED DIRECTOR	16	6,067	CH\$
TOTAL				5,099,194	14,382,645	

As of December 31, 2015, 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		Type of Currency
				Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	
94141000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	1,016,066	1,195,810	CH\$
FOREIGN	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	958,101	31,519	COP
FOREIGN	AVENTURA PLAZA S.A.	PERU	ASSOCIATE	491,007	847,794	PEN
96545450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	223,244	12,407	CH\$
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	CHILE	RELATED DIRECTOR	169,510	174,024	CH\$
VARIOUS	OTHER COMPANIES	CHILE	RELATED DIRECTOR	152,021	241,404	CH\$
95946000-0	SOC INMOBILIARIA SAN BERNARDO LIMITADA	CHILE	RELATED DIRECTOR	139,518	143,471	CH\$
78057000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	67,080	119,541	CH\$
76074938-9	DEPORTES SPARTA LIMITADA	CHILE	RELATED DIRECTOR	15,716	636,241	CH\$
96831560-9	THE ENGLISH FASHION SPA	CHILE	RELATED DIRECTOR	8,163	7,426	CH\$
FOREIGN	BORCHESTER HOLDINGS LIMITED	COLOMBIA	ASSOCIATE	4	6,484,007	COP
96812780-2	FRIOPAC S.A.	CHILE	RELATED DIRECTOR	-	392	CH\$
TOTAL				3,240,430	9,894,036	

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c) The effects of transactions with non-consolidated related entities in the period ended as of December 31, 2015 and December 31, 2014 are detailed as follows:

Taxpayer No.	Company	Relationship	Country	Type of transaction	Dec-31-2015		Dec-31-2014	
					Amount ThCh\$	Effect on income ThCh\$	Amount ThCh\$	Effect on income ThCh\$
						(Charge)/Credit		(Charge)/Credit
99594430-8	ALTO S.A.	RELATED DIRECTOR	CHILE	LEGAL SERVICES	417,749	(417,749)	-	-
FOREIGN	AVENTURA PLAZA S.A.	ASSOCIATE	PERU	SALE OF PRODUCTS	990,295	943,620	933,370	922,315
FOREIGN	AVENTURA PLAZA S.A.	ASSOCIATE	PERU	RENT AND COMMON EXPENSES	9,203,593	(7,826,082)	8,051,499	(6,910,763)
96938840-5	BLUE EXPRESS S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	638,207	(532,865)	545,264	(479,766)
96550660-8	CONSTRUCTORA SANTA MARÍA S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	65,832	55,321	153,669	129,133
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	3,068,689	-	3,176,715	-
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	RENTAL INCOME	2,177,685	1,829,987	406,021	341,195
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	TRANSPORTATION SERVICES	360,985	303,349	302,364	254,087
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	256,495	215,544	189,589	159,319
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS, ADVERTISING AND PROMOTION	112,600	94,621	130,770	109,891
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	100,924	94,109	63,196	58,654
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	11,550,577	-	11,891,884	-
82995700-0	DERCOCENTER S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	1,876,827	1,609,127	2,002,588	1,685,830
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	47,888	42,996	81,142	76,957
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	MACHINERY/EQUIPMENT MAINTENANCE	4,490,317	(3,773,277)	3,950,435	(3,318,187)
96955560-3	HALDEMAN MINING COMPANY S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	93	79	6,123	5,145
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	2,058,590	(1,820,705)	1,922,590	(1,628,682)
77693970-6	INVERSIONES E INMOBILIARIA SAN FRANCISCO DEL MONTE LTDA	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	856,771	(784,930)	867,886	(794,654)
78391700-9	INVERSIONES E INMOBILIARIA SANTA CLARA LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	4,033,866	(3,389,803)	3,881,173	(3,261,490)
77072500-3	SOCIEDAD DE RENTAS COMERCIALES S.A.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	2,385,703	(2,072,866)	2,251,832	(2,089,017)
95946000-0	SOCIEDAD INMOBILIARIA SAN BERNARDO LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,438,075	(1,398,097)	1,475,023	(1,238,544)
FOREIGN	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	COMPUTATIONAL SERVICES	1,826,480	1,826,480	1,274,713	1,274,713
FOREIGN	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	OTHER SERVICES	1,401,530	1,401,530	1,218,244	1,218,244
FOREIGN	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	SALE OF PRODUCTS	1,074,165	1,074,166	1,175,426	1,175,426
FOREIGN	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	RENTAL INCOME	685,554	576,096	66,705	56,054
78057000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	SALE OF PRODUCTS	45,019	37,831	155,444	134,290
78057000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	2,312,765	(1,936,878)	2,652,396	(2,228,904)
96831560-9	THE ENGLISH FASHION SPA	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	39,323	-	73,760	-

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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 of S.A.C.I. Falabella. The following table shows compensation received by key management employees by category:

	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Management remuneration	3,359,800	3,354,883
Directors' fees	365,179	331,108
Stock options	442,733	459,669

Note 8 - Inventory

Inventory is detailed as follows:

Description	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Raw materials	3,657,039	3,085,407
Products for sale	1,014,086,214	891,376,868
Work in progress	1,626,557	1,661,978
Materials, containers and spare parts	6,747,044	5,160,510
Merchandise in transit	147,554,502	117,915,203
Total Inventory	1,173,671,356	1,019,199,966

During the period ended as of December 31 2015, the Company recognized ThCh\$ 4,886,097,964 of inventory sold as cost of sales (ThCh\$ 4,481,155,055 as of December 31, 2014).

In addition, provisions for shortage, net realizable value and obsolescence of ThCh\$ 35,207,618 were recognized in income as of December 31, 2015 (ThCh\$ 31,729,575 as of December 31, 2014).

The company has no inventory delivered in guarantee to be disclosed in December 31, 2015 and December 31, 2014.

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Note 9 - Current Tax Assets and Liabilities

Current tax assets, Non-Banking Business

Breakdown of Current Tax Assets	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Prepaid monthly tax installments (income tax net balance)	17,599,511	15,912,581
Tax credits for training	4,301,304	4,341,405
Tax credits for absorption of past taxable income	4,875,309	7,755,764
Recoverable tax	24,039,806	20,024,626
Other recoverable tax	3,805,729	1,531,967
Total	54,621,659	49,566,343

Current tax assets - Banking Business

Breakdown of Current Tax Assets	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Prepaid monthly tax installments (income tax net balance)	1,850,246	1,873,669
Total	1,850,246	1,873,669

Current tax liabilities - Non-Banking Business

Breakdown of Current Tax Liabilities	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Current income tax provision net of prepaid monthly tax installments paid	37,996,218	21,810,503
35% tax deductible expenses provision (nondeductible expenses)	490,445	104,021
Prepaid monthly tax installments payable	5,419,183	3,226,258
Stamp tax	511,809	478,690
Other tax payable	502,281	114,558
Total	44,919,936	25,734,030

Current tax liabilities - Banking Business

Breakdown of Current Tax Liabilities	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Current income tax provision net of prepaid monthly tax installments paid	4,327,573	59,511
Total	4,327,573	59,511



Note 10 - Current and Deferred Income Tax

- a) Income tax expense/income as of December 31, 2015 and 2014 for Non-Banking Business and Banking Business are composed as follows:

Non-Banking Business

Income Tax	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Current tax expense (tax provision)	159,877,322	122,361,717
Tax expense adjustment (previous year)	343,909	816,042
Tax credit on tax losses	(39,058)	(4,276,320)
Total net current tax expense	160,182,173	118,901,439
Deferred tax expense (credit) arising from temporary differences	(12,560,815)	(10,541,751)
Tax expense (credit) on tax losses	(12,266,970)	(2,606,411)
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)	(24,827,785)	(17,475,615)
Total	135,354,388	101,425,824

Banking Business

Income Tax	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Current tax expense (tax provision)	36,920,313	28,197,166
Tax expense adjustment (previous year)	146,912	(42,104)
Total net current tax expense	37,067,225	28,155,062
Deferred tax expense (credit) arising from temporary differences	(3,887,863)	(2,679,219)
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)	(3,887,863)	(2,312,036)
Total	33,179,362	25,843,026

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 introduced a progressive increase in the Corporate Income 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.

On February 8, 2016, Law No. 20,899 was published in the Official Journal, which introduces changes to the existing tax system and modified in some respects Law No. 20,780.

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As the Company is an open stock company it will apply the Partially Integrated System, according to Law No. 20,899. It cannot choose the Attributed Income System, as previously stated in Law No. 20,780.

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.

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 as of December 31, 2014 that included 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 was an increase in “Total equity” amounting to ThCh\$ 476,350.

The effects of the referred Circular were 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 ended December 31, 2014.

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- b) The reconciliation of the income tax expense or income at the statutory rate in respect to the effective rate as of December 31, 2015 and of December 2014 is detailed as follows:

Non-Banking Business

Income before tax using the Chilean legal tax rate	Dec-31-2015		Dec-31-2014	
	ThCh\$	%	ThCh\$	%
INCOME BEFORE TAX AT THE CHILEAN LEGAL TAX RATE	139,174,725	22.50	113,485,021	21.00
Effect on the tax rate of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	12,866,444	2.08	12,775,761	2.36
Effect on tax rate for non-taxable income	(8,282,699)	(1.34)	(5,492,748)	(1.02)
Effect on tax rate of non-deductible expenses	8,329,047	1.35	7,016,483	1.30
Effect of use of tax losses	(39,058)	(0.01)	(4,276,320)	(0.79)
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	343,909	0.06	816,042	0.15
Taxable price-level restatement (net)	(8,359,488)	(1.35)	(16,343,200)	(3.02)
Other increase (decrease)	(8,678,492)	(1.40)	(2,227,762)	(0.41)
TOTAL ADJUSTMENTS TO THE LEGAL TAX RATE	(3,820,337)	(0.61)	(12,059,197)	(2.23)
INCOME TAX EXPENSES (CREDIT) FOR THE YEAR	135,354,388	21.89	101,425,824	18.77
EFFECTIVE TAX RATE		21.89		18.77

Banking Business

Income before tax using the Chilean legal tax rate	Dec-31-2015		Dec-31-2014	
	ThCh\$	%	ThCh\$	%
INCOME BEFORE TAX AT THE CHILEAN LEGAL TAX RATE	27,891,293	22.50	21,833,606	21.00
Effect on the tax rate of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	5,554,700	4.48	6,692,670	6.44
Effect on tax rate for non-taxable income	(119,523)	(0.10)	(75,255)	(0.07)
Effect on tax rate of non-deductible expenses	2,347,509	1.89	412,174	0.40
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	146,912	0.12	(42,104)	(0.04)
Taxable price-level restatement (net)	(1,806,297)	(1.46)	(2,600,270)	(2.50)
Other increase (decrease)	(835,232)	(0.67)	(744,978)	(0.72)
TOTAL ADJUSTMENTS TO THE LEGAL TAX RATE	5,288,069	4.26	4,009,420	3.87
INCOME TAX EXPENSES (CREDIT) FOR THE YEAR	33,179,362	26.76	25,843,026	24.87
EFFECTIVE TAX RATE		26.76		24.87

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c) Deferred tax balances by category are detailed as follows:

Non-banking Business

Concepts - Statement of Financial Position	Dec-31-2015		Dec-31-2014	
	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$
Leased assets	1,737,423	8,690,242	2,237,464	9,677,606
Intangible asset valuation difference	1,120,429	31,681,551	1,247,479	36,112,292
Property, plant and equipment valuation difference	-	336,841,375	-	335,533,893
Inventory valuation differences	8,035,770	-	6,300,861	-
Capitalized prepaid expenses	-	1,190,801	-	1,636,912
Termination benefits	4,952,531	-	4,279,116	-
Deferred income	8,750,767	-	8,309,456	-
Tax loss carry forward	34,741,833	-	22,318,790	-
Allowance for doubtful accounts	19,425,580	-	17,867,915	-
Obsolescence provision	4,239,427	-	3,451,599	-
Realization provision	6,303,350	-	5,944,958	-
Vacation accrual	9,379,637	-	7,454,321	-
Other provisions	17,409,422	-	9,670,916	-
Derivative instruments	164,878	-	28,110	-
Recoverable insurance claims	-	22,615	-	633,405
Other	-	12,862,755	-	5,854,300
Total	116,261,047	391,289,339	89,110,986	389,448,408
Net balance		275,028,292		300,337,422

Banking Business

Concepts - Statement of Financial Position	Dec-31-2015		Dec-31-2014	
	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$
Intangible asset valuation difference	-	723,434	-	862,518
Fixed assets valuation difference	-	8,783,094	-	9,795,640
Capitalized prepaid expenses	-	1,772,030	-	32,057
Derivative instruments	-	243,240	-	349,321
Allowance for bad debts	17,170,867	-	16,132,440	-
Vacation accrual	775,723	-	634,101	-
Other accruals	2,215,540	-	2,169,284	-
Provision for estimated expenses	9,939,732	-	6,613,247	-
Total	30,101,862	11,521,798	25,549,072	11,039,536
Net balance	18,580,064		14,509,536	

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d) Reconciliation of balance sheet amounts and deferred tax details:

Non-Banking business

Net balance according to tables presented above	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Deferred tax assets	91,930,367	68,168,041
Deferred tax liabilities	366,958,659	368,505,463
Total	275,028,292	300,337,422

Banking Business

Net balance according to tables presented above	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Deferred tax assets	18,580,064	14,509,536
Total	18,580,064	14,509,536

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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, 2015 and December 31, 2014, and income recognized as of December 31, 2015 and 2014 are detailed as follows:

Company	Country of Origin	Functional Currency	Dec-31-2015 Participation Percentage %	Dec-31-2014 Participation Percentage %	Dec-31-2015 Carrying Amount ThCh\$	Dec-31-2014 Carrying Amount ThCh\$	Dec-31-2015 Income for the Period ThCh\$	Dec-31-2014 Income for the Period ThCh\$
Sodimac Colombia S.A.	Colombia	COL	49.00%	49.00%	85,598,939	79,216,520	17,165,202	17,943,797
Aventura Plaza S.A. ⁽¹⁾	Peru	PEN	60.00%	60.00%	98,254,302	83,822,215	8,091,231	8,196,356
Inmobiliaria Cervantes S.A.	Chile	CH\$	33.70%	33.70%	295,098	295,564	15,976	15,792
Total					184,148,339	163,334,299	25,272,409	26,155,945

⁽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, because the Company does not have control over its operating and financial activities by agreement between its shareholders.

A process to split Aventura Plaza S.A. began in December, as part of the restructuring of the real estate area of Falabella Peru SAA and its subsidiary Open Plaza S.A. As a result, two companies were formed to receive the assets of Aventura Plaza S.A., with Falabella Peru being the owner of one of them. It is estimated that this process will be completed within a period of approximately twelve months.

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, 2015 and December 31, 2014, and income recognized as of December 31, 2015 and December 31, 2014 is detailed as follows:

Company	Country of Origin	Functional Currency	Dec-31-2015 Participation Percentage %	Dec-31-2014 Participation Percentage %	Dec-31-2015 Carrying Amount ThCh\$	Dec-31-2014 Carrying Amount ThCh\$	Dec-31-2015 Income for the Period ThCh\$	Dec-31-2014 Income for the Period ThCh\$
Unibanca S.A.	Peru	PEN	23.13%	20.19%	2,801,387	1,910,151	531,214	358,358
Total					2,801,387	1,910,151	531,214	358,358

c) Summarized information on associates:

Summarized financial information on associates as of December 31, 2015 and as of December 31, 2014, and information about results as of December 31, 2015 and December 31, 2014 is detailed as follows:

Associate	Information as of December 31, 2015						Revenues ThCh\$	Income for the period ThCh\$
	Total Assets Current ThCh\$	Total Assets Non-current ThCh\$	Total Liabilities Current ThCh\$	Total Liabilities Non-current ThCh\$	Goodwill from investments ThCh\$			
	Sodimac Colombia S.A.	161,363,063	273,072,146	159,923,819	108,507,323	4,256,946		
Aventura Plaza S.A.	31,917,696	250,986,892	32,087,715	87,059,703	-	34,599,600	13,485,385	
Unibanca S.A.	3,491,302	7,186,234	1,052,797	-	574,896	6,585,491	2,296,347	
Inmobiliaria Cervantes S.A.	9,998	458,440	31,402	-	147,817	58,476	47,408	
Total	196,782,059	531,703,712	193,095,733	195,567,026	4,979,659	819,308,890	50,860,164	

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Information as of December 31, 2014							
Associate	Total Assets	Total Assets	Total Liabilities	Total Liabilities	Goodwill from investments	Revenues	Income for the period
	Current	Non-current	Current	Non-current		ThCh\$	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

d) Movements of investments in associates for the period ended December 31, 2015 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, 2014	163,334,299	1,910,151	165,244,450
Share in profits (losses)	25,272,409	531,214	25,803,623
Dividends received	(379,440)	(444,365)	(823,805)
Investment contributions	4,090,717	819,263	4,909,980
Conversion adjustment and other reserves	(8,169,646)	(14,876)	(8,184,522)
Total change in associated parties	20,814,040	891,236	21,705,276
Ending balance of investments in associates using the equity method as of December 31, 2015	184,148,339	2,801,387	186,949,726

e) Movements of investments in associates for the period ended December 31, 2014 are as follows:

Change 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 profit (losses)	26,155,945	358,358	26,514,303
Dividends received	(14,834,699)	(202,870)	(15,037,569)
2014 investment contributions	4,571,220	-	4,571,220
Conversion adjustment and other reserves	(1,333,413)	133,046	(1,200,367)
Total changes in associated entities	14,559,053	288,534	14,847,587
Final balance for investments in associates using the equity method as of December 31, 2014	163,334,299	1,910,151	165,244,450

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-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Intangible assets with defined useful lives, net	121,045,496	103,996,635
Intangible assets with indefinite useful lives	125,867,902	129,091,072
Total Intangibles, Net	246,913,398	185,852,765

a.1) Intangible assets in the Non-Banking Business are detailed as follows:

Breakdown of Intangible Assets	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Internal software development	82,378,268	63,985,978
Licenses and software programs	102,020,232	82,511,366
Patents, registered trademarks and other rights	21,291,557	20,794,336
Other identifiable intangible assets	20,422,508	22,612,534
Commercial brands (indefinite useful lives)	125,867,902	129,506,680
Subtotal	351,980,467	319,410,894
Accumulated amortization (less)	(105,067,069)	(85,907,579)
Total, net	246,913,398	233,503,315

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-31-2015 ThCh\$	Dec-31-2014 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	12,987,000	16,625,778
Total		125,867,902	129,506,680

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a.3) Movements of Intangible Assets other than Goodwill in the Non-Banking Business as of December 31, 2015, 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-1-2015	63,985,978	82,511,366	20,794,336	22,612,534	129,506,680	319,410,894
Additions due to internal development	18,392,290	-	-	-	-	18,392,290
Purchased additions	-	21,098,795	381,282	632,305	-	22,112,382
Withdrawals	-	(250,605)	(22,008)	(2,756,545)	-	(3,029,158)
Conversion adjustment	-	(1,339,324)	137,947	(65,786)	(3,638,778)	(4,905,941)
Balance as of Dec-31-2015	82,378,268	102,020,232	21,291,557	20,422,508	125,867,902	351,980,467

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-1-2015	20,094,944	57,461,845	2,567,208	5,783,582	-	85,907,579
Amortization for the year	7,903,434	10,283,811	2,035,711	3,390,141	-	23,613,097
Withdrawals	-	(234,922)	(22,008)	(2,682,352)	-	(2,939,282)
Conversion adjustment	-	(940,169)	(143,315)	(430,841)	-	(1,514,325)
Balance as of Dec-31-2015	27,998,378	66,570,565	4,437,596	6,060,530	-	105,067,069
Carrying amount, net as of Jan-1-2015	43,891,034	25,049,521	18,227,128	16,828,952	129,506,680	233,503,315
Carrying amount, net as of Dec-31-2015	54,379,890	35,449,667	16,853,961	14,361,978	125,867,902	246,913,398

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a.4) Movements of Non-Banking Business Intangible Assets other than Goodwill as of December 31, 2014 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.-1-2014	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
Additions due to purchases	-	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
Transfers 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 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.-1-2014	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

Net carrying amount as of Jan.-01-2014	30,821,781	19,360,109	3,058,888	3,520,915	129,091,072	185,852,765
Net carrying amount as of Dec-31-2014	43,891,034	25,049,521	18,227,128	16,828,952	129,506,680	233,503,315

(1) Intangible assets incorporated on the acquisition of Maestro Peru S.A. (Note 40).

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b) Intangibles - Banking Business:

b.1) Banking Business Intangible Assets are detailed as follows:

Breakdown of Intangible Assets	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Internal software development	49,844,970	38,047,712
Licenses and IT programs	17,822,565	15,227,785
Subtotal	67,667,535	53,275,497
Accumulated amortization (less)	(33,538,747)	(29,506,232)
Total, net	34,128,788	23,769,265

b.2) The Banking Business Intangible Assets movements as of December 31, 2015 were:

Gross balance	Internal software development	Licenses and IT programs	Total
	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-1-2015	38,047,712	15,227,785	53,275,497
Additions due to internal development	11,448,873	-	11,448,873
Additions due to purchases	-	5,683,270	5,683,270
Withdrawals	(980)	-	(980)
Conversion adjustment	349,365	(3,088,490)	(2,739,125)
Balance as of Dec-31-2015	49,844,970	17,822,565	67,667,535

Amortization	Internal software development	Licenses and information programs	Total
	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-1-2015	23,029,317	6,476,915	29,506,232
Amortization for the period	4,289,355	2,044,667	6,334,022
Withdrawals	(204)	-	(204)
Conversion adjustment	212,387	(2,513,690)	(2,301,303)
Balance as of Dec-31-2015	27,530,855	6,007,892	33,538,747

Net carrying amount as of Jan-1-2015	15,018,395	8,750,870	23,769,265
Net carrying amount as of Dec-31-2015	22,314,115	11,814,673	34,128,788

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b.3) The Banking Business Intangible Asset movements as of December 31, 2014 are detailed as follows:

Gross balance	Internal software development	Licenses and information programs	Total
	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-1-2014	33,992,843	8,560,538	42,553,381
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 Dec-31-2014	38,047,712	15,227,785	53,275,497

Amortization	Internal software development	Licenses and information programs	Total
	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-1-2014	18,629,212	3,945,528	22,574,740
Amortization for the year	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 Dec-31-2014	23,029,317	6,476,915	29,506,232

Net carrying amount as of Jan-1-2014	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

c) Other information on intangible assets:

c.1) As of December 31, 2015 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:

- ThCh\$ 29,947,009 and ThCh\$ 24,666,955 under the category “Administrative expenses” as of December 31, 2015 and December 31, 2014, respectively as presented in Note 29.
- In addition ThCh\$ 110 and ThCh\$ 169 is included in the category “Cost of sales” as of December 31, 2015 and 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.

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Note 13 - Goodwill

Goodwill from Non-Banking Business is detailed as follows:

Goodwill description	Dec-31-2015	Dec-31-2014
	ThCh\$	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
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.	30,393,545	38,909,397
Maestro Peru S.A. ⁽¹⁾	171,306,580	166,930,455
Total	461,664,958	465,969,088

⁽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 total 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.

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Goodwill by segments as of December 31, 2015 and as of December 31, 2014 is detailed as follows:

Segment	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Home improvement	421,224,920	425,364,647
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
Total Goodwill by Segment	461,664,958	465,969,088

The Company performed the goodwill impairment test on December 31, 2015, 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 2015 evaluation fluctuate between 5.6% and 13%.

As a result of the tests applied, there were no impairment losses in the value of goodwill for S.A.C.I. Falabella.



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-31-2015			Dec-31-2014		
	Gross value	Accumulated depreciation	Net value	Gross Value	Accumulated depreciation	Net value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Land	548,640,814	-	548,640,814	539,211,109	-	539,211,109
Buildings	832,676,158	(103,769,825)	728,906,333	776,429,013	(85,165,290)	691,263,723
Plant and equipment	290,094,927	(115,785,560)	174,309,367	244,401,271	(91,677,518)	152,723,753
Information technology equipment	98,360,640	(66,070,494)	32,290,146	84,372,979	(57,675,934)	26,697,045
Fixed installations and accessories	798,884,531	(304,708,852)	494,175,679	737,866,677	(250,574,461)	487,292,216
Motor vehicles	5,002,453	(3,353,215)	1,649,238	4,759,136	(2,902,613)	1,856,523
Leasehold improvements	134,504,741	(58,558,318)	75,946,423	118,910,316	(46,666,717)	72,243,599
Construction in progress	93,480,833	-	93,480,833	60,500,615	-	60,500,615
Other property, plant and equipment ⁽¹⁾	186,349,592	(99,246,353)	87,103,239	170,499,017	(83,601,592)	86,897,425
Total Property, Plant and Equipment	2,987,994,689	(751,492,617)	2,236,502,072	2,736,950,133	(618,264,125)	2,118,686,008

(1) Primarily furniture and equipment

b) The composition according to class of Property, Plant and Equipment for the Banking Business is as follows:

Description	Dec-31-2015			Dec-31-2014		
	Gross value	Accumulated depreciation	Net value	Gross Value	Accumulated depreciation	Net value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Plant and Equipment	13,042,357	(6,052,740)	6,989,617	12,864,487	(4,923,940)	7,940,547
Information technology equipment	23,052,913	(14,717,453)	8,335,460	21,156,611	(13,034,743)	8,121,868
Fixed installations and accessories	8,739,733	(4,325,949)	4,413,784	8,157,487	(3,485,289)	4,672,198
Motor vehicles	113,031	(61,911)	51,120	106,281	(1,138)	105,143
Leasehold improvements	22,017,199	(9,149,187)	12,868,012	21,112,078	(6,869,615)	14,242,463
Construction in progress	1,464,469	-	1,464,469	276,660	-	276,660
Other property, plant and equipment ⁽¹⁾	8,883,340	(7,450,161)	1,433,179	7,990,426	(6,414,741)	1,575,685
Total Property, Plant and Equipment	77,313,042	(41,757,401)	35,555,641	71,664,030	(34,729,466)	36,934,564

(1) Primarily furniture and equipment

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c) Movements of the Non-Banking Business for the period ended as of December 31, 2015 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	Plant & equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant & equipment ThCh\$	Property, plant & equipment ThCh\$
Balance as of Jan-1-2015	539,211,109	776,429,013	244,401,271	84,372,979	737,866,677	4,759,136	118,910,316	60,500,615	170,499,017	2,736,950,133
Additions	6,240,479	50,284,942	50,052,833	14,354,457	55,468,862	580,683	3,786,084	112,710,675	15,624,665	309,103,680
Transfer to investment property	(1,103,321)	(142,857)	-	-	-	-	-	-	-	(1,246,178)
Disposals	(693,560)	(1,952)	(4,530,665)	(716,131)	(1,982,629)	(128,369)	(10,902)	(187,340)	(808,915)	(9,060,463)
Withdrawals	-	(524,716)	(11,289,703)	(530,963)	(14,754,591)	-	(511,855)	-	(1,321,894)	(28,933,722)
Reclassification of concept and capitalization	5,407,819	8,826,358	11,375,734	2,561,803	30,824,209	-	14,363,369	(78,386,652)	5,027,360	-
Conversion adjustment	(421,712)	(2,194,630)	85,457	(1,681,505)	(8,537,997)	(208,997)	(2,032,271)	(1,156,465)	(2,670,641)	(18,818,761)
Balance as of Dec-31-2015	548,640,814	832,676,158	290,094,927	98,360,640	798,884,531	5,002,453	134,504,741	93,480,833	186,349,592	2,987,994,689

Depreciation	Land ThCh\$	Buildings ThCh\$	Plant & equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant & equipment ThCh\$	Property, plant & equipment ThCh\$
Balance as of Jan-1-2015	-	85,165,290	91,677,518	57,675,934	250,574,461	2,902,613	46,666,717	-	83,601,592	618,264,125
Depreciation for the year	-	19,425,081	37,022,498	9,444,368	70,009,471	524,186	13,673,046	-	19,060,614	169,159,264
Disposals	-	(748)	(3,895,783)	(687,094)	(276,540)	(10,983)	(3,871)	-	(609,117)	(5,484,136)
Withdrawals	-	(109,191)	(7,704,762)	(493,692)	(10,906,871)	-	(294,542)	-	(1,173,372)	(20,682,430)
Reclassification of concept and capitalization	-	313,247	(1,192,908)	1,178,738	(313,196)	13,382	-	-	737	-
Conversion adjustment	-	(1,023,854)	(121,003)	(1,047,760)	(4,378,473)	(75,983)	(1,483,032)	-	(1,634,101)	(9,764,206)
Balance as of Dec-31-2015	-	103,769,825	115,785,560	66,070,494	304,708,852	3,353,215	58,558,318	-	99,246,353	751,492,617

Net balance as of Jan-1-2015	539,211,109	691,263,723	152,723,753	26,697,045	487,292,216	1,856,523	72,243,599	60,500,615	86,897,425	2,118,686,008
Net balance as of Dec-31-2015	548,640,814	728,906,333	174,309,367	32,290,146	494,175,679	1,649,238	75,946,423	93,480,833	87,103,239	2,236,502,072

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d) Movements of the Non-Banking Business for the fiscal year ended as of December 31, 2014 are detailed as follows:

Cost	Land	Buildings	Plant and equipment	Information technology equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Fixed Assets
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-1-2014	352,903,418	613,572,020	185,768,625	73,350,908	609,450,377	4,371,909	84,227,276	87,883,544	151,099,420	2,162,627,497
Additions ⁽¹⁾	62,590,168	33,717,693	32,822,257	12,207,018	91,438,582	621,237	28,793,316	75,641,024	16,980,686	354,811,981
Acquisitions through business combinations ⁽²⁾	118,392,092	83,205,926	28,406,291	-	8,213,822	16,162	-	1,134,006	970,939	240,339,238
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)	(10,825,318)	(696)	(1,133,885)	-	(1,862,012)	(26,689,592)
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	5,459,303	2,021,733	1,016,768	(280,194)	4,344,589	(3,727)	7,143,464	1,637,549	2,924,160	24,263,645
Balance as of Dec-31-2014	539,211,109	776,429,013	244,401,271	84,372,979	737,866,677	4,759,136	118,910,316	60,500,615	170,499,017	2,736,950,133

Depreciation	Land	Buildings	Plant and equipment	Information technology equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Fixed Assets
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of Jan-1-2014	-	69,538,117	73,170,235	51,189,222	194,898,200	2,431,443	32,844,160	-	67,379,551	491,450,928
Depreciation for the period	-	17,259,491	30,157,795	7,159,406	62,215,702	600,371	12,634,115	-	16,761,921	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)	(7,873,665)	(440)	(866,259)	-	(1,511,962)	(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
Depreciation as of Dec-31-2014	-	85,165,290	91,677,518	57,675,934	250,574,461	2,902,613	46,666,717	-	83,601,592	618,264,125

Net balance as of Jan-1-2014	352,903,418	544,033,903	112,598,390	22,161,686	414,552,177	1,940,466	51,383,116	87,883,544	83,719,869	1,671,176,569
Net balance as of Dec-31-2014	539,211,109	691,263,723	152,723,753	26,697,045	487,292,216	1,856,523	72,243,599	60,500,615	86,897,425	2,118,686,008

⁽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 Peru S.A. (Note 40)

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e) Banking Business movements for the period ended as of December 31, 2015 are detailed as follows:

Cost	Plant & equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations & accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Constructions in progress ThCh\$	Other property, plant & equipment ThCh\$	Property, plant & equipment ThCh\$
Balance as of Jan-1-2015	12,864,487	21,156,611	8,157,487	106,281	21,112,078	276,660	7,990,426	71,664,030
Additions	1,023,291	3,737,293	143,833	17,576	2,409,915	1,638,075	761,160	9,731,143
Withdrawals	(709,165)	(1,383,146)	(1,413)	-	(660,237)	(178,574)	-	(2,932,535)
Reclassification of concept and capitalization	24,710	7,964	229,841	-	-	(313,257)	50,742	-
Conversion adjustment	(160,966)	(465,809)	209,985	(10,826)	(844,557)	41,565	81,012	(1,149,596)
Balance as of Dec-31-2015	13,042,357	23,052,913	8,739,733	113,031	22,017,199	1,464,469	8,883,340	77,313,042

Depreciation	Plant & equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations & accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Constructions in progress ThCh\$	Other property, plant & equipment ThCh\$	Property, plant & equipment ThCh\$
Balance as of Jan-1-2015	4,923,940	13,034,743	3,485,289	1,138	6,869,615	-	6,414,741	34,729,466
Depreciation for the year	1,466,692	2,781,385	740,493	120,307	3,046,631	-	1,148,823	9,304,331
Withdrawals	(276,848)	(929,721)	(1,048)	-	(290,617)	-	(173,156)	(1,671,390)
Conversion adjustment	(61,044)	(168,954)	101,215	(59,534)	(476,442)	-	59,753	(605,006)
Balance as of Dec-31-2015	6,052,740	14,717,453	4,325,949	61,911	9,149,187	-	7,450,161	41,757,401

Net balance as of Jan-1-2015	7,940,547	8,121,868	4,672,198	105,143	14,242,463	276,660	1,575,685	36,934,564
Net balance as of Dec-31-2015	6,989,617	8,335,460	4,413,784	51,120	12,868,012	1,464,469	1,433,179	35,555,641

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f) Banking Business movements for the period ended as of December 31, 2014 are detailed as follows:

Cost	Plant and equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Constructions in progress ThCh\$	Other property, plant and equipment ThCh\$	Fixed Assets ThCh\$
Balance as of Jan-1-2014	10,599,257	17,552,725	6,347,234	91,243	18,856,345	1,231,821	7,953,408	62,632,033
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	12,864,487	21,156,611	8,157,487	106,281	21,112,078	276,660	7,990,426	71,664,030

Depreciation	Plant and equipment ThCh\$	Information technology equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Constructions in progress ThCh\$	Other property, plant and equipment ThCh\$	Fixed Assets ThCh\$
Balance as of Jan-1-2014	3,740,637	10,269,292	2,794,971	(2,688)	3,994,153	-	5,660,578	26,456,943
Depreciation for the period	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
Depreciation as of Dec-31-2014	4,923,940	13,034,743	3,485,289	1,138	6,869,615	-	6,414,741	34,729,466

Net balance as of Jan-1-2014	6,858,620	7,283,433	3,552,263	93,931	14,862,192	1,231,821	2,292,830	36,175,090
Net balance as of Dec-31-2014	7,940,547	8,121,868	4,672,198	105,143	14,242,463	276,660	1,575,685	36,934,564

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, 2015 and December 31, 2014 was ThCh\$ 178,463,595 and ThCh\$ 155,573,268 respectively. These values are presented in the Income Statement, by function, as follows:

- ThCh\$ 174,227,433 and ThCh\$ 151,934,024, under Administrative expenses as of December 31, 2015 and December 31, 2014, as presented in Note 29.

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- Additionally, ThCh\$ 4,236,162 and ThCh\$ 3,639,244 were charged under Cost of Sales as of December 31, 2015 and December 31, 2014, respectively, for depreciation on leased machinery.
- g) During the period from January to December 2015, the Company capitalized interest of ThCh\$ 1,854,592. The average interest rate for capitalization was 4.70% and during the period from January to December 2014, the Company capitalized interest of ThCh\$ 2,434,924. The average interest rate for capitalization was 6.36%.

As of December 31, 2015, the Company had assumed contractual commitments with providers for the acquisition of Property, Plant and Equipment totaling ThCh\$ 13,538,455.

The group has assets provided in guarantee totaling ThCh\$ 108,573,517 as of December 31, 2015, 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-31-2015			Dec-31-2014		
	Gross value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$	Gross value ThCh\$	Accumulated depreciation ThCh\$	Net value ThCh\$
Buildings	90,573,119	(10,538,698)	80,034,421	98,555,848	(8,886,888)	89,668,960
Plant and equipment	19,055,681	(7,503,045)	11,552,636	20,381,454	(5,991,223)	14,390,231
Information technology equipment	2,208,181	(2,021,562)	186,619	3,012,171	(2,668,632)	343,539
Fixed installations and accessories	78,822,174	(32,896,867)	45,925,307	79,402,270	(34,770,480)	44,631,790
Other property, plant and equipment	9,115,209	(7,643,817)	1,471,392	19,231,903	(13,949,882)	5,282,021
Total	199,774,364	(60,603,989)	139,170,375	220,583,646	(66,267,105)	154,316,541

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-31-2015			Dec-31-2014		
	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$
Up to one year	23,131,070	(5,254,862)	17,876,208	25,835,949	(4,795,656)	21,040,293
More than one up to five years	63,863,497	(13,375,880)	50,487,617	67,274,625	(9,940,495)	57,334,130
More than five years	23,958,441	(3,492,437)	20,466,004	26,367,896	(4,165,804)	22,202,092
Total	110,953,008	(22,123,179)	88,829,829	119,478,470	(18,901,955)	100,576,515

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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
BANCO INTERAMERICANO DE FINANZAS (BIF) PERU	HIPERMECADOS TOTTUS S.A.	BUILDING	2,139,720	10-14-2016	2,139,720
BANCO DE CREDITO (PERU)	HIPERMECADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	2,193,947	06-01-2017	2,193,947
SCOTIABANK (PERU)	HIPERMECADOS TOTTUS S.A.	BUILDING	2,751,059	10-05-2017	2,751,059
SCOTIABANK (PERU)	HIPERMECADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	7,548,228	10-05-2017	7,548,228
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMECADOS TOTTUS S.A.	FACILITIES / PLANT & EQUIPMENT	10,040,834	02-27-2018	10,040,834
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMECADOS TOTTUS S.A.	BUILDING	1,295,694	02-27-2018	1,295,694
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMECADOS TOTTUS S.A.	BUILDING	1,018,634	02-27-2018	1,018,634
BANCO DE CREDITO (PERU)	HIPERMECADOS TOTTUS S.A.	BUILDING	3,060,583	01-01-2019	3,060,583
BANCO DE CREDITO (PERU)	HIPERMECADOS TOTTUS S.A.	BUILDING	3,676,899	02-01-2020	3,676,899
BANCO DE CREDITO (PERU)	HIPERMECADOS TOTTUS S.A.	BUILDING	2,545,579	12-01-2021	2,545,579
SCOTIABANK (PERU)	OPEN PLAZA S.A.C.	BUILDING / FACILITIES	6,198,763	05-09-2028	6,198,763
AVENTURA PLAZA S.A.	SAGA FALABELLA S.A. (PERU)	BUILDING	817,299	10-01-2054	817,299
TOTAL			43,287,239		43,287,239

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.

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, 2015 and 2014 are detailed as follows:

Breakdown	Dec-31-2015 Minimum payments ThCh\$	Dec-31-2014 Minimum payments ThCh\$
Up to one year	104,599,179	84,186,038
From 1 year up to 5 years	317,679,581	292,092,196
More than five years	861,039,832	735,721,558
Total	1,283,318,592	1,111,999,792

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.

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Lease installments and operating subleases recognized as expenses in each period are detailed as follows:

Items	Dec31-14 ThCh\$	Dec-31-2014 ThCh\$
Minimum third party lease expense	108,434,835	89,229,274
Variable third party lease expense	23,649,197	24,527,793
Total	132,084,032	113,757,067

j) Group as lessor - Operating lease

The Company leases its Investment Properties as part of its operations. As of December 31, 2015 and 2014, the Company has the following rights receivable under non-cancellable leases:

Breakdown	Dec-31-2015 Minimum payments receivable ThCh\$	Dec-31-2014 Minimum payments receivable ThCh\$
Up to one year	148,938,582	140,705,313
From one year up to five years	335,892,205	338,486,200
More than five years	371,944,265	381,745,232
Total	856,775,052	860,936,745

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. Fixed and variable lease income from Investment Properties are as follows:

Lease charged to third parties	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Fixed income	193,087,672	117,716,883
Variable income	14,253,372	13,959,574
Total	207,341,044	191,676,457

Leasing income in the amount of ThCh\$ 207,341,044 as of December 31, 2015 and of ThCh\$ 191,676,457 as of December 31, 2014 is 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 is the total income receivable from third parties, and related to real estate companies in Chile.

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Note 15 - Investment Property

a) Movements in the Group's Investment Property for the period as of December 31, 2015, are detailed as follows:

Cost	ThCh\$
Balance as of Jan-1-2015	2,217,138,787
Additions	158,857,805
Withdrawals	(19,687,592)
Reclassification from property, plant & equipment to investment properties	1,246,178
Transfer from non-current assets or disposal groups classified as available for sale	2,216,297
Conversion adjustment	(5,564,665)
Balance as of Dec-31-2015	2,354,206,810

Depreciation	
Balance as of Jan-1-2015	96,026,624
Depreciation for the year	30,547,856
Withdrawals	(992,183)
Conversion adjustment	(86,149)
Balance as of Dec-31-2015	125,496,148

Net balance as of Jan-1-2015	2,121,112,163
Net balance as of Dec-31-2015	2,228,710,662

b) Movements in the Group's investment properties as of December 31, 2014 are detailed as follows:

Cost	ThCh\$
Beginning balance as of Jan-1-2014	1,999,914,070
Additions	180,148,455
Acquisitions through business combinations (1)	41,245,384
Withdrawals	(1,301,674)
Reclassification from property, plant & equipment to investment properties	6,771,573
Transfer from non-current assets or disposal groups classified as available for sale	(4,571,112)
Conversion adjustment	(5,067,909)
Final balance as of Dec-31-2014	2,217,138,787

Depreciation	
Beginning balance as of Jan-1-2014	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
Final balance as of Dec-31-2014	96,026,624

Net balance as of Jan-1-2014	1,928,060,213
Net balance as of Dec-31-2014	2,121,112,163

(1) Investment Property acquired along with Maestro Peru S.A. (Note 40)

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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 2015 and January to December 2014 are recorded in the cost of sales line in the statement of comprehensive income.

During the period January through December, 2015, the Company has capitalized interest in the amount of ThCh\$ 10,287,986. The average financing interest rate applied for capitalization was 3.98%. During the period January through December 2014, the Company capitalized interest in the amount of ThCh\$ 15,611,311. The average financing interest rate applied for capitalization was 4.47%.

The estimated market value of investment properties as of December 31, 2015 and December 31, 2014 is ThCh\$ 2,826,192,062 and ThCh\$ 2,788,718,558, respectively.

As of December 31, 2015, the contractual obligations for purchasing, constructing, repairing, maintaining and developing Investment Properties totals ThCh\$ 19,462,435.

The Investment Properties that do not generate revenue as of December 31, 2015 and December 31, 2014 only comprise land without use in the amount of ThCh\$ 71,544,465 and ThCh\$ 63,547,568, 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.

The market value hierarchy according to IFRS 13 is as follows:

		Fair value measured at end of reporting period		
	Dec-31-2015	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	2,826,192,062	-	2,826,192,062	-
Total	2,826,192,062	-	2,826,192,062	-

		Fair value measured at end of reporting period		
	Dec-31-2014	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	-

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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-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Guarantees	2,039,074	2,148,191
Prepaid Rent	32,389,793	26,911,697
Non-current receivable tax	646,443	1,883,854
Rights receivable	1,395,224	1,298,799
Prepaid expenses	128,783	446,316
Total	36,599,317	32,688,857

Note 17 - Other Banking Business Assets

The following Banking Business Assets are classified in this category:

Other Assets	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Advances to suppliers	1,268	46,045
Guarantee deposits	464,070	405,234
Accrued fees receivable	3,949,006	3,860,088
Deferred expenses	765,666	786,246
Receivable items, remote channels	1,947,188	1,575,949
Accounts and invoices receivable ⁽¹⁾	11,755,696	7,247,955
Investment in auxiliary company	228,912	228,429
Assets acquired in auctions	156,942	629,428
Software maintenance contracts	286,303	116,611
Other ⁽²⁾	1,533,280	1,288,798
Total	21,088,331	16,184,783

(1) Primarily “pending operations” for daily transactions, accounts receivable for the use of ATMs, invoices for leasing of spaces in subsidiaries, and others.

(2) Primarily 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 Financial Statements

(Translation of consolidated financial statements originally 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-31-2015		Dec-31-2014	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Bank loans	628,448,974	850,427,039	673,675,359	568,679,955
Obligations with the public	77,662,914	1,748,674,229	35,457,212	1,663,451,417
Financial lease obligations	17,876,208	70,953,621	21,040,293	79,536,222
Other financial liabilities	14,729,065	30,775,892	6,356,725	4,692,917
Total	738,717,161	2,700,830,781	736,529,589	2,316,360,511

Dec-31-2015

b) Bank loans as of December 31, 2015 are detailed as follow:

Creditor's Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities exposed to liquidity risk by maturity							Repayment Terms	Effective rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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	4,039,947	-	-	4,039,947	-	-	-	Monthly	33.00	4,039,947	33.00
BANCO BBVA (ARGENTINA)	ARS	148,204	-	-	148,204	-	-	-	Monthly	27.00	148,204	27.00
BANCO BBVA (ARGENTINA)	ARS	69,705	-	-	69,705	-	-	-	Monthly	28.00	69,705	28.00
BANCO COMAFI (ARGENTINA)	ARS	3,418,488	-	-	3,418,488	-	-	-	Monthly	30.90	3,418,488	30.90
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	7,742,479	-	-	7,742,479	-	-	-	Monthly	27.50	7,742,479	27.50
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	2,753,140	-	-	2,753,140	-	-	-	Monthly	33.00	2,735,684	33.00
BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARS	158,288	-	-	158,288	-	-	-	Monthly	28.00	158,288	28.00
BANCO DE LA CIUDAD DE BUENOS AIRES (ARGENTINA)	ARS	49,824	-	-	49,824	-	-	-	Monthly	31.00	49,824	31.00
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARS	214,808	426,936	430,187	1,071,931	-	-	-	Monthly	25.59	1,071,931	23.00
BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARS	214,171	426,936	430,187	1,071,294	-	-	-	Monthly	25.59	1,071,293	23.00
BANCO DEUTSCHE BANK ARGENTINA	ARS	48,198	-	-	48,198	-	-	-	Monthly	25.00	48,198	25.00
BANCO HIPOTECARIO SOCIEDAD ANÓNIMA	ARS	277,615	510,472	2,296,437	3,084,524	1,533,331	-	1,533,331	At Maturity	35.00	4,668,158	30.00
BANCO HIPOTECARIO SOCIEDAD ANÓNIMA	ARS	81,398	542,781	1,620,873	2,245,052	543,175	-	543,175	At Maturity	31.00	2,737,500	27.00
BANCO HIPOTECARIO SOCIEDAD ANÓNIMA	ARS	82	-	-	82	-	-	-	Monthly	32.25	82	32.25
BANCO HSBC BANK ARGENTINA S.A.	ARS	6,971,841	-	-	6,971,841	-	-	-	Monthly	30.00	6,926,646	30.00
BANCO HSBC BANK ARGENTINA S.A.	ARS	369,084	718,806	-	1,087,890	-	-	-	Monthly	33.00	1,095,000	29.00
BANCO HSBC BANK ARGENTINA S.A.	ARS	88,566	-	-	88,566	-	-	-	Monthly	58.00	88,566	58.00
BANCO HSBC BANK ARGENTINA S.A.	ARS	31	-	-	31	-	-	-	Monthly	25.00	31	25.00

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



Creditor's Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities exposed to liquidity risk by maturity							Repayment Terms	Effective rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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	76,291	1,507,255	4,485,445	6,068,991	4,310,587	-	4,310,587	Monthly	38.68	10,379,577	34.07
BANCO ICBC (ARGENTINA)	ARS	383,319	-	1,087,074	1,470,393	729,107	-	729,107	Four monthly	36.00	2,190,000	33.00
BANCO ICBC (ARGENTINA)	ARS	10,507,682	-	-	10,507,682	-	-	-	Monthly	41.00	10,379,131	41.00
BANCO ICBC (ARGENTINA)	ARS	4,251	133,843	401,650	539,744	-	-	-	Monthly	16.14	539,744	15.25
BANCO ICBC (ARGENTINA)	ARS	471,807	-	-	471,807	-	-	-	Monthly	30.00	471,807	30.00
BANCO ICBC (ARGENTINA)	ARS	95,967	-	286,508	382,475	-	-	-	Three monthly	37.00	383,250	33.00
BANCO ICBC (ARGENTINA)	ARS	2,896	121,631	243,372	367,899	-	-	-	Three monthly	16.14	367,900	15.25
BANCO ICBC (ARGENTINA)	ARS	283,783	-	-	283,783	-	-	-	Monthly	28.00	283,783	28.00
BANCO ICBC (ARGENTINA)	ARS	2,956	-	-	2,956	-	-	-	Monthly	28.00	2,956	28.00
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	17,057	-	-	17,057	1,642,500	-	1,642,500	At Maturity	38.00	1,642,500	33.00
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	5,763,269	-	-	5,763,269	-	-	-	Monthly	33.00	5,473,765	33.00
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	55,718	3,281,500	-	3,337,218	-	-	-	At Maturity	38.00	3,285,000	33.00
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	51,128	-	3,267,978	3,319,106	-	-	-	At Maturity	37.00	3,285,000	32.00
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	1,224	-	-	1,224	-	-	-	Monthly	30.00	1,224	30.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	75,130	-	878,265	953,395	5,564,198	-	5,564,198	Monthly	33.00	6,570,000	29.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	172,407	339,630	1,528,335	2,040,372	1,191,785	-	1,191,785	Monthly	32.92	3,232,158	28.80
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	180,108	339,692	1,528,085	2,047,885	1,189,551	-	1,189,551	Monthly	33.00	3,285,000	29.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	35,317	8,918,382	-	8,953,699	-	-	-	At Maturity	29.00	8,924,250	26.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	1,570	-	1,903,901	1,905,471	-	-	-	Monthly	29.90	1,905,471	29.90
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	395,955	-	-	395,955	-	-	-	Monthly	30.00	386,323	30.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	45,032	-	-	45,032	-	-	-	Monthly	28.00	45,032	28.00
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	34,447	-	-	34,447	-	-	-	Monthly	26.00	34,447	26.00
BANCO SANTANDER RÍO S.A. (ARGENTINA)	ARS	3,577,413	-	-	3,577,413	-	-	-	Monthly	28.00	3,577,413	28.00
BANCO SANTANDER RÍO S.A. (ARGENTINA)	ARS	44,258	-	-	44,258	-	-	-	Monthly	27.00	44,258	27.00
NUEVO BANCO DE SANTA FE S.A	ARS	2,786,793	-	-	2,786,793	-	-	-	At Maturity	36.00	2,737,500	32.00
NUEVO BANCO DE SANTA FE S.A	ARS	990	-	-	990	-	-	-	Monthly	25.00	990	25.00
BANCO BBVA CHILE	CH\$	-	-	-	-	19,919,999	-	19,919,999	At Maturity	4.44	19,919,999	4.44
BANCO BBVA CHILE	CH\$	-	-	47,125	47,125	4,997,308	4,999,209	9,996,517	Six monthly	5.96	10,000,000	5.85
BANCO BBVA CHILE	CH\$	154,820	-	-	154,820	-	-	-	At Maturity	4.37	154,820	4.37
BANCO CORPBANCA	CH\$	-	-	15,073,115	15,073,115	37,385,370	-	37,385,370	Annually	7.27	50,000,000	7.10
BANCO DE CHILE	CH\$	5,076,930	-	4,372,888	9,449,818	30,617,059	-	30,617,059	Six monthly	4.18	39,374,270	4.17
BANCO DE CHILE	CH\$	-	408,957	-	408,957	28,197,924	-	28,197,924	At Maturity	4.54	28,198,030	4.54
BANCO DE CHILE	CH\$	68,867	-	-	68,867	9,008,421	-	9,008,421	At Maturity	3.77	9,008,422	3.77
BANCO DE CHILE	CH\$	61,273	-	-	61,273	8,012,737	-	8,012,737	At Maturity	3.77	8,012,737	3.77
BANCO DE CHILE	CH\$	61,006	-	-	61,006	7,978,842	-	7,978,842	At Maturity	3.77	7,978,842	3.77
BANCO DE CHILE	CH\$	598,283	-	-	598,283	-	-	-	At Maturity	0.14	598,283	0.14
BANCO DE CRÉDITO E INVERSIONES (CHILE)	CH\$	1,818,049	-	-	1,818,049	-	-	-	At Maturity	0.00	1,818,049	0.00
BANCO DE CRÉDITO E INVERSIONES (CHILE)	CH\$	227,929	-	-	227,929	-	-	-	At Maturity	2.25	227,929	2.25
BANCO DE CRÉDITO E INVERSIONES (CHILE)	CH\$	1,033	-	-	1,033	-	-	-	At Maturity	0.36	1,033	0.36
BANCO ESTADO (CHILE)	CH\$	-	1,144,628	-	1,144,628	45,491,473	-	45,491,473	Six monthly	7.19	45,673,700	7.05
BANCO ESTADO (CHILE)	CH\$	-	-	14,744,653	14,744,653	26,833,288	1,033,214	27,866,502	Six monthly	5.23	42,381,717	5.13
BANCO ESTADO (CHILE)	CH\$	-	-	-	-	24,899,999	-	24,899,999	At Maturity	4.49	24,899,999	4.49
BANCO ESTADO (CHILE)	CH\$	-	-	182,094	182,094	20,000,000	-	20,000,000	At Maturity	4.49	20,000,000	4.49

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Notes to the Consolidated Classified Financial Statements

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



Creditor's Name	Currency or Indexation unit according to Contract Conditions (ISO 4217))	Liabilities exposed to liquidity risk by maturity							Repayment Terms	Effective rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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 ESTADO (CHILE)	CH\$	-	6,474	-	6,474	17,650,000	-	17,650,000	At Maturity	3.81	17,650,000	3.81
BANCO ESTADO (CHILE)	CH\$	-	-	-	-	12,086,425	-	12,086,425	At Maturity	4.57	12,086,425	4.57
BANCO ESTADO (CHILE)	CH\$	-	6,990	-	6,990	9,397,222	-	9,397,222	At Maturity	3.83	9,397,222	3.83
BANCO ESTADO (CHILE)	CH\$	66,613	-	-	66,613	9,127,072	-	9,127,072	At Maturity	3.75	9,127,072	3.75
BANCO ESTADO (CHILE)	CH\$	-	6,750	-	6,750	8,923,153	-	8,923,153	At Maturity	4.76	8,923,153	4.76
BANCO ESTADO (CHILE)	CH\$	59,760	-	-	59,760	8,230,862	-	8,230,862	At Maturity	3.75	8,230,862	3.75
BANCO ESTADO (CHILE)	CH\$	-	-	69,405	69,405	7,969,668	-	7,969,668	Six monthly	7.02	8,000,000	6.79
BANCO ESTADO (CHILE)	CH\$	31,140	-	-	31,140	4,465,448	-	4,465,448	At Maturity	3.76	4,465,447	3.76
BANCO ESTADO (CHILE)	CH\$	-	1,247	-	1,247	1,679,625	-	1,679,625	At Maturity	3.82	1,679,625	3.82
BANCO ESTADO (CHILE)	CH\$	9,767	-	-	9,767	1,280,415	-	1,280,415	At Maturity	3.76	1,280,415	3.76
BANCO ESTADO (CHILE)	CH\$	8,000	-	-	8,000	1,049,729	-	1,049,729	At Maturity	3.76	1,049,729	3.76
BANCO ESTADO (CHILE)	CH\$	5,741	-	-	5,741	754,709	-	754,709	At Maturity	4.14	754,709	4.14
BANCO ESTADO (CHILE)	CH\$	701	-	-	701	91,765	-	91,765	At Maturity	3.77	91,765	3.77
BANCO ESTADO (CHILE)	CH\$	57,130,663	-	-	57,130,663	-	-	-	At Maturity	3.65	57,130,663	3.65
BANCO ESTADO (CHILE)	CH\$	6,043,213	-	-	6,043,213	-	-	-	At Maturity	4.57	6,043,213	4.57
BANCO ESTADO (CHILE)	CH\$	404,649	-	-	404,649	-	-	-	At Maturity	4.36	404,649	4.36
BANCO ESTADO (CHILE)	CH\$	144,148	-	-	144,148	-	-	-	At Maturity	3.36	144,148	3.36
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	365,799	-	365,799	24,106,855	-	24,106,855	At Maturity	5.13	24,131,850	5.10
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	10,356	-	10,356	10,192,205	-	10,192,205	At Maturity	3.66	10,192,205	3.66
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	9,301	-	9,301	9,150,185	-	9,150,185	At Maturity	3.66	9,150,185	3.66
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	5,747	-	5,747	5,657,610	-	5,657,610	At Maturity	3.66	5,657,610	3.66
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	20,000,000	-	-	20,000,000	-	-	-	At Maturity	0.36	20,000,000	0.36
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	13,686,253	-	-	13,686,253	-	-	-	At Maturity	1.17	13,686,253	1.17
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	11,385,793	-	-	11,385,793	-	-	-	At Maturity	4.02	11,361,636	3.66
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	2,566,309	-	-	2,566,309	-	-	-	At Maturity	4.02	2,560,863	3.66
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	2,163,269	-	-	2,163,269	-	-	-	At Maturity	4.02	2,158,679	3.66
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	1,252,841	-	-	1,252,841	-	-	-	Monthly	3.72	1,250,000	3.72
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	17,333	-	-	17,333	-	-	-	At Maturity	3.90	17,333	3.90
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	12,974	-	-	12,974	-	-	-	At Maturity	3.60	12,974	3.60
BANCO SCOTIABANK SUD AMERICANO (CHILE)	CH\$	-	-	-	-	24,900,000	-	24,900,000	At Maturity	4.56	24,900,000	4.56
BANCO ESTADO (CHILE)	CH\$	-	-	-	-	19,919,999	-	19,919,999	At Maturity	3.50	19,919,999	3.50
BANCO SCOTIABANK SUD AMERICANO (CHILE)	CH\$	20,000,000	-	-	20,000,000	-	-	-	At Maturity	0.37	20,000,000	0.37
BANCO SCOTIABANK SUD AMERICANO (CHILE)	CH\$	316,603	-	-	316,603	-	-	-	At Maturity	4.33	316,603	4.33
BANCO AV VILLAS (COLOMBIA)	COP	92,056	-	-	92,056	11,000,000	-	11,000,000	At Maturity	7.10	11,000,000	6.88
BANCO BOGOTÁ (COLOMBIA)	COP	21,658	-	-	21,658	20,114,813	-	20,114,813	At Maturity	8.09	20,114,813	7.80
BANCO CITIBANK COLOMBIA	COP	8,608,079	-	-	8,608,079	-	-	-	At Maturity	6.40	8,580,000	6.22
BANCO CORPBANCA	COP	151,062	-	-	151,062	10,168,745	14,495,632	24,664,377	At Maturity	10.38	24,815,438	9.94
BANCO CORPBANCA	COP	27,385	-	-	27,385	-	2,974,576	2,974,576	At Maturity	11.62	3,001,961	11.62
BANCO CORPBANCA	COP	2,391	-	333,667	336,058	238,333	-	238,333	At Maturity	11.29	574,391	11.29
BANCO CORPBANCA	COP	377,703	-	-	377,703	-	-	-	At Maturity	7.78	377,703	7.78
BANCO DE CRÉDITO (COLOMBIA)	COP	21,720	-	-	21,720	3,265,995	-	3,265,995	At Maturity	10.53	3,265,995	10.05
BANCO POPULAR (COLOMBIA)	COP	11,022,585	-	-	11,022,585	-	-	-	At Maturity	7.21	11,000,000	6.98
BANCO SANTANDER COLOMBIA S.A.	COP	2,206,732	-	-	2,206,732	-	-	-	At Maturity	6.78	2,200,000	6.58

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Creditor's Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities exposed to liquidity risk by maturity							Repayment Terms	Effective rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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 CHILE	EUR	305,693	160,598	-	466,291	-	-	-	At Maturity	1.15	458,209	0.86
BANCO CONTINENTAL (PERU)	PEN	19,869,215	-	-	19,869,215	-	-	-	At Maturity	4.67	19,783,750	4.67
BANCO CONTINENTAL (PERU)	PEN	-	12,303,576	-	12,303,576	-	-	-	At Maturity	5.05	12,286,750	5.05
BANCO CONTINENTAL (PERU)	PEN	-	10,458,519	-	10,458,519	-	-	-	At Maturity	4.78	10,412,500	4.78
BANCO CONTINENTAL (PERU)	PEN	-	10,450,373	-	10,450,373	-	-	-	Monthly	4.96	10,412,500	4.96
BANCO CONTINENTAL (PERU)	PEN	-	9,413,515	-	9,413,515	-	-	-	At Maturity	4.88	9,371,250	4.77
BANCO CONTINENTAL (PERU)	PEN	-	8,367,569	-	8,367,569	-	-	-	Monthly	4.88	8,330,000	4.88
BANCO CONTINENTAL (PERU)	PEN	8,365,985	-	-	8,365,985	-	-	-	At Maturity	4.67	8,330,000	4.67
BANCO CONTINENTAL (PERU)	PEN	-	-	8,341,407	8,341,407	-	-	-	Monthly	5.05	8,330,000	5.05
BANCO CONTINENTAL (PERU)	PEN	-	7,321,623	-	7,321,623	-	-	-	At Maturity	4.88	7,288,750	4.77
BANCO CONTINENTAL (PERU)	PEN	-	6,272,670	-	6,272,670	-	-	-	At Maturity	4.78	6,247,500	4.78
BANCO CONTINENTAL (PERU)	PEN	-	-	5,630,450	5,630,450	-	-	-	At Maturity	5.05	5,622,750	4.94
BANCO CONTINENTAL (PERU)	PEN	-	-	3,127,600	3,127,600	-	-	-	Monthly	5.05	3,123,750	4.94
BANCO CONTINENTAL (PERU)	PEN	-	2,923,501	-	2,923,501	-	-	-	Monthly	4.81	2,915,500	4.81
BANCO CONTINENTAL (PERU)	PEN	-	1,252,929	-	1,252,929	-	-	-	At Maturity	4.81	1,249,500	4.71
BANCO DE CRÉDITO (PERU)	PEN	303,864	882,040	163,146	1,349,050	51,689,052	-	51,689,052	Six monthly	7.12	52,062,500	6.85
BANCO DE CRÉDITO (PERU)	PEN	173,460	-	-	173,460	20,881,644	-	20,881,644	At Maturity	4.88	19,500,000	4.88
BANCO DE CRÉDITO (PERU)	PEN	98,189	198,018	918,739	1,214,946	5,754,349	4,363,187	10,117,536	Monthly	6.60	11,391,200	6.41
BANCO DE CRÉDITO (PERU)	PEN	53,141	107,170	497,246	657,557	5,392,251	-	5,392,251	Monthly	6.60	6,082,169	6.41
BANCO DE CRÉDITO (PERU)	PEN	64,957	131,109	610,203	806,269	3,886,084	864,088	4,750,172	Monthly	7.17	5,600,936	6.94
BANCO DE CRÉDITO (PERU)	PEN	93,517	184,711	864,215	1,142,443	4,570,186	-	4,570,186	Monthly	6.05	4,905,146	5.87
BANCO DE CRÉDITO (PERU)	PEN	46,511	66,916	345,728	459,155	2,214,533	541,144	2,755,677	Monthly	7.17	2,495,038	6.93
BANCO DE CRÉDITO (PERU)	PEN	58,715	118,531	552,066	729,312	1,415,190	-	1,415,190	Monthly	7.25	2,156,121	7.02
BANCO DE CRÉDITO (PERU)	PEN	34,697	62,045	285,212	381,954	333,226	-	333,226	Monthly	6.32	671,282	6.13
BANCO DE CRÉDITO (PERU)	PEN	24,682	49,778	230,992	305,452	242,868	-	242,868	Monthly	6.32	550,552	6.14
BANCO DE CRÉDITO (PERU)	PEN	-	19,647,544	-	19,647,544	-	-	-	Annually	5.02	19,575,500	5.02
BANCO DE CRÉDITO (PERU)	PEN	-	12,302,243	-	12,302,243	-	-	-	Annually	5.17	12,286,750	5.17
BANCO DE CRÉDITO (PERU)	PEN	12,181,246	-	-	12,181,246	-	-	-	Annually	4.88	12,078,500	4.88
BANCO DE CRÉDITO (PERU)	PEN	-	10,422,518	-	10,422,518	-	-	-	At Maturity	5.07	10,412,500	4.96
BANCO DE CRÉDITO (PERU)	PEN	-	7,914,568	-	7,914,568	-	-	-	Monthly	4.98	7,913,500	4.98
BANCO DE CRÉDITO (PERU)	PEN	-	4,193,132	-	4,193,132	-	-	-	Annually	5.07	4,165,000	5.07
BANCO DE CRÉDITO (PERU)	PEN	-	2,504,154	-	2,504,154	-	-	-	Monthly	5.07	2,499,000	4.96
BANCO DE CRÉDITO (PERU)	PEN	2,091,855	-	-	2,091,855	-	-	-	Annually	4.86	2,082,500	4.86
BANCO DE CRÉDITO (PERU)	PEN	1,666,644	-	-	1,666,644	-	-	-	At Maturity	4.75	1,666,000	4.75
BANCO DE CRÉDITO (PERU)	PEN	104,167	-	-	104,167	-	-	-	At Maturity	4.95	104,125	4.84
BANCO SCOTIABANK (PERU)	PEN	152,823	429,832	-	582,655	31,170,868	-	31,170,868	Six monthly	5.84	31,237,500	5.75
BANCO SCOTIABANK (PERU)	PEN	-	10,469,384	-	10,469,384	-	-	-	Monthly	4.90	10,412,500	4.90
BANCO SCOTIABANK (PERU)	PEN	-	10,426,483	-	10,426,483	-	-	-	At Maturity	4.95	10,412,500	4.95
BANCO SCOTIABANK (PERU)	PEN	-	-	10,426,483	10,426,483	-	-	-	At Maturity	4.95	10,412,500	4.84
BANCO SCOTIABANK (PERU)	PEN	-	9,013,245	-	9,013,245	-	-	-	Monthly	4.90	8,954,750	4.90
BANCO SCOTIABANK (PERU)	PEN	-	-	8,162,734	8,162,734	-	-	-	Monthly	7.00	8,170,689	6.79
BANCO SCOTIABANK (PERU)	PEN	-	-	7,298,538	7,298,538	-	-	-	Monthly	4.95	7,288,750	4.95
BANCO SCOTIABANK (PERU)	PEN	-	4,183,860	-	4,183,860	-	-	-	Monthly	4.90	4,165,000	4.90

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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



Creditor's Name	Currency or Indexation unit according to Contract Conditions (ISO 4217))	Liabilities exposed to liquidity risk by maturity							Repayment Terms	Effective rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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 SCOTIABANK (PERU)	PEN	4,181,138	-	-	4,181,138	-	-	-	Monthly	4.75	4,165,000	4.75
BANCO SCOTIABANK (PERU)	PEN	-	3,758,766	-	3,758,766	-	-	-	Monthly	4.80	3,748,500	4.80
BANCO SCOTIABANK (PERU)	PEN	2,928,001	-	-	2,928,001	-	-	-	At Maturity	4.78	2,915,500	4.78
BANCO SCOTIABANK (PERU)	PEN	-	-	1,792,720	1,792,720	-	-	-	Monthly	7.98	1,793,294	7.70
BANCO SCOTIABANK (PERU)	PEN	-	1,673,544	-	1,673,544	-	-	-	At Maturity	4.90	1,666,000	4.79
BANCO BBVA CHILE	UF	-	-	135,875	135,875	24,433,057	-	24,433,057	At Maturity	2.60	24,433,058	2.60
BANCO CITIBANK N.A. (CHILE)	UF	-	-	2,956,172	2,956,172	11,743,472	4,426,055	16,169,527	Six monthly	3.94	19,221,818	3.64
BANCO DE CHILE	UF	-	3,640	-	3,640	10,737,345	-	10,737,345	At Maturity	4.07	10,764,218	3.98
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	-	-	-	31,534,942	-	31,534,942	Six monthly	2.28	31,534,942	2.28
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	-	49,094	49,094	29,395,193	-	29,395,193	At Maturity	4.01	29,473,454	3.84
BANCO DE CRÉDITO E INVERSIONES (CHILE)	UF	-	150,321	-	150,321	8,370,241	1,209,928	9,580,169	Six monthly	4.45	9,696,281	4.10
BANCO ESTADO (CHILE)	UF	-	567,237	-	567,237	51,118,557	-	51,118,557	At Maturity	3.92	51,258,180	3.73
BANCO BBVA CHILE	USD	-	1,127,001	-	1,127,001	-	-	-	At Maturity	1.52	833,196	0.67
BANCO CITIBANK N.A. (BRASIL)	USD	-	-	3,056,531	3,056,531	11,411,840	-	11,411,840	At Maturity	14.85	14,559,200	14.85
BANCO DE CHILE	USD	4,265,880	2,241,101	-	6,506,981	-	-	-	At Maturity	2.02	6,478,231	0.79
BANCO DE CHILE	USD	-	684,228	-	684,228	-	-	-	At Maturity	1.52	616,864	0.67
BANCO DE CHILE	USD	-	578,452	-	578,452	-	-	-	At Maturity	1.08	506,285	1.06
BANCO HSBC (BRASIL)	USD	-	-	10,712,136	10,712,136	-	-	-	At Maturity	13.95	10,767,350	13.95
BANCO HSBC (BRASIL)	USD	-	-	8,784,785	8,784,785	-	-	-	At Maturity	13.96	8,809,650	13.96
BANCO HSBC BANK USA (CHILE)	USD	-	308,149	-	308,149	-	-	-	At Maturity	0.77	277,275	0.76
BANCO SANTANDER - SANTIAGO (CHILE)	USD	9,605,873	-	-	9,605,873	-	-	-	At Maturity	1.20	9,605,873	1.20
BANCO SANTANDER - SANTIAGO (CHILE)	USD	616,838	324,059	-	940,897	-	-	-	At Maturity	2.44	934,319	0.86
BANCO SANTANDER - SANTIAGO (CHILE)	USD	418,121	-	-	418,121	-	-	-	At Maturity	0.95	418,121	0.95
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	-	-	-	-	3,834,195	-	3,834,195	At Maturity	16.50	3,565,500	16.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	-	-	-	-	1,087,970	-	1,087,970	At Maturity	16.50	1,069,650	16.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	3,909,271	-	-	3,909,271	-	-	-	At Maturity	15.00	3,684,350	15.00
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	-	975,390	-	975,390	-	-	-	At Maturity	14.50	950,800	14.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	-	460,261	-	460,261	-	-	-	At Maturity	14.75	451,630	14.75
BANCO HERITAGE DE URUGUAY	UYU	1,256,880	-	-	1,256,880	-	-	-	At Maturity	14.10	1,188,500	14.10
BANCO HERITAGE DE URUGUAY	UYU	811,081	-	-	811,081	-	-	-	At Maturity	13.60	764,725	13.60
BANCO HSBC (URUGUAY)	UYU	-	-	1,101,718	1,101,718	-	-	-	At Maturity	14.90	1,069,650	14.90
BANCO HSBC (URUGUAY)	UYU	-	-	853,133	853,133	-	-	-	At Maturity	15.75	831,950	15.75
BANCO HSBC (URUGUAY)	UYU	-	-	773,292	773,292	-	-	-	At Maturity	15.55	760,640	15.55
BANCO HSBC (URUGUAY)	UYU	-	-	767,304	767,304	-	-	-	At Maturity	15.35	760,640	15.35
BANCO HSBC (URUGUAY)	UYU	-	-	488,708	488,708	-	-	-	At Maturity	15.55	475,400	15.55
BANCO ITAU URUGUAY S.A.	UYU	-	2,160,256	-	2,160,256	-	-	-	At Maturity	14.00	2,139,300	14.00
BANCO ITAU URUGUAY S.A.	UYU	-	1,006,445	-	1,006,445	-	-	-	At Maturity	14.25	998,340	14.25
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	-	-	-	-	2,835,456	-	2,835,456	At Maturity	16.75	2,733,550	16.75
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	-	-	3,613,738	3,613,738	-	-	-	At Maturity	15.00	3,327,800	15.00
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	-	1,912,236	-	1,912,236	-	-	-	At Maturity	15.50	1,901,600	15.50
Total Bank Loans		291,300,412	199,397,353	137,751,209	628,448,974	815,520,006	34,907,033	850,427,039				

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

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



In the above table, 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, 2015 was ThCh\$ 95,413,259 and as of December 2014 was ThCh\$ 75,423,283.

The risk associated with these operations is similar to that of bank credits. Promotora CMR Falabella S.A. has adequate capital indices and monitors them continuously. Confirming instruments, along with the rest of Promotora CMR Falabella S.A.'s financing, are part of this continuous monitoring of the capital structure.

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



c) Obligations with the Public (bonds) as of December 31, 2015 are detailed as follows:

Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity							Repayment Terms	Effective Rate	Nominal value of the Obligation According to Contract Conditions	Nominal Rate of the Obligation 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	3,007,809	3,693,575	2,569,412	9,270,796	-	-	-	Monthly	31.18	10,041,880	23.00
MISCELLANEOUS CREDITORS	ARS	1,126,469	1,469,329	413,464	3,009,262	-	-	-	Monthly	29.36	3,210,380	23.00
MISCELLANEOUS CREDITORS	ARS	1,237,036	1,225,891	447,663	2,910,590	-	-	-	Monthly	32.29	3,092,972	23.00
MISCELLANEOUS CREDITORS	ARS	271,157	-	-	271,157	-	-	-	Monthly	30.88	286,166	22.00
MISCELLANEOUS CREDITORS	ARS	43,520	24,845	-	68,365	-	-	-	Monthly	34.73	86,190	22.00
MISCELLANEOUS CREDITORS	CH\$	-	-	1,037,205	1,037,205	-	93,875,005	93,875,005	At Maturity	6.63	94,588,500	6.50
MISCELLANEOUS CREDITORS	PEN	138,610	165,438	-	304,048	-	20,355,273	20,355,273	Three monthly	8.33	20,408,500	8.06
MISCELLANEOUS CREDITORS	PEN	29,659	62,222	200,341	292,222	1,297,868	8,709,764	10,007,632	Three monthly	7.61	10,347,298	7.40
MISCELLANEOUS CREDITORS	PEN	31,323	65,550	202,788	299,661	1,295,561	8,703,838	9,999,399	Three monthly	7.61	10,347,298	7.40
MISCELLANEOUS CREDITORS	PEN	25,062	52,447	162,264	239,773	1,036,631	6,963,537	8,000,168	Three monthly	7.61	8,277,838	7.40
MISCELLANEOUS CREDITORS	PEN	25,002	52,328	161,721	239,051	1,033,701	6,956,001	7,989,702	Three monthly	7.61	8,277,838	7.40
MISCELLANEOUS CREDITORS	PEN	-	358,927	935,001	1,293,928	4,995,469	1,872,225	6,867,694	Three monthly	5.94	8,121,750	5.81
MISCELLANEOUS CREDITORS	PEN	339,199	-	779,133	1,118,332	4,162,635	2,600,760	6,763,395	Three monthly	5.12	7,809,375	5.00
MISCELLANEOUS CREDITORS	PEN	-	249,892	623,672	873,564	3,332,000	1,457,750	4,789,750	Three monthly	5.52	5,622,750	5.41
MISCELLANEOUS CREDITORS	PEN	421,704	-	1,111,745	1,533,449	2,598,415	-	2,598,415	Three monthly	7.28	4,090,625	7.09
MISCELLANEOUS CREDITORS	PEN	-	397,656	1,113,191	1,510,847	2,227,035	-	2,227,035	Three monthly	7.83	3,718,750	7.56
MISCELLANEOUS CREDITORS	PEN	-	383,145	1,115,422	1,498,567	1,487,500	-	1,487,500	Three monthly	6.50	2,975,000	6.34
MISCELLANEOUS CREDITORS	UF	2,066,614	-	-	2,066,614	-	100,401,543	100,401,543	At Maturity	4.55	102,516,360	4.25
MISCELLANEOUS CREDITORS	UF	-	-	935,253	935,253	-	86,251,491	86,251,491	At Maturity	4.38	89,701,815	4.00
MISCELLANEOUS CREDITORS	UF	-	1,108,690	-	1,108,690	-	76,953,836	76,953,836	At Maturity	3.76	76,887,270	3.80
MISCELLANEOUS CREDITORS	UF	-	-	257,699	257,699	-	76,276,381	76,276,381	At Maturity	3.92	76,887,270	3.90
MISCELLANEOUS CREDITORS	UF	-	-	603,076	603,076	9,734,872	65,631,470	75,366,342	Six monthly	4.72	76,887,270	4.50
MISCELLANEOUS CREDITORS	UF	-	-	560,249	560,249	-	75,232,851	75,232,851	At Maturity	4.00	76,887,270	3.85
MISCELLANEOUS CREDITORS	UF	1,135,500	-	-	1,135,500	-	73,552,375	73,552,375	At Maturity	3.26	76,887,270	3.10
MISCELLANEOUS CREDITORS	UF	-	-	302,343	302,343	-	60,671,275	60,671,275	At Maturity	3.90	64,072,725	3.50
MISCELLANEOUS CREDITORS	UF	518,396	-	-	518,396	51,408,518	-	51,408,518	At Maturity	2.24	51,258,180	2.30
MISCELLANEOUS CREDITORS	UF	-	-	373,040	373,040	-	50,207,796	50,207,796	At Maturity	3.99	51,258,180	3.85
MISCELLANEOUS CREDITORS	UF	-	494,234	-	494,234	38,594,383	-	38,594,383	Six monthly	3.34	38,443,635	3.50
MISCELLANEOUS CREDITORS	UF	-	122,841	-	122,841	-	37,578,535	37,578,535	Six monthly	3.98	38,561,093	3.70
MISCELLANEOUS CREDITORS	UF	-	80,462	-	80,462	25,689,804	-	25,689,804	At Maturity	3.83	25,701,099	3.40
MISCELLANEOUS CREDITORS	UF	-	-	8,571,480	8,571,480	17,042,126	-	17,042,126	Six monthly	3.74	25,629,090	3.50
MISCELLANEOUS CREDITORS	UF	-	-	25,685,798	25,685,798	-	-	-	At Maturity	3.41	25,629,090	3.00
MISCELLANEOUS CREDITORS	USD	-	-	2,318,774	2,318,774	-	349,921,168	349,921,168	At Maturity	3.98	355,080,000	3.75
MISCELLANEOUS CREDITORS	USD	5,382,728	-	-	5,382,728	-	281,264,572	281,264,572	At Maturity	4.50	284,064,000	4.38
MISCELLANEOUS CREDITORS	USD	-	-	1,374,920	1,374,920	97,300,265	-	97,300,265	At Maturity	7.01	92,398,443	6.75
Total Obligations with the Public		15,799,788	10,007,472	51,855,654	77,662,914	263,236,783	1,485,437,446	1,748,674,229				

In the above table, 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 Financial Statements
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.1)



d) Financial lease obligations as of December 31, 2015 are detailed as follows:

Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity							Type of Amortization	Effective Rate	Nominal value of the Obligation According to Contract Conditions	Nominal Rate of the Obligation 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				
ADMINISTRADORA DE SERVICIOS Y SISTEMAS AUTOMATIZADOS FALABELLA LTDA.	CLP	1,995,019	-	-	1,995,019	4,244,885	-	4,244,885	Monthly	3.26	6,042,905	3.26
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	100,429	202,591	940,895	1,243,915	1,679,916	-	1,679,916	Monthly	6.95	2,928,674	6.74
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	40,660	59,014	275,624	375,298	1,366,922	-	1,366,922	Monthly	8.20	1,737,817	7.91
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	26,131	31,645	148,224	206,000	976,886	302,180	1,279,066	Monthly	8.80	1,485,849	8.46
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	130,220	228,825	1,067,525	1,426,570	1,262,120	-	1,262,120	Monthly	7.85	2,678,821	7.58
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	36,830	58,287	272,192	367,309	851,967	-	851,967	Monthly	8.20	1,214,461	7.91
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	47,440	83,360	388,944	519,744	459,942	-	459,942	Monthly	7.85	976,335	7.58
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	31,321	57,144	265,952	354,417	185,589	-	185,589	Monthly	6.90	539,713	6.69
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	8,796	17,806	83,759	110,361	153,780	-	153,780	Monthly	6.95	273,008	6.74
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	8,968	18,093	84,049	111,110	150,147	-	150,147	Monthly	6.95	261,852	6.74
HIPERMERCADOS TOTTUS S.A. (Peru)	PEN	36,926	74,589	268,965	380,480	-	-	-	Monthly	8.00	380,888	7.72
MAESTRO PERU S.A.	PEN	-	-	203,326	203,326	436,626	-	436,626	Annually	6.50	588,115	6.50
MAESTRO PERU S.A.	PEN	-	-	198,167	198,167	425,550	-	425,550	Annually	6.50	573,195	6.50
MAESTRO PERU S.A.	PEN	73,934	-	228,916	302,850	415,983	-	415,983	Annually	6.50	670,973	6.50
MAESTRO PERU S.A.	PEN	-	89,503	279,687	369,190	400,464	-	400,464	Annually	8.47	696,851	8.47
MAESTRO PERU S.A.	PEN	66,019	-	206,205	272,224	295,009	-	295,009	Annually	8.37	514,206	8.37
MAESTRO PERU S.A.	PEN	-	-	192,946	192,946	271,856	-	271,856	Annually	6.50	434,834	6.50
MAESTRO PERU S.A.	PEN	-	-	182,372	182,372	256,956	-	256,956	Annually	6.50	411,003	6.50
MAESTRO PERU S.A.	PEN	-	-	143,111	143,111	201,639	-	201,639	Annually	6.50	322,524	6.50
MAESTRO PERU S.A.	PEN	-	-	134,104	134,104	140,590	-	140,590	Annually	6.50	259,237	6.50
MAESTRO PERU S.A.	PEN	39,570	79,906	372,538	492,014	129,035	-	129,035	Annually	8.00	588,604	8.00
MAESTRO PERU S.A.	PEN	33,132	66,904	311,921	411,957	108,039	-	108,039	Annually	8.00	492,830	8.00
MAESTRO PERU S.A.	PEN	81,267	164,059	590,551	835,877	-	-	-	Annually	7.75	806,824	7.75
MAESTRO PERU S.A.	PEN	118,125	-	120,600	238,725	-	-	-	Annually	7.90	231,837	7.90
MAESTRO PERU S.A.	PEN	134,139	-	-	134,139	-	-	-	Annually	7.80	131,600	7.80
MAESTRO PERU S.A.	PEN	-	92,317	-	92,317	-	-	-	Annually	7.90	90,550	7.90
OPEN PLAZA S.A.C.	PEN	-	-	1,232,902	1,232,902	5,920,746	4,954,724	10,875,470	Monthly	8.70	12,387,774	8.37
OPEN PLAZA S.A.C.	PEN	-	-	1,218,243	1,218,243	5,548,385	5,298,759	10,847,144	Monthly	7.60	12,054,714	7.35
OPEN PLAZA S.A.C.	PEN	-	-	857,641	857,641	9,260,255	-	9,260,255	Monthly	6.48	10,215,276	6.30
OPEN PLAZA S.A.C.	PEN	-	-	654,926	654,926	8,329,759	-	8,329,759	Monthly	7.55	9,094,415	7.30
OPEN PLAZA S.A.C.	PEN	-	-	256,531	256,531	1,102,106	3,200,386	4,302,492	Monthly	7.13	4,672,490	6.90
OPEN PLAZA S.A.C.	PEN	-	-	427,775	427,775	1,938,703	2,018,074	3,956,777	Monthly	8.60	4,407,956	8.28
OPEN PLAZA S.A.C.	PEN	-	-	172,439	172,439	707,643	2,054,469	2,762,112	Monthly	7.13	2,999,106	6.90
OPEN PLAZA S.A.C.	PEN	-	-	154,927	154,927	680,753	1,968,248	2,649,001	Monthly	7.13	2,866,466	6.90
OPEN PLAZA S.A.C.	PEN	-	-	533,378	533,378	1,727,391	-	1,727,391	Monthly	8.50	2,252,113	8.19
OPEN PLAZA S.A.C.	PEN	-	-	936,631	936,631	677,495	-	677,495	Monthly	6.94	1,630,181	6.73
OPEN PLAZA S.A.C.	PEN	-	-	108,503	108,503	76,615	-	76,615	Monthly	6.79	186,265	6.59
SAGA FALABELLA S.A. (PERU)	PEN	1,703	3,405	15,324	20,432	103,865	669,164	773,029	Monthly	10.45	793,461	10.45
SODIMAC PERU S.A.	PEN	8,338	-	-	8,338	-	-	-	Annually	5.48	8,301	5.48
Total Financial Leasing		3,018,967	1,327,448	13,529,793	17,876,208	50,487,617	20,466,004	70,953,621				

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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



In the above table, 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, 2015 and December 31, 2014 are detailed as follows:

Breakdown of Other Financial Liabilities	Dec-31-2015		Dec-31-2014	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Financial liabilities at fair value with changes in income (derivative instruments)	14,729,065	30,775,892	6,356,725	4,692,917
Total	14,729,065	30,775,892	6,356,725	4,692,917

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Notes to the Consolidated Classified Financial Statements

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Dec-31-2014

a) Bank Loans as of December 31, 2014 are detailed as follows:

Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217))	Liabilities Exposed to Liquidity Risk at Maturity							Repayment Terms	Effective Rate	Nominal value of the Obligation According to Contract Conditions	Nominal Rate of the Obligation 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	-	-	-	At 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	-	-	-	At 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	-	-	-	At Maturity	29.97	6,032,450	26.50
BANCO HSBC BANK ARGENTINA S.A.	ARS	23,988	1,963,008	-	1,986,996	-	-	-	Six monthly	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	-	-	-	At 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	Four monthly	34.73	7,097,000	31.34
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	Three monthly	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	-	-	-	At Maturity	36.54	4,258,200	31.55
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	55,527	4,253,081	-	4,308,608	-	-	-	At Maturity	36.71	4,258,200	31.68
BANCO ITAÚ BUEN AYRE S.A. (ARGENTINA)	ARS	2,035,723	-	-	2,035,723	-	-	-	At Maturity	33.83	2,022,645	29.50
BANCO PATAGONIA S.A. (ARGENTINA)	ARS	60,322	-	11,405,325	11,465,647	-	-	-	At 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

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



Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217))	Liabilities Exposed to Liquidity Risk at Maturity							Repayment Terms	Effective Rate	Nominal value of the Obligation According to Contract Conditions	Nominal Rate of the Obligation 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 PATAGONIA S.A. (ARGENTINA)	ARS	9,693	-	-	9,693	-	-	-	Monthly	25.00	9,693	25.00
BANCO SANTANDER RIO S.A. (ARGENTINA)	ARS	3,992,061	-	-	3,992,061	-	-	-	Monthly	27.50	3,900,894	27.50
BANCO SANTANDER RIO S.A. (ARGENTINA)	ARS	40,759	-	-	40,759	-	-	-	Monthly	24.00	40,759	24.00
BANCO SANTANDER RIO 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	-	-	-	At 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	-	-	-	At Maturity	0.28	43,916,064	0.28
BANCO BBVA CHILE	CH\$	40,084,466	-	-	40,084,466	-	-	-	At Maturity	3.62	40,000,000	3.62
BANCO BBVA CHILE	CH\$	10,851,158	-	-	10,851,158	-	-	-	At Maturity	4.11	10,828,022	3.70
BANCO BBVA CHILE	CH\$	-	69,405	7,968,007	8,037,412	-	-	-	At Maturity	7.72	8,000,000	7.35
BANCO BBVA CHILE	CH\$	7,234,105	-	-	7,234,105	-	-	-	At Maturity	4.11	7,218,681	3.70
BANCO BBVA CHILE	CH\$	1,249,507	-	-	1,249,507	-	-	-	At Maturity	4.70	1,250,000	3.89
BANCO CORPBANCA	CH\$	-	-	2,641,882	2,641,882	49,745,851	-	49,745,851	Annually	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	Six monthly	4.91	48,124,108	4.89
BANCO DE CHILE	CH\$	1,975,060	-	-	1,975,060	-	-	-	At Maturity	0.02	1,975,060	0.02
BANCO DE CHILE	CH\$	75,512	-	-	75,512	8,792,449	-	8,792,449	At Maturity	4.15	8,792,449	4.15
BANCO DE CHILE	CH\$	74,352	-	-	74,352	9,081,898	-	9,081,898	At Maturity	4.15	9,081,898	4.15
BANCO DE CHILE	CH\$	33,549	-	-	33,549	4,095,099	-	4,095,099	At Maturity	4.15	4,095,099	4.15
BANCO DE CHILE	CH\$	24,806	-	-	24,806	3,030,554	-	3,030,554	At Maturity	4.15	3,030,553	4.15
BANCO DE CRÉDITO E INVERSIONES (CHILE)	CH\$	941	-	-	941	-	-	-	At Maturity	8.28	941	8.28
BANCO ESTADO (CHILE)	CH\$	12,934,982	-	-	12,934,982	-	-	-	At 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	Six monthly	7.19	45,673,700	7.05
BANCO ESTADO (CHILE)	CH\$	279,292	-	-	279,292	24,172,850	-	24,172,850	Six monthly	2.29	24,172,850	2.29
BANCO ESTADO (CHILE)	CH\$	-	53,900	-	53,900	-	7,953,484	7,953,484	At Maturity	7.02	8,000,000	6.79
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	44,693,229	-	-	44,693,229	-	-	-	At Maturity	0.90	44,605,345	0.90
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	11,448	13,646,641	13,658,089	-	-	-	At Maturity	3.77	13,646,641	3.77
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	10,756	11,353,359	11,364,115	-	-	-	At Maturity	3.77	11,353,359	3.77
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	-	-	365,799	365,799	24,106,855	-	24,106,855	At Maturity	5.13	24,131,850	5.10
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	74,666	-	-	74,666	10,069,259	-	10,069,259	At Maturity	4.13	10,069,259	4.13
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	61,356	-	-	61,356	7,837,222	-	7,837,222	At Maturity	4.13	7,837,222	4.13
BANCO SANTANDER - SANTIAGO (CHILE)	CH\$	56,839	-	-	56,839	7,093,519	-	7,093,519	At Maturity	4.13	7,093,519	4.13
BANCO SCOTIABANK SUD AMERICANO (CHILE)	CH\$	19,543,875	-	-	19,543,875	-	-	-	At Maturity	3.00	19,500,000	3.00
BANCO SCOTIABANK SUD AMERICANO (CHILE)	CH\$	17,682,358	-	-	17,682,358	-	-	-	At Maturity	3.00	17,650,000	3.00
BANCO AV VILLAS (COLOMBIA)	COP	109,507	-	-	109,507	9,842,024	-	9,842,024	At 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	At 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	At Maturity	9.66	27,836,775	9.14
BANCO CORPBANCA	COP	-	-	-	-	650,000	-	650,000	At Maturity	8.43	650,000	8.43
BANCO DE CRÉDITO (COLOMBIA)	COP	16,165	-	-	16,165	3,711,357	-	3,711,357	At Maturity	7.68	4,453,629	7.42
BANCOLOMBIA	COP	57,613	-	-	57,613	10,360,026	-	10,360,026	At Maturity	7.34	12,432,031	7.10
BANCO BBVA CHILE	EUR	-	7,826	-	7,826	-	-	-	At Maturity	0.83	7,826	0.03
BANCO DE CHILE	EUR	359,650	-	-	359,650	-	-	-	At Maturity	1.69	363,857	0.59
BANCO CONTINENTAL (PERU)	PEN	-	26,531,101	-	26,531,101	-	-	-	At Maturity	4.35	26,380,900	4.35

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Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217))	Liabilities Exposed to Liquidity Risk at Maturity							Repayment Terms	Effective Rate	Nominal value of the Obligation According to Contract Conditions	Nominal Rate of the Obligation 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 CONTINENTAL (PERU)	PEN	18,367,685	-	-	18,367,685	-	-	-	Annually	4.35	18,263,700	4.35
BANCO CONTINENTAL (PERU)	PEN	-	8,173,077	-	8,173,077	-	-	-	Monthly	4.35	8,117,200	4.35
BANCO CONTINENTAL (PERU)	PEN	-	6,938,903	-	6,938,903	-	-	-	Monthly	4.35	6,899,620	4.35
BANCO CONTINENTAL (PERU)	PEN	3,069,086	-	-	3,069,086	-	-	-	Annually	4.45	3,043,950	4.45
BANCO CONTINENTAL (PERU)	PEN	2,046,058	-	-	2,046,058	-	-	-	Annually	4.45	2,029,300	4.45
BANCO CONTINENTAL (PERU)	PEN	-	2,040,852	-	2,040,852	-	-	-	Monthly	4.35	2,029,300	4.27
BANCO CONTINENTAL (PERU)	PEN	-	818,423	-	818,423	-	-	-	Monthly	4.45	811,720	4.36
BANCO DE CRÉDITO (PERU)	PEN	32,803,247	-	-	32,803,247	-	-	-	Annually	4.48	32,671,730	4.48
BANCO DE CRÉDITO (PERU)	PEN	-	11,460,990	-	11,460,990	-	-	-	Annually	4.53	11,364,080	4.53
BANCO DE CRÉDITO (PERU)	PEN	-	9,209,724	-	9,209,724	-	-	-	Annually	4.53	9,131,850	4.53
BANCO DE CRÉDITO (PERU)	PEN	-	5,121,015	-	5,121,015	-	-	-	Annually	4.42	5,073,250	4.42
BANCO DE CRÉDITO (PERU)	PEN	-	4,706,613	-	4,706,613	-	-	-	Annually	4.53	4,667,390	4.53
BANCO DE CRÉDITO (PERU)	PEN	-	3,795,725	-	3,795,725	-	-	-	Monthly	4.53	3,794,791	4.44
BANCO DE CRÉDITO (PERU)	PEN	3,259,950	-	-	3,259,950	-	-	-	Annually	4.48	3,246,880	4.48
BANCO DE CRÉDITO (PERU)	PEN	-	3,069,530	-	3,069,530	-	-	-	Annually	4.53	3,043,950	4.53
BANCO DE CRÉDITO (PERU)	PEN	-	-	3,065,849	3,065,849	-	-	-	Annually	4.55	3,043,950	4.55
BANCO DE CRÉDITO (PERU)	PEN	-	-	3,062,063	3,062,063	-	-	-	Annually	4.55	3,043,950	4.55
BANCO DE CRÉDITO (PERU)	PEN	-	-	3,057,601	3,057,601	-	-	-	Annually	4.45	3,043,950	4.45
BANCO DE CRÉDITO (PERU)	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 (PERU)	PEN	87,301	174,603	785,712	1,047,616	4,872,820	693,875	5,566,695	Annually	6.05	8,117,200	6.05
BANCO DE CRÉDITO (PERU)	PEN	-	918,619	-	918,619	-	-	-	Monthly	4.55	913,185	4.46
BANCO DE CRÉDITO (PERU)	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 (PERU)	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 (PERU)	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 (PERU)	PEN	34,741	69,482	312,668	416,891	2,005,113	1,127,592	3,132,705	Annually	7.17	4,726,848	7.17
BANCO DE CRÉDITO (PERU)	PEN	-	409,272	-	409,272	-	-	-	Annually	4.53	405,860	4.53
BANCO DE CRÉDITO (PERU)	PEN	-	405,860	-	405,860	-	-	-	Annually	4.76	405,860	4.76
BANCO DE CRÉDITO (PERU)	PEN	28,922	57,845	260,300	347,067	696,909	-	696,909	Annually	6.32	2,025,850	6.32
BANCO DE CRÉDITO (PERU)	PEN	22,422	45,506	210,639	278,567	534,421	-	534,421	Monthly	6.32	1,620,599	6.32
BANCO SCOTIABANK (PERU)	PEN	-	-	20,412,448	20,412,448	-	-	-	Monthly	4.50	20,293,000	4.50
BANCO SCOTIABANK (PERU)	PEN	-	-	12,072,613	12,072,613	-	-	-	Monthly	4.49	11,972,870	4.49
BANCO SCOTIABANK (PERU)	PEN	-	-	9,739,938	9,739,938	-	-	-	Annually	4.49	9,659,468	4.49
BANCO SCOTIABANK (PERU)	PEN	-	8,388,836	-	8,388,836	-	-	-	Monthly	4.45	8,320,130	4.45
BANCO SCOTIABANK (PERU)	PEN	-	-	5,378,294	5,378,294	-	-	-	At Maturity	4.44	5,377,645	4.44
BANCO SCOTIABANK (PERU)	PEN	-	-	3,074,219	3,074,219	-	-	-	Monthly	4.44	3,043,950	4.44
BANCO SCOTIABANK (PERU)	PEN	-	-	769,109	769,109	7,954,852	-	7,954,852	Monthly	7.00	11,567,010	6.79
BANCO SCOTIABANK (PERU)	PEN	-	-	572,938	572,938	-	-	-	Monthly	4.49	568,204	4.40
BANCO SCOTIABANK (PERU)	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	Six monthly	3.94	29,547,670	3.64
BANCO DE CHILE	UF	535,763	-	-	535,763	28,198,030	-	28,198,030	At Maturity	3.80	28,198,030	3.80
BANCO DE CHILE	UF	-	233,290	-	233,290	23,334,843	-	23,334,843	At Maturity	3.91	23,477,827	3.60
BANCO DE CHILE	UF	-	2,330	-	2,330	10,309,655	-	10,309,655	At 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	Six monthly	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	Six monthly	4.45	9,178,714	4.10

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Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217))	Liabilities Exposed to Liquidity Risk at Maturity							Repayment Terms	Effective Rate	Nominal value of the Obligation According to Contract Conditions	Nominal Rate of the Obligation 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)	UF	-	-	47,127	47,127	28,217,250	-	28,217,250	At Maturity	4.01	28,321,165	3.84
BANCO ESTADO (CHILE)	UF	-	607,440	49,168,475	49,775,915	-	-	-	At Maturity	3.74	49,254,200	3.51
BANCO ESTADO (CHILE)	UF	-	544,117	-	544,117	49,034,811	-	49,034,811	At Maturity	3.92	49,254,200	3.73
BANCO BBVA CHILE	USD	-	1,295,346	-	1,295,346	-	-	-	At Maturity	1.43	1,294,899	0.63
BANCO BRADESCO (BRASIL)	USD	-	-	9,859,458	9,859,458	-	-	-	At Maturity	11.51	9,130,800	11.51
BANCO BRADESCO (BRASIL)	USD	-	-	7,424,516	7,424,516	-	-	-	At Maturity	11.52	6,848,500	11.52
BANCO CONTINENTAL (PERU)	USD	-	3,044,318	-	3,044,318	-	-	-	At Maturity	4.45	3,043,950	4.45
BANCO CORPBANCA	USD	-	46,312	-	46,312	-	-	-	At Maturity	1.43	46,271	0.75
BANCO DE CHILE	USD	8,094,956	1,213,500	-	9,308,456	-	-	-	At Maturity	0.91	9,232,972	0.69
BANCO DE CHILE	USD	-	693,369	-	693,369	-	-	-	At Maturity	0.99	685,542	0.97
BANCO DE CHILE	USD	-	320,271	-	320,271	-	-	-	At Maturity	1.43	320,271	0.76
BANCO DE CHILE	USD	35,528	-	-	35,528	-	-	-	At Maturity	1.65	35,528	1.65
BANCO ESTADO (CHILE)	USD	11,257	-	3,037,516	3,048,773	-	-	-	At Maturity	2.96	3,037,516	2.90
BANCO ESTADO (CHILE)	USD	-	19,848	2,430,013	2,449,861	-	-	-	At Maturity	2.96	2,430,013	2.90
BANCO HSBC BANK USA (CHILE)	USD	-	200,478	-	200,478	-	-	-	At Maturity	0.95	191,454	0.93
BANCO SANTANDER - SANTIAGO (CHILE)	USD	11,827,363	-	-	11,827,363	-	-	-	At Maturity	0.95	11,827,363	0.95
BANCO SANTANDER - SANTIAGO (CHILE)	USD	564,747	364,050	-	928,797	-	-	-	At Maturity	1.67	925,286	0.56
BANCO SANTANDER - SANTIAGO (CHILE)	USD	-	851,009	-	851,009	-	-	-	At Maturity	0.95	851,009	0.95
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	-	1,265,537	-	1,265,537	-	-	-	At Maturity	15.00	1,251,000	15.00
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	754,065	-	-	754,065	-	-	-	At Maturity	15.50	750,600	15.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	512,104	-	-	512,104	-	-	-	At Maturity	14.50	500,400	14.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	507,421	-	-	507,421	-	-	-	At Maturity	14.75	500,400	14.75
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	50,636	-	-	50,636	-	-	-	At Maturity	15.50	50,040	15.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	50,636	-	-	50,636	-	-	-	At Maturity	15.50	50,040	15.50
BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	UYU	50,636	-	-	50,636	-	-	-	At Maturity	15.50	50,040	15.50
BANCO ITAU URUGUAY S.A.	UYU	253,490	-	-	253,490	-	-	-	At Maturity	16.00	250,200	16.00
BANCO ITAU URUGUAY S.A.	UYU	251,077	-	-	251,077	-	-	-	At Maturity	16.00	250,200	16.00
BANCO ITAU URUGUAY S.A.	UYU	251,077	-	-	251,077	-	-	-	At Maturity	16.00	250,200	16.00
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	-	892,551	-	892,551	-	-	-	At Maturity	14.50	875,700	14.50
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	-	887,925	-	887,925	-	-	-	At Maturity	14.50	875,700	14.50
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	642,708	-	-	642,708	-	-	-	At Maturity	11.50	625,500	11.50
BANCO SANTANDER S.A. (BR. URUGUAY)	UYU	512,672	-	-	512,672	-	-	-	At 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 above table, 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 Falabella S.A. consist of the assignment of credits coming due from lenders of Promotora CMR Falabella S.A. to banking entities. Due to these assignments, Promotora CMR Falabella S.A. 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 Falabella S.A., which correspond to goods sold and services provided by another company to Promotora CMR Falabella S.A.'s clients, who paid using the CMR card. The credits acquired by the banks consist of

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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 31, 2013 was ThCh\$ 50,267,687.

The risk associated with these operations is similar to that of bank credits. Promotora CMR Falabella S.A. has adequate capital indices and monitors them continuously. Confirming instruments, along with the rest of Promotora CMR Falabella S.A.'s financing, are part of this continuous monitoring of the capital structure.

b) Obligations with the public (bonds) as of December 31, 2014 are detailed as follows:

Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk At Maturity							Repayment Terms	Effective Rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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	At 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	Three monthly	5.52	8,117,200	5.41
MISCELLANEOUS CREDITORS	PEN	-	397,014	1,082,206	1,479,220	3,616,744	-	3,616,744	Three monthly	7.83	10,146,500	7.56
MISCELLANEOUS CREDITORS	PEN	-	378,218	1,084,381	1,462,599	2,899,000	-	2,899,000	Three monthly	6.50	10,146,500	6.34
MISCELLANEOUS CREDITORS	PEN	-	356,798	910,984	1,267,782	3,978,636	-	3,978,636	Three monthly	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	Three monthly	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	Three monthly	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	Three monthly	7.61	10,146,500	7.40
MISCELLANEOUS CREDITORS	PEN	23,708	-	46,869	70,577	933,900	7,072,629	8,006,529	Three monthly	7.61	8,117,200	7.40
MISCELLANEOUS CREDITORS	PEN	21,551	-	46,198	67,749	930,532	7,065,860	7,996,392	Three monthly	7.61	8,117,200	7.40
MISCELLANEOUS CREDITORS	UF	1,982,029	-	-	1,982,029	-	96,288,720	96,288,720	At Maturity	4.55	100,407,296	4.25
MISCELLANEOUS CREDITORS	UF	-	1,065,376	-	1,065,376	-	73,947,378	73,947,378	At Maturity	3.76	73,881,300	3.80
MISCELLANEOUS CREDITORS	UF	-	896,807	-	896,807	-	82,790,922	82,790,922	At Maturity	4.38	87,048,347	4.00
MISCELLANEOUS CREDITORS	UF	774,290	-	-	774,290	-	70,561,751	70,561,751	At Maturity	3.26	74,923,039	3.10
MISCELLANEOUS CREDITORS	UF	-	-	578,479	578,479	3,258,584	69,033,866	72,292,450	At Maturity	4.72	73,881,300	4.50
MISCELLANEOUS CREDITORS	UF	-	-	537,803	537,803	-	72,218,691	72,218,691	At Maturity	4.00	73,881,300	3.85
MISCELLANEOUS CREDITORS	UF	-	475,447	-	475,447	27,875,831	9,251,490	37,127,321	At Maturity	3.34	36,940,650	3.50
MISCELLANEOUS CREDITORS	UF	-	-	358,112	358,112	-	48,198,598	48,198,598	At Maturity	3.99	49,254,200	3.85
MISCELLANEOUS CREDITORS	UF	341,571	-	-	341,571	32,836,133	16,592,671	49,428,804	At Maturity	2.24	49,770,487	2.30
MISCELLANEOUS CREDITORS	UF	-	-	289,857	289,857	-	58,165,823	58,165,823	At Maturity	3.90	61,567,750	3.50
MISCELLANEOUS CREDITORS	UF	-	-	247,552	247,552	-	73,273,029	73,273,029	At Maturity	3.92	73,881,300	3.90
MISCELLANEOUS CREDITORS	UF	-	-	117,841	117,841	5,417,559	31,476,956	36,894,515	Six monthly	3.98	37,053,516	3.70
MISCELLANEOUS CREDITORS	UF	-	-	106,719	106,719	24,471,710	-	24,471,710	At Maturity	3.41	24,627,100	3.00
MISCELLANEOUS CREDITORS	UF	-	-	78,719	78,719	24,473,103	-	24,473,103	At Maturity	3.74	24,627,100	3.50
MISCELLANEOUS CREDITORS	UF	-	-	77,016	77,016	24,503,992	-	24,503,992	At Maturity	3.83	24,696,294	3.40
MISCELLANEOUS CREDITORS	USD	-	-	2,130,963	2,130,963	128,887,388	-	128,887,388	At Maturity	7.01	119,844,480	6.75
MISCELLANEOUS CREDITORS	USD	1,977,843	-	-	1,977,843	-	298,472,002	298,472,002	At Maturity	3.98	305,271,094	3.75
MISCELLANEOUS CREDITORS	USD	-	1,802,652	-	1,802,652	-	240,158,757	240,158,757	At 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 above table, 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.

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c) Financial lease obligations as of December 31, 2014 are detailed as follows:

Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity							Repayment Terms	Effective Rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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. (PERU)	PEN	2,212	4,425	19,911	26,548	106,189	659,259	765,448	Monthly	10.45	796,420	10.45
SODIMAC PERU S.A.	PEN	159,269	318,537	1,433,426	1,911,232	5,733,666	-	5,733,666	Annually	7.69	13,547,546	7.43
SODIMAC PERU S.A.	PEN	22,577	45,145	203,193	270,915	-	-	-	Annually	5.85	635,682	5.69
SODIMAC PERU S.A.	PEN	7,892	15,783	71,025	94,700	8,125	-	8,125	Annually	5.48	186,479	5.34
SODIMAC PERU S.A.	PEN	6,824	13,647	61,526	81,997	-	-	-	Annually	5.85	238,418	5.69
SODIMAC PERU S.A.	PEN	4,377	8,754	39,394	52,525	-	-	-	Annually	7.37	8,827,572	7.11
VIAJES FALABELLA S.A. (PERU)	USD	1,926	5,828	15,917	23,671	8,168	-	8,168	Annually	5.98	99,532	5.30
MAESTRO PERU S.A.	PEN	73,040	147,450	686,701	907,191	893,224	-	893,224	Annually	7.75	4,206,944	7.47
MAESTRO PERU S.A.	PEN	29,894	60,366	281,437	371,697	506,712	-	506,712	Annually	8.00	1,764,658	7.70
MAESTRO PERU S.A.	PEN	35,703	72,097	336,130	443,930	605,184	-	605,184	Annually	7.75	4,206,944	7.47
MAESTRO PERU S.A.	PEN	2,679	-	-	2,679	-	-	-	Annually	7.90	907,993	7.60
MAESTRO PERU S.A.	PEN	59,684	-	-	59,684	-	-	-	Annually	7.87	1,928,020	7.58
MAESTRO PERU S.A.	PEN	-	115,616	237,972	353,588	-	-	-	Annually	7.95	1,300,395	7.65
MAESTRO PERU S.A.	PEN	-	-	418,233	418,233	-	-	-	Annually	8.00	1,537,362	7.70
MAESTRO PERU S.A.	PEN	59,363	-	185,418	244,781	552,742	-	552,742	Annually	8.37	1,231,829	8.04

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Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity							Repayment Terms	Effective Rate	Nominal Value of the Obligation According to Contract Conditions	Nominal rate of the Obligation 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 PERU S.A.	PEN	-	80,406	251,260	331,666	749,989	-	749,989	Annually	8.47	1,669,314	8.13
MAESTRO PERU S.A.	PEN	-	121,066	377,141	498,207	130,712	-	130,712	Annually	7.80	1,415,413	7.51
MAESTRO PERU S.A.	PEN	-	85,823	259,254	345,077	89,959	-	89,959	Annually	7.90	972,243	7.60
MAESTRO PERU S.A.	PEN	106,679	-	332,480	439,159	232,626	-	232,626	Annually	7.90	1,270,776	7.60
MAESTRO PERU S.A.	PEN	-	42,365	124,650	167,015	267,677	-	267,677	Annually	6.50	661,269	6.30
MAESTRO PERU S.A.	PEN	42,963	-	133,022	175,985	335,944	-	335,944	Annually	6.50	716,882	6.30
MAESTRO PERU S.A.	PEN	-	56,014	169,514	225,528	428,104	-	428,104	Annually	6.50	913,547	6.30
MAESTRO PERU S.A.	PEN	67,646	-	209,455	277,101	691,122	-	691,122	Annually	6.50	1,164,857	6.30
MAESTRO PERU S.A.	PEN	57,923	-	179,343	237,266	452,927	-	452,927	Annually	6.50	966,517	6.30
MAESTRO PERU S.A.	PEN	61,056	-	188,975	250,031	623,609	-	623,609	Annually	6.50	1,051,060	6.30
MAESTRO PERU S.A.	PEN	-	63,022	184,192	247,214	607,786	-	607,786	Annually	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 above table, 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

These were as follows:

Dec-31-2015						
Liability Class	Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	Total Non-Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade Account Payables	536,922,590	253,938,258	31,702,575	822,563,423	-	-
Miscellaneous Payables	5,833,181	10,269,865	5,295,755	21,398,801	1,262,231	1,262,231
Other Accounts Payable	25,693,179	28,123,721	122,592,468	176,409,368	-	-
Total	568,448,950	292,331,844	159,590,798	1,020,371,592	1,262,231	1,262,231

Dec-31-2014						
Liability Class	Up to 1 Month	1 to 3 Months	3 to 12 Months	Total Current	1 to 5 Years	Total Non-Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade Account Payables	563,725,495	216,035,506	22,651,335	802,412,336	-	-
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	1,208,738

Below are the principal suppliers of the Company as of December 31, 2015. The average term of payment for all suppliers vacillates, depending on each business and each country, from a minimum of 38 days and a maximum of 104 days as of December 31, 2015.

Supplier Name
Samsung Electronics
LG Electronics
Codelpa Chile S.A.
CMPC
Arauco Distribución S.A.
Nestlé
Agrosuper S.A.
CTI S.A.
Apple Chile Comercial Limitada
Unilever



Suppliers not yet due

Dec-31-2015

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	376,950,426	153,009,001	31,505,620	5,666,165	4,121,006	-	571,252,218
Services	184,336,705	22,257,600	4,641,225	7,894,353	957,910	-	220,087,793
Other	17,984,724	834,311	3,182	1,015,159	560,453	-	20,397,829
Total ThCh\$	579,271,855	176,100,912	36,150,027	14,575,677	5,639,369	-	811,737,840

Dec-31-2014

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	-	-	16,807,969
Total ThCh\$	604,164,308	149,870,670	27,907,396	6,793,325	4,034,648	-	792,770,347

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, 2015 and December 31, 2014, 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-31-2015

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	993,627	2,905,788	1,501,631	374,692	326,262	1,301,787	7,403,827
Services	99,386	2,033,233	475,389	147,342	78,726	142,696	2,976,772
Other	7,500	253,431	163,870	0	3,664	16,559	445,024
Total ThCh\$	1,100,513	5,192,452	2,140,890	522,034	408,652	1,461,042	10,825,583

Dec-31-2014

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



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-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Legal claims (contingencies) provisions ⁽¹⁾	11,839,396	9,969,351	12,784,990	16,279,029
Dismantling, restoration and rehabilitation costs ⁽²⁾	-	-	2,389,099	1,269,542
Other provisions ⁽³⁾	138,687	279,233	-	-
Total	11,978,083	10,248,584	15,174,089	17,548,571

b) Provisions established for the Banking Business are detailed as follows:

Banking Business		
Provisions	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Legal claims (contingencies) provisions ⁽¹⁾	315,229	381,998
Dismantling, restoration and rehabilitation costs ⁽²⁾	265,326	284,683
Other provisions ⁽⁴⁾	5,815,469	4,824,894
Total	6,396,024	5,491,575

- (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) Regulatory provisions required by the Chilean Superintendency of Banks.

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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 Jan-1-2015	9,969,351	16,279,029	-	1,269,542	279,233	-	10,248,584	17,548,571
Additional provisions	3,978,582	836,379	-	1,052,444	51,840	-	4,030,422	1,888,823
Increase (decrease) in previous provisions	(783,665)	(3,645,396)	-	58,666	(192,386)	-	(976,051)	(3,586,730)
Translation adjustment	(1,324,872)	(685,022)	-	8,447	-	-	(1,324,872)	(676,575)
Balance as of Dec-31-2015	11,839,396	12,784,990	-	2,389,099	138,687	-	11,978,083	15,174,089
Balance as of Jan-1-2014	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 (1)	-	12,598,963	-	-	-	-	-	12,598,963
Increase (decrease) in previous provisions	2,560,370	(1,289,196)	-	114,083	(299,321)	-	2,261,049	(1,175,113)
Translation adjustment	(205,274)	(294,254)	-	29,088	-	-	(205,274)	(265,166)
Balance as of Dec-31-2014	9,969,351	16,279,029	-	1,269,542	279,233	-	10,248,584	17,548,571

(1) Provisions incorporated when Maestro Peru S.A. was acquired (Note 40)



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 Jan-1-2015	381,998	284,683	4,824,894	5,491,575
Additional provisions	577,020	-	32,389	609,409
Increase (decrease) in previous provisions	(648,289)	(54,819)	956,020	252,912
Translation adjustment	4,500	35,462	2,166	42,128
Balance as of Dec-31-2015	315,229	265,326	5,815,469	6,396,024
Balance as of Jan-1-2014	532,319	464,962	5,052,460	6,049,741
Additional provisions	1,116,185	-	2,996	1,119,181
Increase (decrease) in previous provisions	(1,307,416)	(164,432)	(237,921)	(1,709,769)
Translation adjustment	40,910	(15,847)	7,359	32,422
Balance as of Dec-31-2014	381,998	284,683	4,824,894	5,491,575



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-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Wages and Salaries	752,574,969	664,579,720
Bonuses and Other Short-Term Benefits	130,445,951	108,501,672
Expenses for Defined Benefit Obligations	3,553,058	3,222,698
Termination Expenses	16,679,890	16,824,361
Share-Based Payments (1)	6,347,973	5,711,135
Other Personnel Costs	12,546,629	16,226,261
Personnel Costs	922,148,470	814,065,847

Banking Business

Expenses for Employee Benefits	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Wages and Salaries	59,418,196	58,680,432
Bonuses and Other Short-Term Benefits	19,295,857	17,277,564
Termination Expenses	950,915	1,032,031
Share-Based Payments (1)	494,756	503,737
Other Personnel Costs	10,759,906	6,058,008
Personnel Costs	90,919,630	83,551,772

(1) As of December 31, 2015, ThCh\$ 5,184,597 was included in Other reserves (ThCh\$ 6,214,872 in 2014).

- b) The balances comprising Employee Benefits correspond to:

Non-Banking Business

Breakdown of Employee Benefits	Current		Non-Current	
	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Vacation provision	41,998,157	38,049,734	-	-
Profit-sharing and bonuses	45,312,531	38,188,543	2,597,349	2,436,163
Defined benefits provision	2,690,133	1,170,576	18,448,172	17,280,841
Withholdings	22,974,071	20,899,932	-	-
Remuneration	5,125,607	7,064,517	-	-
Other Provisions	3,550,615	5,204,820	-	-
Total Employee Benefits	121,651,114	110,578,122	21,045,521	19,717,004

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c) Defined Employee Benefits balances are detailed as follows:

	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Defined benefits provision, current	2,690,133	1,170,576
Defined benefits provision, non-current	18,448,172	17,280,841
Total Defined Benefits Obligations	21,138,305	18,451,417

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-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Beginning balance as of January 1	18,451,417	14,127,289
Cost of current service, defined benefits plan obligation ⁽¹⁾	3,222,532	2,947,622
Cost of interest on defined benefits plan obligation ⁽¹⁾	330,526	275,076
Defined benefits plan actuarial profits (losses) obligation by experience and assumption ⁽²⁾	1,382,206	2,920,125
Payment of defined benefits plan obligations	(2,248,376)	(1,818,695)
Defined Benefits Plan Present Value, Final Balance as of December 31	21,138,305	18,451,417

⁽¹⁾ Recorded in net income as Administration Expense.

⁽²⁾ Recorded in Other Comprehensive Income, as part of Other Reserves in Equity.

c.2) Actuarial assumptions

The following are the main actuarial assumptions used:

	Dec-31-2015	Dec-31-2014
Discount rate used	BCU average rate	BCU average rate
Salary increase expected rate	0.45% actual average rate, according to table defined by position.	0.63% actual average rate, according to table defined by position.
Employee turnover rate	33.2% turnover rate, according to table with historical data of the company.	30.9% 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, 2015, 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\$ 2,793,552 in the case of a fall in the rate, and an increase of ThCh\$ 2,296,574 in the case of a rise in the rate.

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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, 2015 and 2014, the Company acquired treasury shares related to the 2011 and 2013 programs for the amount of ThCh\$ 8,632,349 and ThCh\$ 3,495,432, respectively, 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, 2015 was ThCh\$ 5,184,597 (ThCh\$ 6,214,872 as of December 31, 2014), 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.

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Movement of current options during the period, weighted average exercise prices of options and average contractual lives of current options as of December 31, 2015 are detailed as follows:

Share Plans	2011 Plan	2013 Plan
Balance as of January 1, 2015	10,559,250	16,330,000
Granted during the period	-	-
Cancelled during the period	(645,250)	(785,000)
Exercised during the period	-	-
Outstanding as of December 31, 2015	9,914,000	15,545,000
Can be exercised as of December 31, 2015	4,957,000	-
Weighted average contractual life (years)	0.4	2.4

On May 12, 2015, the Board of Directors approved a new long-term incentive plan for Company executives. This new plan seeks to align and retain senior executives. The incentive plan is divided into two components, and lasts for three years.

The first component is subject to compliance with performance targets under the plan, where the Company agrees to pay a bonus in cash, equal to the average market value of the Company's shares 60 days prior to the date of payment, for a number of shares that will depend on the position and performance of the executive, subject to certain limits covered by the plan.

The second component offers the executive the possibility to acquire a number of Company shares and for each share acquired and kept continuously for the duration of the program, the Company will pay twice the price of such shares purchased, at current value, estimated at the average for the last 60 days when the plan begins. This benefit shall be a sum in cash, defined at the time the plan begins, which aims to encourage executives to invest in Company shares.

The charge to income that was recognized in the year ended 31 December 2015 was ThCh\$ 1,633,723, charged to Administrative expenses, with the liability presented in Provisions for Employee Benefits.

The main assumptions used for calculating the fair value of the first component of the aforementioned plan are as follows:

Plan 2015	
Number of shares granted	1,445,538
Dividend Performance (%)	1.61%
Expected volatility in the share price (%)	19.25%
Risk-free interest rate (%)	4.13%
Plan life (years)	3
Share price (\$)	4,509.2
Period covered	09-01-15 /05-15-18
Model used	Monte Carlo Simulation
Model name	Bivariate Brownian motion

The expected share price volatility reflects the assumption that historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

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**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-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Prepaid rent charged	2,141,465	1,241,915
Guarantees received for rental	9,416,480	770,329
Deferred income from customer loyalty programs (CMR points)	16,736,767	13,859,094
Prepaid sales	56,383,622	54,387,891
Credit notes receivable from clients	1,603,929	1,414,005
VAT tax debit	41,440,022	45,354,659
Withholdings to be deposited	5,776,214	6,864,609
Other	5,270,440	5,645,779
Total	138,768,939	129,538,281

b) Other non-current, non-financial liabilities are detailed as follows:

Other Non-Current, Non-Financial Liabilities	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Guarantees and rent charged in advance	39,225,610	30,899,049
Other	1,041,324	1,284,633
Total	40,266,934	32,183,682

Note 23 - Deposits and Other Time Deposit Banking Business

The breakdown for Deposits and Other Time Deposits is as follows:

Breakdown	Dec-31-2015	Dec-31-2014
	ThCh\$	ThCh\$
Time deposits	1,851,727,068	1,556,821,935
Savings deposits	136,479,472	114,726,627
Total	1,988,206,540	1,671,548,562

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Note 24 - Obligations with Banks - Banking Business

a) As of December 31, 2015 the breakdown is as follows:

Name of Creditor	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability Exposed to Liquidity Risk by Maturity					Total	Repayment Terms	Nominal Value of the Obligation according to Contract Conditions
		Up to 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	5 or More Years			
BANCO SANTANDER COLOMBIA S.A.	COP	-	6,240,148	-	-	-	6,240,148	At Maturity	6,235,951
BANCO BOGOTA (COLOMBIA)	COP	4,400,000	-	-	-	-	4,400,000	At Maturity	4,400,000
BANCO GNB SUDAMERIS (COLOMBIA)	COP	-	4,400,000	-	-	-	4,400,000	At Maturity	4,400,000
SCOTIABANK (PERU)	PEN	4,234,364	-	-	-	-	4,234,364	At Maturity	4,165,000
BANCO DE CREDITO (PERU)	USD	4,231,456	-	-	-	-	4,231,456	Monthly	4,165,000
BANCO DE CREDITO (PERU)	PEN	-	-	4,169,897	-	-	4,169,897	At Maturity	4,165,000
BANCO BOGOTA (COLOMBIA)	COP	-	-	3,546,725	-	-	3,546,725	At Maturity	3,520,000
BANCO DAVIVIENDA (COLOMBIA)	COP	-	3,350,205	-	-	-	3,350,205	At Maturity	3,300,000
BANCO DAVIVIENDA (COLOMBIA)	COP	3,345,314	-	-	-	-	3,345,314	At Maturity	3,300,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	3,329,563	-	-	3,329,563	At Maturity	3,300,000
BANCO BOGOTA (COLOMBIA)	COP	-	3,301,595	-	-	-	3,301,595	At Maturity	3,300,000
INTERBANK (PERU)	USD	-	3,138,652	-	-	-	3,138,652	Monthly	3,123,750
BANCO DE CREDITO (PERU)	PEN	-	-	3,132,049	-	-	3,132,049	At Maturity	3,123,750
BANCO GNB SUDAMERIS (COLOMBIA)	COP	2,901,976	-	-	-	-	2,901,976	At Maturity	2,860,000
BANCO POPULAR (COLOMBIA)	COP	2,261,514	-	-	-	-	2,261,514	At Maturity	2,200,000
BANCO POPULAR (COLOMBIA)	COP	-	-	2,221,149	-	-	2,221,149	At Maturity	2,200,000
BANCO POPULAR (COLOMBIA)	COP	-	-	2,214,485	-	-	2,214,485	At Maturity	2,200,000
BANCO OCCIDENTE S.A. (COLOMBIA)	COP	-	2,200,708	-	-	-	2,200,708	At Maturity	2,200,000
BANCO OCCIDENTE S.A. (COLOMBIA)	COP	-	2,200,708	-	-	-	2,200,708	At Maturity	2,200,000
BANCO DAVIVIENDA (COLOMBIA)	COP	-	-	2,091,305	-	-	2,091,305	At Maturity	2,090,000
BANCO DE CREDITO (PERU)	PEN	2,082,971	-	-	-	-	2,082,971	Monthly	2,082,500
BANCO AV VILLAS (COLOMBIA)	COP	-	-	1,760,430	-	-	1,760,430	At Maturity	1,760,000
BANCO GNB SUDAMERIS (COLOMBIA)	COP	-	-	1,542,821	-	-	1,542,821	At Maturity	1,540,000
BANCO GNB SUDAMERIS (COLOMBIA)	COP	-	1,116,735	-	-	-	1,116,735	At Maturity	1,100,000
FINDETER S.A.(COLOMBIA)	COP	-	-	1,102,701	-	-	1,102,701	At Maturity	1,100,000
BANCO OCCIDENTE S.A. (COLOMBIA)	COP	-	1,100,354	-	-	-	1,100,354	At Maturity	1,100,000
BANCO AV VILLAS (COLOMBIA)	COP	-	1,100,000	-	-	-	1,100,000	At Maturity	1,100,000
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,049,818	-	1,049,818	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,049,552	-	1,049,552	At Maturity	1,041,250

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

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



Name of Creditor	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability Exposed to Liquidity Risk by Maturity						Repayment Terms	Nominal Value of the Obligation 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 CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,049,429	-	1,049,429	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,049,368	-	1,049,368	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,049,347	-	1,049,347	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,049,183	-	1,049,183	At Maturity	1,041,250
FONDO MI VIVIENDA (PERU)	USD	9,598	9,659	89,783	577,202	362,579	1,048,821	Monthly	1,048,821
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,047,583	-	1,047,583	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,047,481	-	1,047,481	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,047,430	-	1,047,430	At Maturity	1,041,250
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	1,047,328	-	1,047,328	At Maturity	1,041,250
BANCOMPARTIR S.A. (COLOMBIA)	COP	-	-	880,541	-	-	880,541	At Maturity	880,000
BANCO AV VILLAS (COLOMBIA)	COP	409,651	-	-	-	-	409,651	At Maturity	406,568
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	-	314,686	-	314,686	At Maturity	312,375
FONDO MI VIVIENDA (PERU)	PEN	245	247	2,290	14,572	9,042	26,396	Monthly	26,396
Total Bank Obligations		23,877,089	28,159,011	26,083,739	11,392,979	371,621	89,884,439		

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

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



b) The breakdown as of December 31, 2014 is as follows:

Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity						Repayment Terms	Nominal Value of the Obligation 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	-	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	-	-	5,030,988	-	-	5,030,988	At Maturity	5,000,000
BANCO DE BOGOTÁ (COLOMBIA)	COP	-	5,002,371	-	-	-	5,002,371	At Maturity	6,000,000
SCOTIABANK (PERU)	PEN	-	-	4,112,332	-	-	4,112,332	At Maturity	4,058,600
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	3,018,737	-	-	3,018,737	At Maturity	2,983,071
BANCO DE BOGOTÁ (COLOMBIA)	COP	3,001,360	-	-	-	-	3,001,360	At Maturity	3,600,000
BANCO POPULAR (COLOMBIA)	COP	2,560,260	-	-	-	-	2,560,260	At Maturity	3,000,000
BANCO POPULAR (COLOMBIA)	COP	-	-	2,520,301	-	-	2,520,301	At Maturity	2,500,000
BANCO DE BOGOTÁ (COLOMBIA)	COP	-	-	2,515,844	-	-	2,515,844	At Maturity	2,500,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	2,506,822	-	-	2,506,822	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTÁ	COP	2,502,756	-	-	-	-	2,502,756	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTÁ	COP	2,502,756	-	-	-	-	2,502,756	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTÁ	COP	2,502,756	-	-	-	-	2,502,756	At Maturity	2,500,000
BANCO AGRARIO DE COLOMBIA, BOGOTÁ	COP	2,500,921	-	-	-	-	2,500,921	At Maturity	2,500,000
CITIBANK DEL PERU	PEN	-	-	2,054,024	-	-	2,054,024	Monthly	1,976,300
SCOTIABANK (PERU)	PEN	-	-	2,052,518	-	-	2,052,518	At Maturity	1,976,300
INTERBANK (PERU)	PEN	2,033,533	-	-	-	-	2,033,533	Monthly	2,029,300
BANCO CENTRAL DE RESERVA DEL PERU	PEN	-	-	1,805,032	-	-	1,805,032	At Maturity	1,785,784
BANCO AGRARIO DE COLOMBIA, BOGOTÁ	COP	1,500,545	-	-	-	-	1,500,545	At Maturity	1,500,000
BANCO AV VILLAS (COLOMBIA)	COP	-	-	1,257,538	-	-	1,257,538	At Maturity	1,250,000
FONDO MI VIVIENDA (PERU)	USD	8,782	17,733	73,255	528,127	517,812	1,145,709	Monthly	3,515,852
BANCO DE LA REPÚBLICA	COP	1,000,241	-	-	-	-	1,000,241	At Maturity	1,000,000
FONDO MI VIVIENDA (PERU)	PEN	217	436	1,803	12,870	12,438	27,764	Monthly	60,265
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 consolidated financial statements originally 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, 2015 is as follows:

Instrument	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity						Repayment Terms	Nominal Value of the Obligation 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		
CURRENT BONDS	UF	-	-	-	-	50,407,681	50,407,681	Six monthly	42,252,000
SUBORDINATED BONDS	UF	-	-	-	-	40,718,347	40,718,347	Six monthly	33,818,134
CURRENT BONDS	UF	-	-	-	-	38,841,873	38,841,873	Six monthly	33,030,030
CURRENT BONDS	UF	-	-	-	-	33,404,080	33,404,080	Six monthly	32,694,362
CURRENT BONDS	CH\$	-	-	-	-	30,418,457	30,418,457	Six monthly	30,131,161
CURRENT BONDS	UF	-	-	-	-	25,972,157	25,972,157	Six monthly	22,022,022
CURRENT BONDS	UF	-	-	-	-	25,340,350	25,340,350	At Maturity	21,126,000
SERIE G60	COP	-	-	13,310,498	-	-	13,310,498	At Maturity	13,114,200
SEVENTH ISSUE SERIES "A" BONDS	PEN	-	779,979	2,417,408	5,640,618	4,029,013	12,867,018	Three monthly	12,892,841
FOURTH ISSUE SERIES "A" BONDS	PEN	-	530,557	1,115,625	4,462,500	3,346,873	9,455,555	Three monthly	9,482,812
SERIE G60	COP	-	-	-	-	5,658,400	5,658,400	At Maturity	5,658,400
SIXTH ISSUE SERIES "A" BONDS	USD	-	470,305	1,014,772	3,044,318	-	4,529,395	Three monthly	4,566,476
FIRST ISSUE SERIES "A" BONDS	PEN	-	628,078	1,249,500	-	-	1,877,578	Three monthly	1,874,250
FIRST ISSUE SERIES "B" BONDS	PEN	-	309,310	937,125	-	-	1,246,435	Three monthly	1,249,500
Total Debt Instruments Issued		-	2,718,229	20,044,928	13,147,436	258,137,231	294,047,824		

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

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



b) As of December 31, 2014 the breakdown is as follows:

Instrument	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liabilities Exposed to Liquidity Risk by Maturity						Repayment Terms	Nominal Value of the Obligation 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		
CURRENT BONDS	UF	-	-	-	-	48,377,568	48,377,568	Six monthly	49,380,148
SUBORDINATED BONDS	UF	-	-	-	-	41,557,795	41,557,795	Six monthly	30,578,117
CURRENT BONDS	UF	-	-	-	-	37,312,060	37,312,060	Six monthly	38,024,219
CURRENT BONDS	UF	-	-	-	-	24,944,267	24,944,267	Six monthly	25,431,548
CURRENT BONDS	UF	-	-	-	-	24,270,519	24,270,519	At Maturity	24,581,980
SEVENTH ISSUE SERIES "A" BONDS	PEN	-	810,301	2,355,652	11,778,260	785,217	15,729,430	Three monthly	15,704,347
SERIE G60	COP	-	-	-	15,001,312	-	15,001,312	Three monthly	18,483,000
FOURTH ISSUE SERIES "A" BONDS	PEN	-	511,174	1,087,125	4,348,500	5,435,625	11,382,424	Three monthly	13,682,250
SERIE G60	COP	-	-	-	6,472,690	-	6,472,690	Three monthly	7,716,000
SIXTH ISSUE SERIES "A" BONDS	USD	-	387,645	865,641	4,328,207	-	5,581,493	Three monthly	4,723,113
FIRST ISSUE SERIES "A" BONDS	PEN	-	615,511	1,826,370	1,826,370	-	4,268,251	Three monthly	11,293,800
SERIE B60	COP	-	-	3,412,395	-	-	3,412,395	Three monthly	4,050,300
FIRST ISSUE SERIES "B" BONDS	PEN	-	298,622	913,185	1,217,580	-	2,429,387	Three monthly	5,798,100
Total Debt Instruments Issued		-	2,623,253	10,460,368	44,972,919	182,683,051	240,739,591		

c) The breakdown for Other Financial Obligations as of December 31, 2015 and December 31, 2014 is as follows:

Breakdown of Other Financial Obligations	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Mortgage Notes	110,051,478	120,481,316
Public sector obligations	49,476,114	55,247,797
Total	159,527,592	175,729,113



Note 26 - Other Banking Business Liabilities

The breakdown of Other Banking Business Liabilities is as follows:

Other Liabilities	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Suppliers and accounts payable	33,792,628	25,976,187
Deferred income from client loyalty	4,081,536	4,664,772
Associated trade	5,496,341	5,417,081
Vacation and employee benefits provision	4,217,767	3,524,913
Withholdings and other to employees	5,821,330	7,117,615
Profit-sharing	3,293,707	2,540,569
Other	24,389	16,050
Total	56,727,698	49,257,187

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-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Sales revenue	7,107,149,710	6,456,104,897
Revenue from rental of Investment Properties	231,319,640	208,812,115
Interest income	339,244,645	322,978,571
Commission income	80,847,357	50,484,205
Total Income	7,758,561,352	7,038,379,788

b) Income from interest and commissions related to the company's Financial Retail business is as follows:

Item	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Loan interest	339,244,645	322,978,571
Subtotal Interest Income	339,244,645	322,978,571
Commissions income	31,845,998	17,889,047
Payment services	49,001,359	32,595,158
Subtotal Commissions Income	80,847,357	50,484,205
Total Income From Interest and Commissions	420,092,002	373,462,776



27.2 Income from Ordinary Banking Business Activities

a) The Company's income is detailed as follows:

Item	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Income from interest and adjustments	485,319,456	445,605,716
Commissions income	135,915,710	106,875,474
Total Income	621,235,166	552,481,190

b) Income from interest and commissions is detailed as follows:

Item	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Loan interest	481,346,656	440,491,314
Other interest income	3,972,800	5,114,402
Subtotal Interest Income and adjustments	485,319,456	445,605,716
Commissions income ⁽¹⁾	50,783,994	39,837,950
Payment services	85,131,716	67,037,524
Subtotal Commissions Income	135,915,710	106,875,474
Total Income From Interest and Commissions	621,235,166	552,481,190

⁽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-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Cost of sales of goods and services ⁽¹⁾	4,925,541,744	4,516,523,874
Cost of sales, financial entities	101,798,653	86,944,805
Cost of depreciation and maintenance of investment properties	69,568,202	51,520,244
Total, Cost of Continuing Operations - Non-Banking	5,096,908,599	4,654,988,923

⁽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-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Interest cost	27,545,137	30,523,167
Other sales costs	12,113,668	5,284,438
Provision for doubtful accounts and write-offs	62,139,848	51,137,200
Total, Cost of Sales Financial Entities	101,798,653	86,944,805

c) Investment Property Costs are broken down as follows:

Item	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Depreciation	30,547,856	24,201,860
Maintenance and other	39,020,346	27,318,384
Total	69,568,202	51,520,244

28.2 Cost of Continuing Operations - Banking Business

Item	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Interest and indexation expenses	133,370,243	129,938,794
Commission expenses	33,607,581	29,218,656
Credit risk provision	114,698,003	89,422,063
Total, Cost of Continuing Banking Business Operations	281,675,827	248,579,513



Note 29 - Administrative Expenses

a) The Administrative Expenses - Non-Banking Business are broken down into the following items:

Items	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Payroll and personnel costs ⁽¹⁾	922,148,470	814,065,847
Rent and common expenses	147,423,525	124,151,167
Depreciation and amortization	188,536,089	161,111,292
Basic energy, water and gas services	54,232,062	43,344,942
Computer services	3,139,278	1,361,483
Materials and supplies	41,238,922	37,045,015
Travel, lodging and transit	19,382,136	17,451,161
Tax, contributions, patents, insurance and other	85,915,044	76,271,629
Fees, third party services	142,137,601	109,729,252
Maintenance and repairs	37,164,249	30,144,510
Communications	5,557,242	6,528,426
Commissions	36,998,205	26,739,556
Other	1,714,368	9,514,481
Total	1,685,587,191	1,457,458,761

⁽¹⁾ See Note 21.

b) The Administrative Expenses - Banking Business are broken down into the following items:

Items	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Payroll and personnel costs ⁽¹⁾	90,919,630	83,551,772
Administrative costs	112,366,201	101,215,795
Depreciation and amortization	15,638,353	15,489,687
Other operational expenses	10,548,992	10,502,339
Total	229,473,176	210,759,593

⁽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-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Interest expenses, bank loans	52,675,471	41,062,652
Interest expenses, bonds and other loans	81,381,661	59,537,154
Interest expenses, financial leases	7,033,697	5,946,373
Interest expenses, swap and forward	15,028,697	14,017,366
Other financial costs	17,912,993	18,663,628
Subtotal, Interest Costs	174,032,519	139,227,173
Income from indexation units	33,455,450	41,114,681
Total, financing expenses	207,487,969	180,341,854

Note 31 - Other Profits (Losses)

Other Profits (Losses) from the Non-Banking Business are broken down as follows:

Items	As of Dec-31-2015 ThCh\$	As of Dec-31-2014 ThCh\$
Costs of storms in the north of Chile ⁽¹⁾	(19,335,743)	-
Real estate leases (other than investment properties)	2,324,710	2,030,391
Recovery of provisions	7,323,751	6,680,112
Compensation ⁽²⁾	51,370,733	1,870,040
Losses on disposal of property, plant and equipment	(5,907,876)	(4,860,043)
Lawsuits and litigation	(6,273,555)	(3,818,030)
"Cuentas Punto Com" settlement ⁽³⁾	-	3,675,300
Other	4,112,675	2,928,492
Total	33,614,695	8,506,262

- (1) As a result of a heavy storm that hit northern Chile at the end of March 2015, some locations of Group companies operating in that area were affected. The Group has assessed the damage and estimated the effect as a loss of ThCh\$ 19,335,743, which is primarily related to damages in inventories and fixed assets. S.A.C.I. Falabella and its subsidiaries have appropriate insurance cover for the risks of damage, stoppage and other related risks in respect of its assets and equity, all contracted with first class companies in the insurance market. As of December 31, 2015, the aforementioned losses have been entirely recovered from insurance companies. The total effect of the compensation received has been disclosed under "Compensation" within this note.
- (2) Includes insurance compensation for assets losses mentioned in (1), lost profits and business interruption damage. In addition, compensation received by our subsidiary in Peru related to the transaction for Maestro Peru S.A.
- (3) Payment by the Cruzat Group by way of compensation and moral damage caused to Promotora CMR Falabella S.A.



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-31-2015	As of Dec-31-2014
Profit attributable to holders of equity interests in parent's equity	519,951,164	464,728,694
Basic earnings per share	0.2136	0.1911
Diluted earnings per share	0.2136	0.1903
Weighted average number of shares, basic	2,434,465,103	2,432,045,882
Incremental shares of share-based compensation plans	-	9,762,565
Weighted average of number of shares, diluted	2,434,465,103	2,441,808,447



Note 33 - Financial Instruments and Risk Management

33.1 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.

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- 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.

33.2 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-31-2015	Dec-31-2014
Financial Assets	ThCh\$	ThCh\$
Financial assets held for trading	12,130,573	6,074,524
Total loans and accounts receivable	1,890,927,774	1,690,362,150
Hedging assets	176,471,236	76,041,493
Total Financial Assets	2,079,529,583	1,772,478,167
Financial Liabilities		
Financial liabilities at fair value by income	45,504,957	11,049,642
Financial liabilities measured at amortized cost	4,418,917,238	4,019,004,841
Total Financial Liabilities	4,464,422,195	4,030,054,483

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b) Banking Business:

Financial Instruments by Category	Dec-31-2015	Dec-31-2014
Financial Assets	ThCh\$	ThCh\$
Financial assets held for trading and derivatives	118,898,601	70,368,101
Bank debts	-	29,977,748
Total loans and accounts receivable	2,471,067,255	2,180,384,460
Financial assets held for sale	423,103,649	264,017,567
Total Financial Assets	3,013,069,505	2,544,747,876

Financial Liabilities		
Financial liabilities at fair value by income	8,166,601	8,637,377
Financial liabilities measured at amortized cost	2,853,359,763	2,396,288,009
Total Financial Liabilities	2,861,526,364	2,404,925,386

c) Total assets and financial liabilities:

Financial Instruments by Category	Dec-31-2015	Dec-31-2014
Financial Assets	ThCh\$	ThCh\$
Financial assets held for trading and derivatives	131,029,174	76,442,625
Bank debts	-	29,977,748
Total loans and accounts receivable	4,361,995,029	3,870,746,610
Financial assets held for sale	423,103,649	264,017,567
Hedging assets	176,471,236	76,041,493
Total Financial Assets	5,092,599,088	4,317,226,043

Financial Liabilities		
Financial liabilities at fair value by income	53,671,558	19,687,019
Financial liabilities measured at amortized cost	7,272,277,001	6,415,292,850
Total Financial Liabilities	7,325,948,559	6,434,979,869

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-31-2015		Dec-31-2014	
	Book Value	Market Value (1)	Book Value	Market Value (1)
Loans that accrue interest	1,703,095,238	1,565,191,762	1,420,904,735	1,370,545,811
Obligations with the public	2,120,384,967	2,187,368,604	1,939,648,220	2,082,861,317

(1) The market value hierarchy according to IFRS 13 is Level 2

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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, but the remainder are accounted for as for as an investment, even though they fulfill a hedge role, as they do not comply with the requirements in IAS 39.

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, 2015, were 59 currency and interest rate swaps with a notional value of ThCh\$ 1,321,273,479 and 303 currency forwards of ThCh\$ 177,630,358. All these derivative instruments add up to a contracted notional value of ThCh\$ 1,498,903,837. As of December 31, 2014 there were 47 currency and interest rate swaps for ThCh\$ 854,016,472, and 312 currency forwards amounting to ThCh\$ 364,579,152, which in total add up to a contracted notional value of ThCh\$ 1,218,595,624.

d) Assets and Liabilities at Fair Value

Financial Instruments by Category	Dec-31-2015	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	131,029,174	116,276,878	14,752,296	-
Financial assets held for sale	423,103,649	423,103,649	-	-
Hedging assets	176,471,236	-	176,471,236	-
Total financial assets	730,604,059	539,380,527	191,223,532	-
Financial liabilities		Level 1	Level 2	Level 3
Financial liabilities at fair value by income	53,671,558	-	53,671,558	-
Total financial liabilities	53,671,558	-	53,671,558	-

Financial instruments by category	Dec-31-2014	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	76,442,625	59,387,039	17,055,586	-
Financial assets held for sale	264,017,567	264,017,567	-	-
Hedging assets	76,041,493	-	76,041,493	-
Total financial assets	416,501,685	323,404,606	93,097,079	-

Financial liabilities		Level 1	Level 2	Level 3
		Financial liabilities at fair value by income	19,687,019	-
Total financial liabilities	19,687,019	-	19,687,019	-

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2.1 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.

2.1.1 Market Risks

The main market risks to which the Falabella Group is exposed are exchange rate, interest rate and inflation.

a) 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, 2015, at a consolidated level the Company had accounts payable in US dollars for the import of goods of Ch\$ 211,335 million from which Ch\$ 19,511 million were letters of credit (financial debt). To cover this liability and future obligations in foreign currency, the Company had a hedge of Ch\$ 177,630 million, which generated a net book asset of Ch\$ 33,704 million, as of December 31, 2015. Taking into account this exposure, a simultaneous depreciation of 17.1% 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 Ch\$ 5,748 million for the Company. The percentage depreciation 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, 2015, 71.9% of the consolidated financial debt after derivatives associated with the debt, excluding business developed in the banking line, was expressed in Chilean pesos (including that in UF), 19.3% in Peruvian soles, 2.7% in Colombian pesos, 3.7% in Argentine pesos, and 1.0% in Brazilian reals and 0.8% in Uruguay pesos. As of that date, there was also a financial debt of Ch\$ 19,511 million, which is 0.6% of the consolidated financial debt of the Group, excluding banking business. This debt in US dollars is primarily due to letters of credit at the time when it was entered into and is partially hedged with derivatives. Therefore, as of December 31, 2015, excluding letters of credit, the effect of which is mentioned in the previous paragraph, and net of hedges, we are not exposed to exchange rate risks.

The Company has investments in businesses in Peru, Colombia, Argentina, Brazil and Uruguay. These investments abroad are managed in the functional currency of each country. As a result Falabella has an exposure in its balance sheet of \$ 968,064 million in Peruvian soles, Ch\$244,579 million in Colombian pesos, Ch\$ 68,352 million in Argentine pesos, Ch\$ 59,271 million in reals and Ch\$ 20,929 million in Uruguayan pesos as of December 31, 2015. 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 as of December 31, 2015, a simultaneous depreciation of 14.10% in the five foreign currencies mentioned above in respect to the Chilean peso, keeping the rest of the variables constant would result in a comprehensive loss of Ch\$ 191,923 million for the Company. The percentage of currency depreciation 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.



b) Inflation Risk

As of December 31, 2015, 32.2% or Ch\$ 1,044,208 million of consolidated debt, excluding banking, after derivatives was expressed in UF. Most of this debt was contracted for real estate business in Chile, and generate income denominated in the same currency unit, which naturally covers this risk. However, accounting standards do not permit hedge accounting in such cases, thus creating an accounting exposure to inflation risk. Therefore, by applying incremental inflation of 1% per annum and keeping all other variables constant, the effect on income resulting from net exposure to inflation on the Group's financial debt would be a loss of approximately Ch\$ 10,442 million before tax.

c) Interest Rate Risk

Most of the Company's financial 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, 2015, at a consolidated level, after derivatives, and excluding the banking business, 85.0% of the Company's financial debt was at a fixed interest rate, 10.9% at a variable interest rate and 4.1% was 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, 2015, after derivatives, Ch\$ 485,225 million or 15.0% 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 an additional financial expense of Ch\$ 4,852 million.

2.1.2 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, 2015 the total amount of gross Group credit card loans, excluding banking transactions, which are dealt with separately below, was Ch\$ 1,538,678 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.

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Maximum Exposure to Credit Risk

The Company's maximum exposure to credit risk, without considering guarantees, as of December 31, 2015, and December 31, 2014, is detailed below:

	Maximum Exposure	
	31-Dec-14 ThCh\$	31-Dec-13 ThCh\$
Cash Equivalents	661,059,154	610,126,163
Time deposits	61,506,720	96,624,511
Highly liquid financial instruments	81,158,964	56,790,023
Liquidity operations in course of settlement, net (bank subsidiaries)	4,342,415	5,272,593
Other cash and cash equivalents	514,051,055	451,439,036
Financial Assets at Fair Value through Profit or Loss, Current	65,959,671	34,540,635
Derivatives	26,226,559	21,571,760
Other	39,733,112	12,968,875
Trade and Other Receivables, Current	1,681,913,169	1,469,813,782
Trade accounts receivable, net	225,989,681	194,344,679
Notes receivable, net	71,549,850	89,827,599
Miscellaneous receivables, net	94,929,423	70,991,133
Financing receivables, net	1,289,544,215	1,114,650,371
Accounts Receivable from Related Parties, Current	5,099,194	14,382,645
Loans and Receivables, Banking Business	2,471,067,255	2,210,362,208
Due from banks	-	29,977,748
Credit and accounts receivables, net	2,471,067,255	2,180,384,460
Financial Assets at Fair Value through Profit or Loss, Non-Current	164,996,973	71,524,973
Derivatives	164,821,000	71,342,907
Other	175,973	182,066
Trade and Other Receivables, Non-Current	203,915,411	206,165,723
Trade accounts receivable, net	200,818	174,653
Notes receivable, net	1,985,864	1,793,311
Miscellaneous receivables, net	3,230,513	2,947,119
Financing receivables, net	198,498,216	201,250,640
Total	5,254,010,827	4,616,916,129

2.1.3 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, S.A.C.I 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 meet its operating and financial obligations.

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Below is a breakdown of contractual maturities of obligations 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	2,238,777,783	986,238,299	290,155,364	173,016,120	401,282,557	1,797,720,067
Interest	167,249,887	115,037,280	98,420,355	90,275,386	78,861,590	472,436,826

Expiration of other financial liabilities is detailed in Note 18 “Other Current and Non-Current Financial Liabilities.”

2.2 Banking Business Risk Management

Risk Management of the banking business is part of a comprehensive risk management system expressed in business targets, by complying with profitability targets under a tolerable risk framework. Risk analysis by subject matter is divided into four categories: Credit Risk, Liquidity Risk, Market Risk and Operational Risk.

2.2.1 Credit Risk

Credit risk is the potential loss from debtors not complying with their payment obligations.

Banking businesses have systems that generate risk indicators by customer segment based on their sociodemographic characteristics and payment behavior, which enables the bank to track the initiation, maintenance, collection and recovery of written-off portfolios.

2.2.2 Liquidity Risk

Liquidity risk is the temporary breach between payable and receivable cash flows, both in local currency, indexed currency and foreign currency, which generate net liquidity requirements that are properly measured and controlled by banks.

The banking business has a portfolio of highly liquid instruments held in investment assets, to appropriately manage their short and long term liquidity positions, which are available to respond to exceptional but plausible situations. This process is monitored with regular reports, liquidity risk stress tests, early warnings and contingency plans.

2.2.3 Market Risk

Market risk considers interest rate risk, indexation risk and currency risk.

a) Interest Rate Risk

Interest rate risk is 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.

b) Indexation Risk

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.

c) Currency Risk

Currency risk is 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.

The banking business performs stress and sensitivity testing, in order to monitor and control these risks.



2.2.4 Operating Risk

Operating Risk is the risk of loss from an inadequacy or failure of processes, personnel and internal systems or external events, including areas related to information security and business continuity. The banking business is unable to eliminate all operational risks, but it reacts through a control and supervision framework to mitigate the aforementioned risks. Therefore, banks have developed Integrated Risk Management, which is based on international standards, including technological risks, in order to have a comprehensive understanding of the risks within each process and prioritize mitigation with all their associated variables.

In addition, local regulations impose rules regarding minimum levels of equity for the banking business. As of December 31, 2015, each Group banking subsidiary complies with these restrictions.

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33.3 Categories presented in the Consolidated Statement of Financial Position classified by currency

Balances as of December 31, 2015

	Chilean Pesos ThCh\$	US 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	104,392,851	58,479,460	1,061,374	29,628,100	1,523,589	8,724,483	3,498,369	207,308,226
Other financial assets, current	16,494,270	525,967	398,789	4,829,782	1,208,160	-	147,868	23,604,836
Other non-financial assets, current	60,909,909	1,275,206	-	13,803,418	3,938,968	2,035,435	6,674,831	88,637,767
Trade and other receivables, current	1,428,579,270	14,174,715	-	23,988,666	183,263,865	9,388,971	22,517,682	1,681,913,169
Accounts receivable from related entities, current	3,121,003	-	-	1,218,643	-	759,548	-	5,099,194
Inventory	600,952,356	-	-	355,045,405	84,971,518	73,859,143	58,842,934	1,173,671,356
Tax assets, current	29,672,024	1,051,369	-	11,965,986	339,840	10,686,568	905,872	54,621,659
Non-current assets or groups of assets available for sale	2,925,581	-	-	-	-	9,756	-	2,935,337
Total Current Assets	2,247,047,264	75,506,717	1,460,163	440,480,000	275,245,940	105,463,904	92,587,556	3,237,791,544
Other financial assets, non-current	1,486,466	163,510,507	-	-	-	-	-	164,996,973
Other non-financial assets, non-current	17,741,111	6,787,800	-	10,071,087	373,079	286,028	1,340,212	36,599,317
Trade and other receivables, non-current	199,601,864	986,921	-	944,994	2,381,632	-	-	203,915,411
Investments accounted for using the equity method	295,098	-	-	98,254,302	-	85,598,939	-	184,148,339
Intangible assets other than goodwill	197,819,795	93,223	-	31,939,845	862,433	1,093,775	15,104,327	246,913,398
Goodwill	259,964,833	-	-	171,306,580	-	-	30,393,545	461,664,958
Property, plant and equipment	1,187,071,207	56,649	-	849,365,481	34,423,385	97,196,130	68,389,220	2,236,502,072
Investment property	2,064,046,727	-	-	94,894,449	-	69,769,486	-	2,228,710,662
Deferred tax assets	57,973,252	609,572	-	17,815,004	4,297,373	2,864,470	8,370,696	91,930,367
Total Non-Current Assets	3,986,000,353	172,044,672	-	1,274,591,742	42,337,902	256,808,828	123,598,000	5,855,381,497
Total Assets Non-Banking Business	6,233,047,617	247,551,389	1,460,163	1,715,071,742	317,583,842	362,272,732	216,185,556	9,093,173,041
Assets - Banking Business								
Cash and cash equivalents	177,282,684	112,279,737	-	68,023,201	-	15,279,125	-	372,864,747
Liquidity operations in the course of settlement	7,699,632	5,979,847	-	205,426	-	-	-	13,884,905
Trading instruments	95,718,411	-	-	-	-	14,436,137	-	110,154,548
Financial derivative contracts	8,744,053	-	-	-	-	-	-	8,744,053
Loans and receivables from customers	1,352,385,052	16,399,756	-	740,225,752	-	362,056,695	-	2,471,067,255
Investment securities available for sale	368,503,255	-	-	54,600,394	-	-	-	423,103,649
Investments in companies	-	-	-	2,801,387	-	-	-	2,801,387
Intangibles	18,805,342	-	-	9,866,964	-	5,456,482	-	34,128,788
Fixed assets	14,588,622	-	-	14,087,301	-	6,879,718	-	35,555,641
Current tax	-	-	-	995,622	-	854,624	-	1,850,246
Deferred tax	12,628,048	-	-	5,320,802	-	631,214	-	18,580,064
Other assets	10,909,202	237,430	-	6,627,240	-	3,314,459	-	21,088,331
Total Assets - Banking Business	2,067,264,301	134,896,770	-	902,754,089	-	408,908,454	-	3,513,823,614
Total Assets	8,300,311,918	382,448,159	1,460,163	2,617,825,831	317,583,842	771,181,186	216,185,556	12,606,996,655

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	Chilean Pesos ThCh\$	US 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	242,697,971	52,859,762	466,291	294,328,783	104,898,968	23,375,673	20,089,713	738,717,161
Trade accounts payable and other payables, current	601,581,128	76,429,458	5,113,121	170,488,626	79,509,277	52,769,814	34,480,168	1,020,371,592
Accounts payable to related parties, current	3,240,430	-	-	-	-	-	-	3,240,430
Other current provisions	4,283,767	1,034	-	3,106,563	4,523,098	-	63,621	11,978,083
Tax liabilities, current	27,520,468	1,071,020	-	9,710,445	5,922,955	639,117	55,931	44,919,936
Provisions for employee benefits, current	72,236,480	-	-	28,531,766	12,663,779	3,765,386	4,453,703	121,651,114
Other non-financial liabilities, current	87,729,050	322,544	-	17,820,903	22,205,104	8,866,969	1,824,369	138,768,939
Total Current Liabilities	1,039,289,294	130,683,818	5,579,412	523,987,086	229,723,181	89,416,959	60,967,505	2,079,647,255
Other financial liabilities, non-current	1,590,251,397	739,904,492	-	281,113,369	16,704,234	65,099,668	7,757,621	2,700,830,781
Trade accounts payable and other payables, non-current	907,151	355,080	-	-	-	-	-	1,262,231
Other provisions, non-current	176,172	-	-	12,128,699	-	122,872	2,746,346	15,174,089
Deferred tax liabilities	314,712,299	-	-	51,984,873	-	231,462	30,025	366,958,659
Provisions for employee benefits, non-current	20,636,922	69,270	-	210,819	40,267	79,948	8,295	21,045,521
Other non-financial liabilities, non-current	23,252,673	178,258	-	16,279,697	464,071	92,235	-	40,266,934
Total Non-Current Liabilities	1,949,936,614	740,507,100	-	361,717,457	17,208,572	65,626,185	10,542,287	3,145,538,215
Total Liabilities - Non-Banking Business	2,989,225,908	871,190,918	5,579,412	885,704,543	246,931,753	155,043,144	71,509,792	5,225,185,470
Liabilities - Banking Business								
Deposits and other demand deposits	282,652,309	128,943	-	13,867,165	-	25,044,951	-	321,693,368
Liquidity operations in the course of settlement	5,956,337	3,586,153	-	-	-	-	-	9,542,490
Deposits and other time deposits	1,151,984,600	94,370,930	-	542,041,261	-	199,809,749	-	1,988,206,540
Financial derivative contracts	7,912,068	-	-	-	-	254,533	-	8,166,601
Bank obligations	-	-	-	32,865,811	-	57,018,628	-	89,884,439
Debt instruments issued	245,102,945	20,258,824	-	9,717,157	-	18,968,898	-	294,047,824
Other financial obligations	159,525,686	1,906	-	-	-	-	-	159,527,592
Current tax	2,702,396	-	-	-	-	1,625,177	-	4,327,573
Provisions	5,731,778	43	-	398,877	-	265,326	-	6,396,024
Other liabilities	18,745,128	1,905,719	-	16,984,880	-	19,091,971	-	56,727,698
Total Liabilities - Banking Business	1,880,313,247	120,252,518	-	615,875,151	-	322,079,233	-	2,938,520,149
Total Liabilities	4,869,539,155	991,443,436	5,579,412	1,501,579,694	246,931,753	477,122,377	71,509,792	8,163,705,619

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Interim Financial Statements

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



As of December 31, 2014

	Chilean Pesos ThCh\$	US 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	6,478,965	525,771	-	2,623,424	801,496	-	161,388	10,591,044
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	1,216,378,093	23,418,547	76,494	22,797,478	163,835,894	9,066,165	34,241,111	1,469,813,782
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 available 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
Trade and other receivables, 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	-	-	166,930,455	164,403	-	38,909,397	465,969,088
Property, plant and equipment	1,118,534,598	57,821	-	798,591,104	45,721,530	100,682,039	55,098,916	2,118,686,008
Investment property	1,994,114,042	-	-	73,392,130	-	53,605,991	-	2,121,112,163
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	1,182,928,559	55,116,215	236,720,867	117,695,072	5,481,152,467
Total Assets - Non-Banking Business	5,782,602,064	109,707,828	2,710,166	1,571,151,924	317,752,433	354,924,777	210,840,478	8,349,689,670
Assets - Banking Business								
Cash and cash equivalents	91,504,492	158,750,878	-	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	46,418,510	-	-	-	-	9,445,900	-	55,864,410
Financial derivative contracts	14,503,691	-	-	-	-	-	-	14,503,691
Bank debt	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	1,701,651,098	191,482,135	-	717,800,868	-	386,336,283	-	2,997,270,384
Total Assets	7,484,253,162	301,189,963	2,710,166	2,288,952,792	317,752,433	741,261,060	210,840,478	11,346,960,054

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



	Chilean Pesos ThCh\$	US 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 provisions, current	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
Trade accounts payable and other payables, non-current	1,208,738	-	-	-	-	-	-	1,208,738
Other provisions, non-current	285,652	-	-	13,217,680	-	131,448	3,913,791	17,548,571
Deferred tax liabilities	320,094,488	-	-	48,379,371	-	-	31,604	368,505,463
Provisions for employee benefits, non-current	19,717,004	-	-	-	-	-	-	19,717,004
Other non-financial liabilities, non-current	22,828,394	121,763	-	8,428,871	782,404	22,250	-	32,183,682
Total Non-Current Liabilities	1,744,971,452	667,648,078	-	251,130,238	22,774,926	65,053,880	3,945,395	2,755,523,969
Total Liabilities Non-Banking Business	2,759,145,269	796,302,165	2,230,172	743,480,525	241,463,832	147,892,956	53,593,301	4,744,108,220
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	4,362,488,535	912,560,541	2,230,172	1,184,382,697	241,463,832	451,975,556	53,593,301	7,208,694,634



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, 2015, the aforementioned index was 0.72.

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. 1	1st C.N. 1
Bonds and lines of bonds	AA	AA
Commercial paper	AA / Lev.1+	AA / Lev.1+

Additionally, the Company has an international credit rating from Standard & Poor's and Fitch Ratings, with a level of BBB+ with a stable outlook for both.

b) Capital and number of shares

As of December 31, 2015 and 2014, the Company's capital was 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

Capital Issued

Series	Dec-2015		Dec-2014	
	Subscribed Capital ThCh\$	Paid-in Capital ThCh\$	Subscribed Capital ThCh\$	Paid -in Capital ThCh\$
Single	533,409,643	533,409,643	533,409,643	533,409,643



- c) The breakdown for the item Other reserves, for the period ended as of December 31, 2015, and the year ended December 31, 2014 is as follows:

Other Reserves	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Conversion reserve	(91,174,709)	(51,454,926)
Cash flow hedge reserve	(4,370,303)	(1,498,691)
Reserve for actuarial profits or losses in defined benefits plans	(5,834,642)	(4,783,662)
Reserve for actuarial profits or losses in the re-measurement of financial assets available for sale	(853,646)	620,476
Share-based payments reserves	35,281,296	30,096,699
Capital adjustment due to currency restatement ⁽¹⁾	12,256,323	12,256,323
Other reserves	(77,236,502)	(77,236,502)
Total Other Reserves	(131,932,183)	(92,000,283)

Evolution of Other Reserves	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Balance as of December 31 of the previous year	(92,000,283)	(123,136,318)
Conversion reserves	(39,719,783)	19,316,260
Cash flow hedge reserve	(2,871,612)	7,921,536
Reserve for actuarial profits or losses in defined benefits plans	(1,050,980)	(2,306,899)
Reserve for actuarial profits or losses in the re-measurement of financial assets available for sale	(1,474,122)	(9,734)
Share-based payments reserve	5,184,597	6,214,872
Total Annual Variation	(39,931,900)	31,136,035
Other Reserves, Final Balance	(131,932,183)	(92,000,283)

⁽¹⁾ This effect was caused by the IFRS one-time adoption due to the obligation to apply the CPI for local purposes.

- d) Dividends Policy

On April 28, 2015, the General Ordinary Shareholders' Meeting approved distribution of final dividends, which consisted of paying Ch\$47 per share with a charge to profits for the 2014 financial year.

On September 29, 2015, the Board of Directors approved the distribution of temporary dividends, which consisted of paying Ch\$26 per share with a charge to profits for the 2015 financial year.

On April 29, 2014, the General Ordinary Shareholders' Meeting approved the distribution of final dividends, which consisted of paying Ch\$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 Ch\$25 per share with charge to the profits for the year 2014.

- e) Premium on Share Placement

During the financial year ended December 31, 2014 a premium on share placement was generated of ThCh\$ 25,802,522. As of December 31, 2015 and December 31, 2014, the cumulative amount was ThCh\$ 93,482,329.

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f) Capital increase by issuing 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 premium on share placement of ThCh\$ 25,802,522

Date	No. of Shares Subscribed	No. of Shares Paid	Capital Increase ThCh\$	Premium 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

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-31-2015	Dec-31-2014
% Non-controlling interest	40.7220%	40.7220%
Non-current assets	2,384,701,311	2,296,697,104
Current assets	135,826,039	119,072,941
Non-current liabilities	(1,099,141,413)	(1,066,298,184)
Current liabilities	(166,478,535)	(153,864,473)
Net assets	1,254,907,402	1,195,607,388
Revenue	247,773,680	226,552,377
Profit (loss)	95,096,823	85,846,522
Total comprehensive income	91,580,630	85,973,000
Profit (loss) attributable to non-controlling equity interests	3,974,891	2,552,211
Cash flow from operating activities	205,236,379	170,476,944
Cash flow from investment activities	(125,604,434)	(164,330,532)
Cash flow from financing activities, before dividends paid to parties with non-controlling interests	(48,366,736)	(76,727,930)
Cash flow from financing activities, cash dividends to parties with non-controlling interests	(14,333,225)	(15,416,365)



Note 35 - Financial Information by Segment

General description of segments and their measurement:

The Company's operating segments have been selected in accordance with the main businesses of the Group, which are regularly reviewed by senior management, in order to measure performance, evaluate risks and allocate resources, and for which there is available information. Certain segments have been grouped because they possess similar economic characteristics. The information that the Company's management regularly examines is income from each of the operating segments in Chile and the consolidated income of each of the operations of foreign subsidiaries.

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 operates 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.
- f) Other Business and Eliminations, intersegment cancellations: includes the remaining Group companies, which covers the industrial area, Falabella Móvil, Viajes Falabella, 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, Banco Falabella S.A. is shown in the Banking Business for segment information purposes.
 - Peru: is the only foreign country with the same businesses as Chile, Banco Falabella Peru S.A. is shown in the Banking Business for segment information purposes.
 - Brazil: Has activities in the home improvement area.
- g) Banking Business: includes information on all banking business, in Chile and abroad.

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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 for its regular reviews of the Company's performance.

Ordinary income for the Chile Real Estate Property segment of ThCh\$ 312,700,855 as of December 31, 2015 (ThCh\$ 284,466,736 as of December 31, 2014) is total income receivable from real estate companies in Chile from 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.

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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, Home Improvement and Building Materials 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, Inter-Segment Cancellations	Total Non-Banking Business
December 31, 2015																		
Revenue from Ordinary Activities	1,355,256,613	1,973,191,270	667,358,264	356,994,065	312,700,855	596,777,024	643,411,805	653,281,336	14,495,619	614,720,980	76,122,047	(5,563,702)	342,043,430	21,585,600	164,812,011	-	(28,625,865)	7,758,561,352
Operating Costs	(923,720,627)	(1,387,552,243)	(504,257,640)	(177,170,630)	(79,995,635)	(421,459,749)	(458,407,019)	(497,960,630)	21,022,327	(322,628,511)	(47,237,730)	(11,069)	(248,272,777)	(2,123,003)	(111,734,618)	-	64,600,955	(5,096,908,599)
Financial Revenue	7,775,488	10,325,842	61,833	983,116	1,745,454	1,168,599	4,586,197	1,022,972	312,630	1,753,271	269	5,471	3,049,808	299,276	703,838	17,484	57,351	33,868,899
Financial Expenses	(2,557,114)	(14,463,606)	(1,811,995)	(187,113)	(74,235,209)	(5,340,887)	(26,889,960)	(8,631,838)	(790,710)	(21,204,359)	-	(33,572)	(3,711,162)	340,392	(3,374,320)	(1,440)	(44,595,076)	(207,487,969)
Financial (Expenses), Net	5,218,374	(4,137,764)	(1,750,162)	796,003	(72,489,755)	(4,172,288)	(22,303,763)	(7,608,866)	(478,080)	(19,451,088)	269	(28,101)	(661,354)	639,668	(2,670,482)	16,044	(44,537,725)	(173,619,070)
Depreciation and Amortization	(25,939,863)	(35,723,781)	(16,679,282)	-	(45,200,571)	(12,938,607)	(18,072,793)	(20,336,793)	(7,803,291)	(6,828,013)	(362,628)	(125,228)	(9,835,812)	(557,936)	(3,525,412)	-	(19,390,207)	(223,320,217)
Profit Before Tax	42,259,109	114,164,289	9,546,382	142,036,233	130,212,544	50,145,949	8,736,293	13,406,932	52,218,717	20,684,619	2,735,926	644,792	874,375	25,524,252	(15,042,105)	376	20,405,650	618,554,333
Income Tax (Expense)	(7,569,145)	(23,439,065)	(1,937,424)	(27,752,488)	(19,999,246)	(15,250,210)	(2,588,486)	(4,938,141)	(12,822,711)	(7,889,219)	(2,475,646)	(500,826)	(90,462)	(3,541,768)	5,254,672	-	(9,814,223)	(135,354,388)
Net Income (Loss) of the Segment	34,689,964	90,725,224	7,608,958	114,283,745	110,213,298	34,895,739	6,147,807	8,468,791	39,396,006	12,795,400	260,280	143,966	783,913	21,982,484	(9,787,433)	376	10,591,427	483,199,945
Participation of Income of Associates and Joint Ventures Accounted for using the Equity Method	-	-	-	-	2,713,053	-	-	-	5,394,154	-	-	-	-	17,165,202	-	-	-	25,272,409
Trade and Other Receivables, Current	37,907,649	144,566,490	7,970,179	1,154,890,212	62,119,851	4,606,612	6,431,065	6,550,178	8,758,951	26,586,286	156,874,664	1,100,629	6,179,089	2,792,675	18,657,460	19,657	35,901,522	1,681,913,169
Inventory	240,542,640	294,773,561	59,322,989	-	160,590	113,347,779	167,833,300	69,929,141	6,992	85,335,443	-	-	75,218,856	1,313	44,616,675	-	22,582,077	1,173,671,356
Trade and Other Receivables, Non-Current	-	1,406,159	-	196,456,791	1,674,909	-	246,502	-	1,685,413	-	2,381,632	-	-	-	-	-	64,005	203,915,411
Property, Plant & Equipment	155,020,812	184,593,935	92,293,562	333,417	714,483,664	122,761,829	265,843,667	238,250,891	222,503,774	32,965,749	1,278,926	178,710	85,761,193	1,973,259	38,046,238	7,905	80,204,541	2,236,502,072
Investment Properties	-	-	-	-	2,136,111,357	-	1,443,267	-	92,644,141	-	-	-	-	-	-	-	(1,488,103)	2,228,710,662
Total Segment Assets	897,064,832	779,096,613	208,138,495	1,417,008,826	3,080,896,610	373,790,582	962,912,474	385,168,992	9,134,921	196,487,002	163,410,608	(29,163,176)	186,990,898	103,460,658	116,524,128	43,576,943	198,673,635	9,093,173,041
Investments Accounted for Using the Equity Method	-	-	-	-	33,046,532	-	-	-	65,502,868	-	-	-	-	85,598,939	-	-	-	184,148,339
Other Current Financial Liabilities	10,655,008	11,391,094	-	775,287	109,658,904	84,751,468	131,198,002	56,124,676	24,376,857	25,624,240	79,274,728	-	21,972,830	-	22,563,517	-	160,350,550	738,717,161
Trade and Other Accounts Payable	128,429,253	180,740,240	62,719,880	68,524,118	64,856,310	59,955,693	69,572,294	74,893,054	6,404,455	52,954,713	33,179,252	1,207,510	54,035,875	3,236,694	30,254,310	-	129,407,941	1,020,371,592
Other Financial Liabilities, Non-Current	-	81,234,524	-	153,531,644	864,090,552	25,506,818	102,420,736	65,304,367	164,300,069	5,502,372	11,201,862	-	34,380,808	-	11,411,840	-	1,181,945,189	2,700,830,781
Total Segment Liabilities	707,148,949	538,273,282	157,331,048	943,142,909	1,575,642,950	222,717,524	476,012,709	226,363,891	(56,341,848)	136,911,157	151,942,836	(26,472,194)	138,067,303	(4,299,941)	72,146,552	85,243	(33,486,900)	5,225,185,470
Disbursement of the Segment's Non-Monetary Assets	(39,607,593)	(61,165,625)	(22,064,468)	-	(179,830,646)	(24,727,216)	(66,586,915)	(48,264,704)	33,076,222	(7,313,915)	(505,300)	(62,989)	(16,194,767)	(3,466,882)	(12,818,208)	-	(64,593,479)	(514,126,485)
Operating Cash Flows for the Segment	(61,514,256)	122,845,036	24,426,422	53,516,785	254,338,074	24,736,707	349,664	16,383,807	6,843,809	15,621,734	(18,558,092)	1,528,538	(15,167,281)	(14,347,669)	(8,290,809)	-	146,458,000	549,170,469
Investing Cash Flows for the Segment	(45,854,426)	(59,772,471)	(20,840,812)	(844,056)	(240,109,906)	(11,637,427)	(106,858,313)	(39,928,322)	67,626,202	(5,476,688)	(405,340)	(55,999)	(10,717,967)	23,744,958	(12,377,516)	-	(2,540,991)	(466,049,074)
Financing Cash Flows for the Segment	102,463,850	(62,955,544)	(4,574,609)	(52,536,711)	3,205,262	(8,407,419)	117,647,669	31,408,722	(98,016,015)	(9,229,760)	18,705,735	-	9,240,623	(5,593,376)	21,430,349	(24,193)	(176,409,408)	(113,644,825)

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of consolidated financial statements originally 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, Home Improvement and Building Materials 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, Inter-Segment Cancellations	Total Non-Banking Business	
December 31, 2014																			
Revenue from Ordinary Activities	1,300,447,647	1,832,390,236	609,362,928	323,491,048	284,466,736	569,488,782	423,399,106	603,164,739	11,448,850	492,684,962	61,212,963	(4,385,061)	377,614,400	19,087,831	200,071,467	-	(65,566,846)	7,038,379,788	
Operating Costs	(909,105,346)	(1,298,074,765)	(464,484,839)	(158,558,061)	(62,698,725)	(408,905,251)	(307,383,913)	(458,138,508)	17,989,405	(265,639,650)	(38,059,956)	(136,525)	(271,906,357)	(341,497)	(137,187,722)	-	107,642,787	(4,654,988,923)	
Financial Revenue	7,078,598	8,437,420	25,609	2,777,255	3,071,136	440,249	509,801	351,519	354,660	255,601	91	-	1,327,364	96,239	1,650,894	19,886	(6,838,858)	19,557,464	
Financial Expenses	(2,690,249)	(10,928,994)	(1,776,617)	(234,281)	(82,268,883)	(5,134,571)	(9,328,205)	(7,268,884)	(4,026,029)	(18,658,286)	-	(23,671)	(4,844,214)	(101,597)	(2,116,002)	(4,430)	(30,936,941)	(180,341,854)	
Financial (Expenses), Net	4,388,349	(2,491,574)	(1,751,008)	2,542,974	(79,197,747)	(4,694,322)	(8,818,404)	(6,917,365)	(3,671,369)	(18,402,685)	91	(23,671)	(3,516,850)	(5,358)	(465,108)	15,456	(37,775,799)	(160,784,390)	
Depreciation and Amortization	(22,574,938)	(31,548,804)	(17,237,969)	-	(36,260,563)	(12,058,244)	(10,974,178)	(17,286,921)	(4,365,974)	(5,823,319)	(296,472)	(126,484)	(10,804,447)	(489,295)	(3,568,946)	-	(15,536,009)	(188,952,563)	
Profit Before Tax	24,041,475	113,669,590	4,354,688	137,745,982	114,052,320	41,245,447	(1,116,428)	19,377,225	31,614,913	3,680,461	920,250	(208,072)	4,789,193	26,127,664	(3,324,585)	(93,944)	23,528,681	540,404,860	
Income Tax (Expense)	(2,284,738)	(20,683,185)	(514,697)	(24,225,150)	(12,650,468)	(13,713,375)	(1,072,090)	(7,270,922)	(808,086)	(1,644,096)	(506,814)	(2,771)	(1,592,133)	(3,354,931)	1,335,114	(29,201)	(12,408,281)	(101,425,824)	
Net Income (Loss) of the Segment	21,756,737	92,986,405	3,839,991	113,520,832	101,401,852	27,532,072	(2,188,518)	12,106,303	30,806,827	2,036,365	413,436	(210,843)	3,197,060	22,772,733	(1,989,471)	(123,145)	11,120,400	438,979,036	
Participation of Income of Associates and Joint Ventures Accounted for using the Equity Method	-	-	-	-	2,747,911	-	-	-	5,464,237	-	-	-	-	17,943,797	-	-	-	26,155,945	
Trade and Other Receivables, Current	30,482,579	136,468,415	5,429,180	997,534,752	41,912,827	4,302,336	6,988,509	5,640,201	7,738,618	32,539,123	134,940,165	810,616	5,657,839	2,785,952	33,996,600	-	22,586,070	1,469,813,782	
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	-	11,009,406	1,019,199,966	
Trade and Other Receivables, Non-Current	-	717,653	-	199,378,404	1,591,713	-	242,370	-	1,829,210	-	2,344,534	-	-	-	-	-	61,839	206,165,723	
Property, Plant & Equipment	151,154,661	167,822,155	90,405,081	333,417	683,915,987	107,988,226	267,286,858	211,700,248	212,618,906	43,548,705	1,557,227	615,598	88,693,424	1,331,815	38,106,247	13,316	51,594,137	2,118,686,008	
Investment Properties	-	-	-	-	2,050,032,190	-	1,548,568	-	71,949,996	-	-	-	-	-	-	-	-	(2,418,591)	2,121,112,163
Total Segment Assets	874,701,140	722,152,474	197,590,859	1,328,469,005	2,936,886,318	324,802,339	776,351,105	352,706,499	78,995,633	197,257,035	148,528,365	(16,366,976)	181,732,331	102,159,800	129,225,254	55,754,110	(41,255,621)	8,349,689,670	
Investments Accounted for Using the Equity Method	-	-	-	-	28,236,303	-	-	-	55,881,476	-	-	-	-	79,216,520	-	-	-	163,334,299	
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	-	17,322,547	-	121,391,975	736,529,589	
Trade and Other Accounts Payable	126,314,413	254,877,353	58,938,134	54,659,522	55,157,716	52,173,768	76,030,347	88,197,843	7,982,886	42,098,310	32,771,011	1,120,800	55,391,367	12,364,465	32,717,136	-	15,266,538	966,061,609	
Other Financial Liabilities, Non-Current	-	68,451,400	-	50,000,000	842,623,252	32,248,516	142,377,366	63,107,751	72,266,239	18,671,370	3,321,152	-	36,413,407	-	-	-	986,880,058	2,316,360,511	
Total Segment Liabilities	706,655,567	442,126,283	153,219,873	908,345,791	1,499,596,290	197,166,103	400,994,279	221,256,888	(52,603,789)	134,367,205	133,984,990	(12,707,081)	127,906,069	(909,103)	61,007,158	103,200	(176,401,503)	4,744,108,220	
Disbursement of the Segment's Non-Monetary Assets	(45,082,757)	(41,689,326)	(27,883,709)	-	(238,470,230)	(22,576,366)	(29,856,985)	(66,041,527)	(298,705,961)	(12,053,814)	(752,341)	(63,851)	(16,748,558)	(570,053)	(29,504,047)	-	(40,410,083)	(870,409,608)	
Operating Cash Flows for the Segment	119,819,933	94,173,682	20,053,342	59,273,891	216,557,599	65,443,463	4,676,559	59,267,916	(4,353,585)	24,677,101	(22,013,510)	(180,509)	21,519,209	3,305,663	1,594,519	-	25,746,942	689,562,215	
Investing Cash Flows for the Segment	(154,044,199)	(40,619,784)	(31,313,230)	(24,453,307)	(279,219,133)	(30,557,058)	(329,023,732)	(83,880,482)	24,160,539	(18,668,669)	(1,115,478)	168,056	(15,410,755)	4,483,469	(25,677,108)	-	180,376,268	(824,794,603)	
Financing Cash Flows for the Segment	44,270,391	(54,434,381)	12,989,026	(25,956,669)	(23,367,065)	(34,610,819)	328,549,506	17,116,397	(27,289,909)	(6,035,975)	22,556,079	-	(6,192,695)	60,509,181	10,457,143	13,273	(217,877,764)	100,695,719	

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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



	Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2015				
Interest and adjustment revenue	244,474,476	168,041,952	72,803,028	485,319,456
Interest and adjustment expense	(68,828,185)	(48,618,908)	(15,923,150)	(133,370,243)
Commission income	33,376,820	59,601,734	42,937,156	135,915,710
Commission expense	(14,238,242)	(7,302,810)	(12,066,529)	(33,607,581)
Net Interest Income	194,784,869	171,721,968	87,750,505	454,257,342
Depreciation and Amortization	(7,417,708)	(4,563,405)	(3,657,240)	(15,638,353)
Profit before tax	67,415,429	34,384,257	22,161,618	123,961,304
Income Tax	(13,443,996)	(10,446,259)	(9,289,107)	(33,179,362)
Net Income (Loss) for the Segment	53,971,433	23,937,998	12,872,511	90,781,942
Participation in Income of Associates and Joint Ventures Accounted for using the Equity Method	-	531,214	-	531,214
Cash and bank deposits	205,277,014	152,046,106	15,541,627	372,864,747
Traded Instruments	95,718,411	-	14,436,137	110,154,548
Loans and receivables from customers	1,352,820,183	756,190,377	362,056,695	2,471,067,255
Property, Plant & Equipment	14,588,622	14,087,301	6,879,718	35,555,641
Total Segment Assets	2,101,671,878	1,002,980,780	409,170,956	3,513,823,614
Participation in Associates and Joint Ventures Accounted for using the Equity Method	-	2,801,387	-	2,801,387
Deposits and other time deposits	1,154,284,431	634,112,360	199,809,749	1,988,206,540
Total Segment Liabilities	1,886,286,054	730,154,862	322,079,233	2,938,520,149
Disbursement of the Segment's Non-Monetary Assets	(10,710,109)	(10,111,866)	(5,572,034)	(26,394,009)
Operating Cash Flows for the Segment	186,010,597	34,237,632	11,470,026	231,718,255
Investing Cash Flows for the Segment	(171,911,655)	(7,651,182)	(4,274,960)	(183,837,797)
Financing Cash Flows for the Segment	52,439,215	(5,826,946)	(5,917,499)	40,694,770

	Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2014				
Interest and adjustment revenue	239,695,387	127,685,688	78,224,641	445,605,716
Interest and adjustment expense	(77,674,345)	(38,085,417)	(14,179,032)	(129,938,794)
Commission income	24,882,913	45,242,815	36,749,746	106,875,474
Commission expense	(11,910,018)	(5,491,000)	(11,817,638)	(29,218,656)
Net Interest Income	174,993,937	129,352,086	88,977,717	393,323,740
Depreciation and Amortization	(6,435,545)	(4,262,820)	(4,791,322)	(15,489,687)
Profit before tax	51,891,333	29,146,340	22,931,877	103,969,550
Income Tax	(8,350,851)	(9,495,587)	(7,996,588)	(25,843,026)
Net Income (Loss) for the Segment	43,540,482	19,650,753	14,935,289	78,126,524
Participation in Income of Associates and Joint Ventures Accounted for using the Equity Method	-	358,358	-	358,358
Cash and bank deposits	194,353,353	136,638,789	16,223,050	347,215,192
Traded Instruments	46,418,511	-	9,445,899	55,864,410
Loans and receivables from customers	1,252,696,858	580,966,453	346,721,149	2,180,384,460
Property, Plant & Equipment	16,066,942	12,258,946	8,608,676	36,934,564
Total Segment Assets	1,807,064,343	802,214,811	387,991,230	2,997,270,384
Participation in Associates and Joint Ventures Accounted for using the Equity Method	-	1,910,151	-	1,910,151
Deposits and other time deposits	1,021,605,152	464,866,720	185,076,690	1,671,548,562
Total Segment Liabilities	1,617,621,547	542,207,428	304,757,439	2,464,586,414
Disbursement of the Segment's Non-Monetary Assets	(9,819,235)	(5,292,526)	(5,623,867)	(20,735,628)
Operating Cash Flows for the Segment	(4,023,519)	39,441,566	53,838,672	89,256,719
Investing Cash Flows for the Segment	33,437,773	(48,379,998)	(5,623,867)	(20,566,092)
Financing Cash Flows for the Segment	(4,435,859)	21,546,160	(102,401,216)	(85,290,915)

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

Ordinary revenue from external customers by country of domicile of the entity by geographic area is as follows:

Breakdown of Information in Geographic Areas (Presentation)	Dec-31-2015 ThCh\$
Income from ordinary activities of external clients, country of domicile of the entity	4,914,726,498
Income from ordinary activities of external clients, all foreign countries	3,465,070,020

Ordinary revenue generated by geographic area, outside the country of domicile of the entity is detailed as follows:

Information on Significant Income From Activities	Dec-31-2015	
	Area Description	Revenues
Ordinary revenue	Peru	2,135,609,470
Ordinary revenue	Argentina	685,279,325
Ordinary revenue	Colombia	479,369,214
Ordinary revenue	Brazil	164,812,011

The distribution of non-current assets by geographic area is detailed as follows:

Amount of Non-Current Assets	Dec-31-2015 ThCh\$
Amount of non-current assets, country of domicile of the entity	5,271,283,712
Amount of non-current assets, all foreign countries	1,893,576,396

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-31-2015	
	Description of Geographic Area, Assets ThCh\$	Amount of Assets Attributed to a Foreign Country ThCh\$
Property, plant and equipment (net)	Peru	863,447,462
Investment properties (net)	Peru	94,087,408
Non-current financial accounts receivable (net)	Peru	260,256,934
Property, plant and equipment (net)	Argentina	34,423,385
Investment properties (net)	Argentina	-
Non-current financial accounts receivable (net)	Argentina	2,381,632
Property, plant and equipment (net)	Colombia	94,614,170
Investment properties (net)	Colombia	-
Non-current financial accounts receivable (net)	Colombia	-
Property, plant and equipment (net)	Brazil	38,054,143
Investment property (net)	Brazil	-
Financial accounts receivable, non-current (net)	Brazil	-

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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

Note 36 - Contingencies, Lawsuits and Other

a) Litigations and administrative proceedings

a.1) The Parent Company and its subsidiaries have litigation and administrative proceedings filed against them whose resolution is pending before courts or administrative authorities. Taking into account all available evidence for these cases, the Company has concluded that it is likely that litigations or administrative proceedings will result in payments to settle the obligations and the amounts can be reliably estimated, so it has made the respective provisions. Otherwise, no provisions have been made. Consolidated information on current litigations and administrative proceedings as of December 31, 2015 is as follows:

Nature of Proceedings	Number of Proceedings	Amount of Proceedings ThCh\$	Accounting Provision ThCh\$
Civil	492	13,160,303	1,275,048
Consumer	892	6,772,098	3,180,406
Labor	1,232	19,389,797	9,445,706
Tax	98	11,125,593	8,943,670
Other	364	2,924,827	2,094,785

a.2) In relation to “Tax” matters we emphasize the situation of our Peruvian subsidiary Saga Falabella S.A. As a consequence of the review of income tax returns from 2000 to 2005, the National Tax Administration Superintendency (SUNAT or “Superintendencia Nacional de Administración Tributaria”) sent it assessments and penalties related to general sales tax and income tax for the 2000-2005 tax periods, for a total updated amount of 31,873,706 Peruvian new soles (ThCh\$6,637,699).

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 side of the land on which Mall Plaza Norte is constructed, in addition to requesting the payment of mutual benefits and compensation for damages. The amount of the lawsuit has not been determined. The evidentiary stage has now ended. According to the lawyers who are defending this case, there is insufficient information to make a sufficiently reliable estimate of the obligation.

b) Other

On December 31, 2015, Falabella Argentina provided customs guarantees of ThCh\$ 2,782,724.

Falabella Peru has assets in guarantee totaling ThCh\$ 108,573,517 as of December 31, 2015.

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

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

Note 37 - Guarantees Provided to and Obtained from Third Parties

a) Guarantee deposits and other instruments received

a.1) As of December 31, 2015, the Company has current guarantee deposits received amounting to ThCh\$ 43,688,733, which mainly guarantee the correct execution of works under construction and faithful compliance with contracts.

a.2) S.A.C.I Falabella has received an amount of ThCh\$ 8,465,349 as a guarantee to support Cross Currency Swaps contracts signed with banks. Other banks have pledged deposits in favor of the Company for ThCh\$ 14,733,550 to support Cross Currency Swaps contracts signed with these banks.

a.3) As of December 31, 2015 Sodimac Chile had received checks in guarantee for ThCh\$ 1,601,323.

b) Guarantee deposits provided

As of December 31, 2015, the Company has provided guarantees amounting to ThCh\$ 34,800,326.

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	Balance payable	
				Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
BANCO ESTADO	FALABELLA S.A. (ARGENTINA)	SUBSIDIARY	GUARANTOR	-	5,487,088

d) Indirect guarantees

Guarantees directly managed by subsidiaries with financial institutions are detailed as follows.

Guarantee Creditor	Debtor Name	Relationship	Type of Guarantee	Balance payable	
				Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	691,348	615,349
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	8,509,668	8,727,920
BANCO DE CRÉDITO (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	2,643,021	493,550
INTERBANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	59,523	-
CITIBANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	1,420,320	-
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	-	17,385
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	-	4,974,057
BANCO DE CRÉDITO (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	12,245,833	-
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	6,902,847	19,283
BBVA BANCO CONTINENTAL	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	-	2,748,870
BANCO DE CREDITO DEL PERU	SODIMAC PERU S.A.	SUBSIDIARY	GUARANTEE LETTER	3,465,390	-
BBVA BANCO CONTINENTAL	SODIMAC PERU S.A.	SUBSIDIARY	GUARANTEE LETTER	87,465	-
BBVA BANCO CONTINENTAL	MAESTRO PERU S.A.	SUBSIDIARY	GUARANTEE LETTER	124,899	189,306
SCOTIABANK (PERU)	MAESTRO PERU S.A.	SUBSIDIARY	GUARANTEE LETTER	-	2,349,500
BANCO DE CRÉDITO (PERU)	MAESTRO PERU S.A.	SUBSIDIARY	GUARANTEE LETTER	5,524,557	1,762,253
BANCO SANTANDER (PERU)	MAESTRO PERU S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	121,350
BBVA BANCO CONTINENTAL	MAESTRO PERU S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	606,750
SANTANDER CHILE	SHEARVAN CORPORATE S.A.	SUBSIDIARY	GUARANTOR (*)	627,219	930,999
SANTANDER CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	GUARANTEE LETTER	19,763,646	23,013,261
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	GUARANTEE LETTER	-	35,473
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	426,096	364,050

S.A.C.I. Falabella and Subsidiaries

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

Guarantee Creditor	Debtor Name	Relationship	Type of Guarantee	Balance payable	
				Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,765,379	3,277,680
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	7,584,375
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	103,327
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	116,192	-
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	890,802	-
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	6,000,000	-
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	188,491	169,014
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	284,064	242,641
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	154,922	247,641
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	323,123	60,675
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	100,699	276,071
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	71,016	110,708
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	8,877,000	-
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	61,326
SCOTIABANK (COLOMBIA)	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	GUARANTEE LETTER	1,058,849	530,454
CITIBANK (COLOMBIA)	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	GUARANTEE LETTER	7,812	156,869
SCOTIABANK (COLOMBIA)	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,533,925	1,813,886
CORPBANCA	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	177,540	1,710,634
SANTANDER CHILE	HIPERMERCADO TOTTUS S.A.(CHILE)	SUBSIDIARY	GUARANTEE LETTER	449,844	-
GALICIA	FALABELLA S.A.(ARGENTINA)	SUBSIDIARY	GUARANTEE LETTER	924,163	-
ICBC	FALABELLA S.A.(ARGENTINA)	SUBSIDIARY	GUARANTEE LETTER	406,327	594,860
ICBC	FALABELLA S.A.(ARGENTINA)	SUBSIDIARY	GUARANTEE LETTER	-	330,541
SANTANDER RIO	SODIMAC S.A.(ARGENTINA)	SUBSIDIARY	GUARANTEE LETTER	448,434	519,566
ICBC	SODIMAC S.A.(ARGENTINA)	SUBSIDIARY	GUARANTEE LETTER	-	285,753

(*) Falabella Retail S.A. is guarantor for Shearvan Corporate S.A.

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

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

Note 38 - Environment

With regard to the provisions of Circular No. 1,901 of the Superintendency of Securities and Insurance, the disbursements and action plans that S.A.C.I. Falabella and its subsidiaries have made or expect to make relating to environmental protection are the following.

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 projects for 2015, which envisages new stores such as Castro and remodeling work at Alto Las Condes and Temuco, and in the second half of the year the remodeling work at Plaza Vespucio and Parque Arauco, will continue to be constructed under international standards of sustainable development.

Recycling programs continue at 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. The installation of storage for hazardous waste has continued at the Antofagasta, Calama, Temuco, Valdivia, Osorno, San Bernardo stores, according to the plan that includes this storage system for all these shops by the end of this year.

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 retail store in Chile and Latin America to obtain LEED certification in the Silver category, which has now been joined by the Sodimac Homecenter store in Quilicura, along with the new cooperative building in the community of Renca.

Currently, all new Sodimac S.A. stores have sustainable construction characteristics and efficiently use resources. Therefore, new stores 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.

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.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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

Summary of the main disbursements completed or expected to be completed.

Company	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Value	Actual or estimated future disbursement date	Project In Progress Or Finished
					ThCh\$		
Nuevos Desarrollos S.A.	LEED Efficiency Implementation	LEED Efficiency Implementation	Asset	Work in progress	108,924	First six months of 2016	In progress
	Carbon footprint measurement	Carbon footprint measurement	Asset	Work in progress	22,731	December 2015	In progress
	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	16,935	Oct-Dec 2015	In progress
Plaza Vespucio S.A.	Water and waste treatment	Plaza with a water feature	Expense	Environmental R.S.E.	16,826	Oct-Dec 2015	In progress
Plaza Oeste S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	9,171	Oct-Dec 2015	In progress
Plaza del Trébol S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	4,237	Oct-Dec 2015	In progress
Plaza Tobalaba S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	5,236	Oct-Dec 2015	In progress
Plaza la Serena S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	792	Oct-Dec 2015	In progress
Plaza Antofagasta S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	792	Oct-Dec 2015	In progress
Inmobiliaria Mall Calama S.A.	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	4,121	Oct-Dec 2015	In progress
Falabella Retail S.A.	Remodeling Stores	Remodeling Stores	Asset	Light bulbs	249,126	August 2015	Finished
Falabella Retail S.A.	Waste treatment	Environmental Management and Waste treatment	Asset	Hazardous Waste Storage	18,469	November 2015	Finished
Falabella Retail S.A.	Environmental Management Law REP	Implement Law REP in all Stores	Expense	Environmental Consultancy	75,804	Continual	In progress
Sodimac S.A.	Clean Points	Recycling	Expense	Environmental Sustainability	487,326	December 2015	Finished
Sodimac S.A.	Waste treatment	Hazardous Waste	Expense	Environmental Protection	99,494	December 2015	Finished
Sodimac S.A.	Carbon footprint measurement	Carbon footprint	Expense	Environmental Sustainability	24,554	December 2015	Finished
Sodimac S.A.	Change light bulbs	Energy efficient light bulbs	Expense	Environmental Projects	49,165	December 2015	Finished

S.A.C.I. Falabella and Subsidiaries
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(Translation of consolidated financial statements originally issued in Spanish – see Note 2.1)

Note 39 - Main Financial Covenants

As of December 31, 2015, 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 to comply with IFRS (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, 2015, all 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, 2015, the maximum financial debt is ThCh\$ 6,808,440,022 and the Indebtedness Level is ThCh\$ 5,225,185,470; therefore; the maximum debt restriction is satisfied (see methodology for calculating financial covenants below).

As of December 31, 2015, the Issuer has complied with all covenants under the issue contract.

Series G and H Bonds

On November 6, 2014, all the outstanding Bonds G (BFALA-G) Series and Series H (BFALA-H) issued by S.A.C.I. Falabella in April 2009 were redeemed, in accordance with the provisions of Articles 104 letter d) and 130 of Law 18,045 on the Stock Market, and the provisions in the Bond Issue Contract, clause seven, number one, recorded in a public deed dated March 12, 2009 and amended by public deed dated April 7, 2009, April 16, 2009 and March 29, 2011, all granted before the Notary of Santiago Mr. Ivan Torrealba Acevedo.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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

Series J Bonds

The Series J Bonds were issued in accordance with the provisions in the Bond Issue Contract, contained in public deed dated March 12, 2009, and whose terms were modified in part by public deeds dated 7 April 2009 and March 29, 2011, all granted in the Santiago Notary of Mr. Ivan Torrealba Acevedo. These emissions were registered in the Securities Registry of the SVS under number 579, dated April 16, 2009.

- 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, 2015, all 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, 2015, the maximum financial debt is ThCh\$ 7,943,205,033 and the Level of Financial Indebtedness is ThCh\$ 3,186,734,759; therefore the maximum debt restriction is satisfied (see methodology for calculating financial covenants below).

As of December 31, 2015, the Issuer has complied with all issue contract covenants.

Series L Bonds

Series L bonds were issued in accordance with the Bond Issue Contract in public deed dated September 24, 2004 partially amended by public deeds dated October 27, 2004, granted at the Office of the Public Notary in Santiago Mr. Rene Benavente Cash, April 25, 2011 and June 6, 2011 granted at the Office of the Public Notary in Santiago Mr. Iván Torrealba Acevedo and October 25, 2011 granted at the Office of the Public Notary in Santiago Mr. Francisco Leiva Carvajal. This 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, 2015, all the total consolidated revenue comes from the above mentioned business areas.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

(Translation of consolidated financial statements originally 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, 2015 the limit is 0.72; therefore, the restriction is duly complied with.

Series M Bonds

Series M bonds were issued in accordance with the Bond Issue Contract in public deed dated May 29, 2006 partially amended by public deeds dated 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. This 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, 2015, all 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, 2015 the limit is 0.72; therefore the restriction is duly complied with.

S.A.C.I. Falabella and Subsidiaries

Notes to the Consolidated Classified Financial Statements

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

Method for Calculating Financial Covenants

CALCULATION OF MAXIMUM DEBT IN ACCORDANCE WITH COVENANT - BONDS LINES 468 (F)

	Currency	As of December 31, 2015	As of September 30, 2015
Period close _i		12/31/2015	09/30/2015
Period close _{i-1}		09/30/2015	06/30/2015
UF _i	Ch\$/UF	25,629.09	25,346.89
UF variation	%	1.11%	1.46%
Variation % Sol/US\$	%	5.71%	1.48%
Variation % ARS/US\$	%	37.75%	3.67%
Variation % COP/US\$	%	2.98%	18.71%
Variation % Real/US\$	%	0.37%	28.11%
Variation % UYU/US\$	%	2.86%	7.79%
Total equity _i	ThCh\$	4,443,291,036	4,408,126,572
Dividends payable _i	ThCh\$	105,587,080	196,055
Equity variation _i	ThCh\$	91,475,359	32,528,923
Fixed assets in Chile _{i-1} ^a	ThCh\$	3,287,373,703	3,250,475,986
Deferred tax in Chile _{i-1} ^b	ThCh\$	299,363,046	301,380,864
Adjustment for initial revaluation to IFRS in Chile ^c	ThCh\$	878,140,797	878,140,797
Deferred tax in Chile ^d	ThCh\$	149,283,935	149,283,935
Price adjustment, fixed assets in Chile _{i-1}	ThCh\$	25,152,324	32,342,497
Investment in Peru _i	ThCh\$	968,064,000	981,628,000
Investment in Argentina _i	ThCh\$	68,352,000	82,147,000
Investment in Colombia _i	ThCh\$	244,579,000	226,233,000
Investment in Brazil	ThCh\$	59,271,000	60,055,000
Investment in Uruguay _i	ThCh\$	20,929,000	23,062,000
Investment adjustment, outside Chile _i	ThCh\$	89,145,017	78,525,814
Maximum debt _{i-1}	ThCh\$	6,428,212,367	6,123,908,749
Maximum debt _i	ThCh\$	6,808,440,022	6,428,212,367
Level of debt	ThCh\$	5,225,185,470	4,990,207,408

^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" as of 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.

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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)

	Currency	As of December 31, 2015	As of September 30, 2015
Period close _i		12-31-2015	09-30-2015
Period close _{i-1}		09-30-2015	06-30-2015
UF _i	Ch\$/UF	25,629.09	25,346.89
UF variation	%	1.11%	1.46%
Variation % Sol/US\$ period	%	5.71%	1.48%
Variation % ARS/US\$ period	%	37.75%	3.67%
Variation % COP/US\$ period	%	2.98%	18.71%
Variation % Real/US\$ period	%	0.37%	28.11%
Variation % UYU/US\$ period	%	2.86%	7.79%
Total equity _i	ThCh\$	4,443,291,036	4,408,126,572
Dividends payable _i	ThCh\$	105,587,080	196,055
Equity variation _i	ThCh\$	91,475,359	32,528,923
Fixed assets in Chile _{i-1} ^a	ThCh\$	3,287,373,703	3,250,475,986
Deferred tax in Chile _{i-1} ^b	ThCh\$	299,363,046	301,380,864
Adjustment for initial revaluation to IFRS in Chile ^c	ThCh\$	878,140,797	878,140,797
Deferred tax in Chile ^d	ThCh\$	149,283,935	149,283,935
Price adjustment, fixed assets in Chile _{i-1}	ThCh\$	25,152,324	32,342,497
Investment in Peru _i	ThCh\$	968,064,000	981,628,000
Investment in Argentina _i	ThCh\$	68,352,000	82,147,000
Investment in Colombia _i	ThCh\$	244,579,000	226,233,000
Investment in Brazil	ThCh\$	59,271,000	60,055,000
Investment in Uruguay _i	ThCh\$	20,929,000	23,062,000
Investment adjustment, outside Chile _i	ThCh\$	89,145,017	78,525,814
Maximum financial debt _{i-1}	ThCh\$	7,499,605,827	7,144,584,584
Maximum financial debt _i	ThCh\$	7,943,205,033	7,499,605,827
Level of financial debt	ThCh\$	3,186,734,759	3,155,946,216

^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.

CALCULATION OF FINANCIAL DEBT LINES L AND M.

(Includes CMR in the balance sheet)

	Currency	As of Dec 31, 2015	As of Sept. 30, 2015
Level of Debt	ThCh\$	3,186,734,759	3,155,946,216
Total equity	ThCh\$	4,433,291,036	4,408,126,572
Financial Indebtedness Ratio		0.72	0.72

S.A.C.I. Falabella and Subsidiaries
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(Translation of consolidated financial statements originally issued in Spanish – see Note 2.1)

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 US 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, 2015 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, 2015 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, 2015 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, 2015 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 Financial Statements

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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, 2015, the level of financial indebtedness is 0.29 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 guarantees.

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 Sodimac S.A. 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, 2015, 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, 2014, are as follows:

a) 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.

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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, 2015	As of September 30, 2015
Period ⁱ		12-31-2015	09-30-2015
Period ⁱ⁻¹		09-30-2015	06-30-2015
UF ⁱ	\$/UF	25,629.09	25,346.89
UF ⁱ⁻¹	\$/UF	25,346.89	24,982.96
Cash and cash equivalents for the period ⁱ	ThCh\$	32,176,051	42,239,202
Cash and cash equivalents for the period ⁱ⁻¹	ThCh\$	42,239,202	15,249,422
Variation in cash ⁱ	ThCh\$	(10,063,151)	26,989,780
Variation in cash ⁱ	ThUF	(393)	1,065
Third party guarantees ⁱ	None	-	-
Total equity ⁱ	ThCh\$	1,254,907,402	1,250,597,462
Dividends payable ⁱ	ThCh\$	28,577,624	-
Total equity ⁱ⁻¹	ThCh\$	1,250,597,462	1,223,878,475
Dividends payable ⁱ⁻¹	ThCh\$	-	-
Equity variation ⁱ	ThCh\$	32,887,564	26,718,987
Equity variation ⁱ⁻¹	ThUF	1,283	1,054
Investment Properties ⁱ⁻¹ ^a	ThCh\$	2,226,874,318	2,203,311,941
Deferred tax, Investment Properties ⁱ⁻¹ ^b	ThCh\$	287,652,588	290,108,786
Adjustment for initial revaluation of Investment property under IFRS ^c	ThCh\$	874,483,983	874,483,983
Deferred tax due to initial revaluation of Investment Property ^d	ThCh\$	148,662,277	148,662,277
UF percent variation ^e	ThCh\$	1,11%	1,46%
Monetary adjustment for Investment Properties in Chile ⁱ⁻¹	ThCh\$	13,509,408	17,296,739
Monetary adjustment for Investment Properties in Chile ⁱ⁻¹	ThUF	527	682
Adjustment for Investment Properties outside of Chile ⁱ⁻¹	ThUF	158	535
Maximum debt ⁱ⁻¹	ThUF	73,410	67,803
Maximum debt ⁱ	ThUF	76,955	73,410

^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, 2015, the maximum debt totals ThUF 76,955. The current debt at that same date is ThUF 33,960, therefore the Company has complied with the restriction.

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b) 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. Only 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, 2015, 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, 2015, there are no placements in effect with a charge to these lines.

S.A.C.I. Falabella and Subsidiaries

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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

Falabella Peru has certain restrictions to their financing such as keeping revenue from their retail, supermarkets, shopping center management, home improvement and evaluation, granting and credit administration business areas at no less than 70% of total consolidated revenues. Another constraint indicates that Falabella Peru cannot give in lease, use, sell or transfer assets, give guarantees or lease cash flows or rights over its assets if the value of these exceeds 20% of the total assets of Falabella Peru.

In addition, at the close of December 2015 there are financial obligations that that apply to the subsidiaries of Falabella Peru. These can be grouped into three categories: indebtedness ratios, solvency ratios, and guarantee ratios.

The indebtedness index (total liabilities / total equity) is the most restrictive ratio, at less than or equal to 2.0x for Hypermarkets Tottus, which in December 2015 was met reporting a ratio of 1.48x. Meanwhile, Saga Falabella reported a ratio of 1,53x, which also fulfills its borrowing restriction as in this case, it cannot exceed 3.0x. 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 2015, this financial obligation was fulfilled by the company, reporting a ratio of 0.58x.

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 1.40x for Open Plaza, which as of December 2015 was fulfilled, reporting a ratio of 2.15x.

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 1.8x for Open Plaza. As of December 2015 this financial obligation was fulfilled, reporting a ratio of 2.13x.

Meanwhile Maestro Peru also has financial obligations to report. These obligations are the indebtedness ratio and interest coverage ratio. As of December 31, 2015, Maestro Peru reported an indebtedness ratio of 4.22x, exceeding the ratio established by the financial obligation (less than or equal to 4.00x). Finally it reported an interest coverage ratio of 1.35x lower than the required ratio (greater than or equal to 2x). Failure to comply with these financial obligations does not generate a default event, however, it establishes restrictions on additional debt, which may not exceed US\$ 40 million.

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Note 40 - Business Combination

Acquisition of Maestro Peru 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 acquired.

	On the Acquisition Date ThCh\$	On the Revision Date ⁽²⁾ ThCh\$
Acquisition Price (A)	290,890,488	290,890,488
Assets acquired and liabilities assumed		
Total assets, current	79,043,617	79,043,617
Property, plant and equipment	241,370,388	240,339,238
Intangible Assets ⁽¹⁾	30,618,360	30,618,360
Other assets, non-current	51,348,338	50,398,271
Total Assets	402,380,703	400,399,486
Total liabilities, current	85,930,945	85,930,945
Other financial liabilities, non-current	136,877,736	136,877,736
Other liabilities non-current	55,608,291	57,143,280
Total Liabilities	278,416,972	279,951,961
Total Acquired Net Assets (B)	123,963,731	120,447,525
Goodwill derived from acquisition (A) - (B)	166,926,757	170,442,963

(1) It includes the brand name and other intangible assets recognized upon acquisition.

(2) Measured at the exchange rate on the acquisition date

In September 2015, the Company completed the valuation of the assets acquired and liabilities assumed on the acquisition of Maestro Peru S.A. This has reduced the fair values of certain assets by ThCh\$ 1,981,217 and new liabilities have been absorbed for ThCh\$ 1,534,989, which were in effect at the date of acquisition.

Therefore, the value of acquired goodwill has increased by ThCh\$ 3,516,206. The financial statements as of December 31, 2014, presented to only comparative effect have been amended to reflect the above changes.

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Note 41 - Investment Instruments Available for Sale

As of December 31, 2015 and December 31, 2014, the investment instruments designated as available for sale were broken down as follows:

Detail of Instruments Available for Sale	Dec-31-2015 ThCh\$	Dec-31-2014 ThCh\$
Instruments issued by the State and the Chilean Central Bank		
Bonds issued by the Chilean Central Bank	80,312,328	88,018,588
Other Instruments issued by the State and the Chilean Central Bank	7,883,601	19,775,356
Instruments issued by other Chilean Institutions		
Letters of Credit for Mortgages issued by Banks	6,464,276	7,433,599
Negotiable Time Deposits issued by Banks	273,843,050	93,526,357
Instruments issued by Foreign Institutions		
Instruments issued by Foreign Governments or Central Banks	54,600,394	55,263,667
Total	423,103,649	264,017,567

Note 42 - Subsequent Events

The Consolidated Financial Statements of S.A.C.I. Falabella and Subsidiaries as of December 31, 2015, have been approved at the Board of Directors ordinary meeting held on March 1, 2016, which was attended by the following Directors and Corporate 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, 2015, 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.