S.A.C.I. FALABELLA

EARNINGS REPORT

1st QUARTER 2016

falabella SODIMAC TOTTUS CMR Falabella Banco Falabella MALLPLAZA OPEN PLAZA

Index

Notes:

- All dollar figures are calculated based on the observed exchange rate as of April 1st 2016: 669.8 $/US$.
- Symbols for quarters: 1Q, 2Q, 3Q y 4Q, accordingly.
- Symbols for other periods of the year: 1H for the first half of the year and 9M for the first nine months of the year.
- Currency symbols: $: Chilean pesos; CLP: Chilean pesos; US$: U.S. dollars; PEN: Peruvian soles; COP: Colombian pesos; ARS: Argentine pesos; BRL: Brazilian reales.
- M: million; TH: thousand.

I. Executive Summary

Consolidated revenues in the first quarter of 2016 reached $2,053,743 million (MUS$ 3,066), which represents 4.9% growth compared to the same period last year. The increase in revenue is primarily due to SSS growth at Falabella and Sodimac in Chile (13.1% and 5.9%, respectively); 10.7% top line growth at Mall Plaza; revenue growth from banking operations and CMR Chile (17.6% and 13.5%, respectively); and a 5.2% increase in total sales area. This growth, however, was offset, in part, by the depreciation of the currencies in Argentina, Colombia, Brazil and Peru against the Chilean peso.

The consolidated loan portfolio, as of March 31st, 2016, reached $4,180,392 million (MUS$ 6,241), a 12.4% increase with respect to the same period last year, with growth in every country (in local currency). Provisions to gross loans remained within a stable range, year over year, with a moderate increase in net write offs in CMR Chile, Banco Falabella Peru and Banco Falabella Colombia.

Gross profit this quarter rose to $714,992 million (MUS$ 1,067), 5.2% higher YoY, while gross margin increased eight basis points in the same period. This slight gross margin expansion is primarily attributable to Falabella and Sodimac in Chile, Peru and Argentina, as well as margin expansion in Plaza, which offset gross margin deterioration in other business units.

SG&A this quarter reached $522,016 million (MUS$ 779), 5.5% higher than the same period last year, and as a percentage of sales, SG&A increased by 14 basis points. This increase as a percentage of sales is primarily attributable to the operations in Peru, Argentina and Brazil, given the moderate level of consumer demand, the impact of inflation-adjusted expenses (especially in Argentina) and, in the case of Brazil, the expenses related to the ramp up of the new Sodimac stores.

Consolidated EBITDA reached $254,232 million (MUS$ 380), a 4.3% YoY increase, with an EBITDA margin of 12.4%, in line with the same period last year.

Consolidated non-operating results reached a net expense of $49,896 million (MUS$ 74), which is 41.4% higher than 1Q15, primarily due to higher net financial expenses.

Consolidated net income this quarter reached $104,039 million (MUS$ 155), a -1.7% variation with regards to the same period last year. Net income does not include gains or losses from asset revaluations of investment properties, as the company adopted the historic cost method in 2009.

In the first quarter, the company inaugurated three stores in Peru. Tottus opened two supermarkets: a Hiperbodega Precio Uno, located in the district of Chorrillos in the south of Lima; and a Tottus located in the Mall del Sur shopping center, in the district of San Juan de Miraflores in the Department of Lima. Saga Falabella also opened a new department store in Mall del Sur.

On April 15th S.A.C.I. Falabella signed a memorandum of understanding (MOU) with Soriana, the second largest supermarket chain operator in Mexico, in order to develop together a chain of home improvement stores and a financial services business. Both companies committed to establishing, within a period of three months, the definitive contracts that will give rise to two new companies, each one with a 50-50 ownership structure. Each company will contribute MUS$ 300 million in capital and real estate over the next five years in order to develop these projects. The initial investment plan includes the opening of approximately 20 Sodimac stores in this period.

II. Consolidated Financial Results, as of March, 2016

Consolidated Income Statement 1Q 2016 (MCLP)[1]

	1Q15	% Rev.	1Q16	% Rev.	Var %
Revenues of Non-Banking Operations	1,817,585		1,889,596		4.0%
Revenues of Banking Operations	139,613		164,147		17.6%
Total Revenues	**1,957,197**	**100.0%**	**2,053,743**	**100.0%**	**4.9%**
COGS of Non-Banking Operations	(1,223,052)	-67.3%	(1,264,659)	-66.9%	3.4%
COGS of Banking Operations	(54,244)	-38.9%	(74,092)	-45.1%	36.6%
Gross Profit	**679,901**	**34.7%**	**714,992**	**34.8%**	**5.2%**
SG&A Expenses	(494,783)	-25.3%	(522,016)	-25.4%	5.5%
Operational Income	**185,118**	**9.5%**	**192,976**	**9.4%**	**4.2%**
Depreciation + Amortization	58,534	3.0%	61,256	3.0%	4.6%
EBITDA	**243,653**	**12.4%**	**254,232**	**12.4%**	**4.3%**
Other Income / (Expenses)	(4,365)		1,136		-126.0%
Net Financial Income / (Cost)	(28,096)		(56,757)		102.0%
Profit / (Loss) in Associates	6,795		5,708		-16.0%
Exchange Rate Differences	(9,618)		17		-100.2%
Non-Operating Profit	**(35,284)**	**-1.8%**	**(49,896)**	**-2.4%**	**41.4%**
Profit Before Tax Expenses	**149,834**	**7.7%**	**143,080**	**7.0%**	**-4.5%**
Income Tax	(35,176)		(28,857)		-18.0%
Minority Interest	(8,849)		(10,184)		15.1%
Net Profit / (Loss)	**105,809**	**5.4%**	**104,039**	**5.1%**	**-1.7%**

Summary of Consolidated Balance Sheet, March 1st, 2016 (MCLP)

	31-Dec-15	31-Mar-16	Var %
Current Assets - Non Banking Business	3,237,792	3,104,676	-4.1%
Non Current Assets - Non Banking Business	5,855,381	5,842,846	-0.2%
Total Assets - Non Banking Business	**9,093,173**	**8,947,521**	-1.6%
Total Assets - Banking Business	**3,513,824**	**3,607,298**	2.7%
Total Assets	**12,606,997**	**12,554,819**	**-0.4%**
Current Liabialities - Non Banking Business	2,079,647	2,003,015	-3.7%
Non Current Liabialities - Non Banking Business	3,145,538	2,989,742	-5.0%
Total Liabialities - Non Banking Business	**5,225,185**	**4,992,758**	**-4.4%**
Total Liabialities - Banking Business	**2,938,520**	**3,049,929**	**3.8%**
Total Liabialities	**8,163,706**	**8,042,686**	**-1.5%**
Total Equity	**4,443,291**	**4,512,133**	**1.5%**
Total Liabilities + Equity	**12,606,997**	**12,554,819**	**-0.4%**

[1] CMR Chile and CMR Argentina are included in the Non-Banking Operations.

Summary of Consolidated Cash Flow, March 1st, 2016 (MCLP)

	31-Mar-15	31-Mar-16	Var %
Cash flow from operating activities - Non Banking Business	145,852	200,335	37.4%
Cash flow from operating activities - Banking Business	78	15,258	19537.7%
Cash flow from operating activities	**145,930**	**215,593**	**47.7%**
Cash flow from investment activities - Non Banking Business	(114,085)	(83,651)	-26.7%
Cash flow from investment activities - Banking Business	(55,233)	(30,102)	-45.5%
Cash flow from investment activities	**(169,318)**	**(113,753)**	**-32.8%**
Cash flow from financing activities - Non Banking Business	(105,526)	(130,617)	23.8%
Cash flow from financing activities - Banking Business	(7,139)	(1,797)	-74.8%
Cash flow from financing activities	**(112,665)**	**(132,415)**	**17.5%**
Increase (decrease) in cash and cash equivalents	**(136,053)**	**(30,575)**	**-77.5%**
Impact of exchange rate differences on cash and cash equivalents	(2,015)	(12,310)	510.8%
Cash and cash equivalents at the beginning of the period	**610,126**	**661,059**	**8.3%**
Cash and cash equivalents at the end of the period	**472,058**	**618,174**	**31.0%**

III. Main Events during the Period

- In January, S.A.C.I. Falabella announced its US$4,038 million four-year investment plan for the 2016-2019 period, of which approximately:
    - 44% will be allocated to the opening of 131 new stores and 10 new shopping centers:
    - 30% will be invested in logistics (including new distribution centers) and IT, in order to continue to support omnichannel growth, as well as to achieve higher levels of efficiency and productivity.
    - 26% will be used to increase selling area and remodel existing stores and shopping centers.
- During the first quarter, the company opened three stores in Peru.
    - Tottus opened two supermarkets: a Hiperbodega Precio Uno, located in the district of Chorrillos in the south of Lima, with a selling area of approximately 1,500 m^2; and a Tottus located in the Mall del Sur shopping center, in the district of San Juan de Miraflores in the Department of Lima, with a selling area of approximately 7,500 m^2.
    - Saga Falabella also opened a new department store in Mall del Sur, shopping center, in the district of San Juan de Miraflores in the Department of Lima, with a selling area of approximately 9,000 m^2.
- In March Falabella officially launched its newly renovated department store in the Alto Las Condes shopping center in Chile, with a renewed focus on women's fashion, new architectural concepts, omnichannel innovations and the incorporation of exclusive international brands such as Michael Kors, Kate Spade, Longchamp, Cortefiel, Un Deux Trois and Double Agent, among others.

Events after the period

- On April 15th S.A.C.I. Falabella signed a memorandum of understanding (MOU) with Soriana, the second largest supermarket chain operator in Mexico, in order to develop together a chain of home improvement stores and a financial services business:
    - The definitive contracts that will give rise to two new companies should be signed within a period of three months.
    - S.A.C.I. Falabella and Soriana will each own a 50% stake in the two new companies.
    - S.A.C.I. Falabella and Soriana will each contribute USD 300 million in capital and real estate over the next five years in order to develop these projects.
    - The initial investment plan includes the opening of approximately 20 Sodimac stores in this period.
- On April 26th during the Ordinary Annual Shareholders' Meeting, the following was agreed upon:
    - Approval of a $54 per share final dividend, charged against the earnings of the fiscal year ending December 2015. The dividend will be paid on May 10th, 2016 to the shareholders of the unique series that were registered in the Shareholders Registry by May 4th, 2016.
    - Approval of a dividend policy consisting in the annual distribution of at least 30% of the net profits of each fiscal year.
    - Approval of the firm EY to provide external audit services for the company's fiscal year 2016.
    - Approval of the Annual Report, Balance Sheet, Income Statement and External Auditors Certificate corresponding to the fiscal year ending December 2015.
- In April Sodimac opened its third store in Brazil, located in the municipality of Sao Jose dos Campos in the state of Sao Paulo, with a selling area of approximately 11,200 m^2.

- In April Tottus opened a supermarket in Chile, located in the municipality of Quillota in the Valparaiso Region, with a selling area of approximately 2,600 m^2.
- In April the company opened a new Aldo store in the Larcomar shopping center in Lima, Peru.
- On May 5th S.A.C.I. Falabella issued in the domestic market the equivalent of 4.5 million U.F. (MUS$ 171) in bonds, denominated in U.F. and Chilean pesos, in order to finance short term liabilities. The bonds were issued in two series.
    - The series P is for a total of 2 million U.F., 23 years (20 year grace period), at a U.F. + 3.17% interest rate, which is a 152 basis point spread with regards to the reference rate. This series was 2.7x oversubscribed.
    - The series O is for a total of $63,000 million, 6 years (4 year grace period), at a 5.15% interest rate, which is a 100 basis point spread with regards to the reference rate. This series was 2.6x oversubscribed.

IV. 1st Quarter 2016 Results

1. Operating Results

Revenues

In the first quarter of 2016, consolidated revenues reached $2,053,743 million (MUS$ 3,066), 4.9% higher YoY. This growth was driven, in part, by an increase in sales area, given that approximately 134,500 m^2 net were added in the last 12 months, with the opening of 25 new stores. Revenues also increased as a result of SSS growth in Chile, a higher contribution from Mall Plaza and loan book growth in the financial businesses. This revenue growth was partially offset, however, by the depreciation of the local currencies in Argentina, Colombia, Brazil and Peru against the Chilean peso.

All of the company's business units in Chile contributed to consolidated revenue growth this quarter. Given their relative size, Falabella and Sodimac, which reported 13.1% and 5.7% growth, respectively, contributed the most to revenue growth. Falabella's topline was driven by 13.1% SSS growth and by one new store opening in the last 12 months (which replaced an Expo Falabella that closed). In the case of Sodimac, sales growth was driven by a 5.9% increase in SSS and three new store openings in the last 12 months (an Imperial store was closed in the same period). The SSS growth at Falabella this quarter was largely due to continued growth in omnichannel sales, positive results from junior women's departments in recently remodeled stores, favorable weather and home electronics sales. At Sodimac, the weather helped drive sales in the garden/seasonal products category. Tottus reported an 8.4% increase in revenues this quarter, driven by the opening of five new stores in the last 12 months and 2.5% SSS growth. Plaza's revenues increased by 10.7%, explained by a higher average leasable area due to the opening of new sections of Mall Plaza Egaña and Mall Plaza Copiapo during 2015, higher sales from tenants and from the impact of the Unidad de Fomento (U.F.) on inflation-linked leases (the U.F. increased 0.7% this quarter while it was flat the same period last year).

CMR reported a 13.5% increase in revenues this quarter, driven primarily by a 12.3% increase in the loan portfolio. Banco Falabella Chile's revenues grew by 16.5%, explained by a 9.0% increase in gross loans and higher inflation-adjusted income, given the increase in the U.F. (0.7% this quarter vs. 0.0% in 1Q15).

In Peru revenue growth from the loan book and new store openings was partially offset by moderate or negative SSS growth, primarily due to macroeconomic headwinds and the unusually warm weather in March. Revenues in Peru increased by 2.7%, primarily due to Banco Falabella Peru, which reported a 22.8% increase in gross loans (in local currency), and to the eight new store openings in the last 12 months, which increased sales area in the country by 4.1%. Tottus reported 3.3% revenue growth (3.6% in local currency), primarily due to the opening of five new stores in the last 12 months. Saga Falabella's revenues increased by 3.2% (3.4% in local currency), boosted by the opening of three new stores in the last year (including a Crate & Barrel), as SSS growth (1.4%) was mitigated by unusually warm weather in March. Sodimac continued to be impacted by weakness in the construction industry and reported -4.8% revenue growth (-4.5% in local currency), primarily due to -3.8% SSS, but also due to a store closing (Sodimac Chincha).

In the case of Colombia, revenues were down 5.0%, primarily as a result of the pronounced depreciation of the COP against the CLP and the deterioration of consumer demand. Given the excess inventory following the holiday season, the department store had more mark downs and promotional activity this quarter which contributed to -1.8% SSS and 9.6% decline in revenues (a 5.9% increase in local currency). Banco Falabella Colombia's loan book increased by 22.6% (in local currency). Argentina reported a -17.4% variation in revenue this quarter, explained by the pronounced depreciation of the ARS against the CLP. Brazil's revenues were, once again, impacted by the depreciation of the local currency and generally weak consumer demand.

Gross Income

Gross income this quarter reached $714,992 million (MUS$ 1,067), a 5.2% increase with respect to the same period last year, with a gross margin of 34.8%, which was eight basis points higher, year-over-year.

In Chile, the business units that contributed the most to this gross margin expansion were home improvement, department stores and Plaza. Sodimac's gross margin improved by 98 basis points, primarily due to product mix, given the strong growth of higher margin categories such as home décor/accessories and garden/seasonal, among others. Department stores reported an increase of 44 basis points in gross margin, largely attributable to inventory mix and favorable weather conditions. Plaza increased its gross margin by 209 basis points primarily due to fixed cost dilution from higher revenues.

CMR's gross margin decreased by 542 basis points, explained in part, by a reclassification of collection and recovery costs, which explains roughly 40% of this decrease. Another factor is an increase in provision expenses, related to the increase in net write offs this quarter. Banco Falabella Chile's gross margin decreased by 358 basis points this quarter, primarily due to higher inflation-adjusted costs and lower money market operating revenues.

Peru's gross margin increased 59 basis points, primarily due to more favorable purchasing terms and less markdowns. In Argentina, the gross margin increased by 370 basis points, driven by inventory mix and less markdowns. Brazil reported a 28 basis point increase in gross margin, explained by more favorable purchasing terms. Colombia's gross margin deteriorated by 771 basis points, largely due to higher markdowns at the department store and inflation-linked costs at Banco Falabella.

Selling, General and Administrative Expenses

SG&A expenses amounted to $522,016 million (MUS$ 779) in the first quarter, 5.5% higher than the same period last year, while as a percentage of sales, SG&A increased by 14 basis points. This increase as a percentage of sales is primarily attributable to the operations in Peru, Argentina and Brazil, given the moderate level of consumer demand, impact of inflation-adjusted expenses (especially in Argentina) and, in the case of Brazil, the expenses related to the ramp up of the new Sodimac stores.

In Chile, Plaza reported a 460 basis point improvement in SG&A/revenue, primarily due to the maturation of the latest expansions in its shopping centers. The department store business also improved SG&A/revenue, by 51 basis points, mainly as the result of higher revenues and dilution of fixed expenses. Banco Falabella and CMR improved this metric by 92 and 9 basis points, respectively, as a result of operating leverage as well. These gains, however, were partially offset by Sodimac, which reported an increase of 45 basis points in SG&A/sales, primarily due to higher labor expenses, inflation-linked expenses, increased electricity tariffs and higher technology expenses. Tottus registered a 25 basis point increase explained by inflation-adjusted expenses, as SSS were lower than inflation.

In Peru, all three retail formats reported higher expenses as a percentage of revenues, primarily due to lower fixed cost dilution given weak SSS growth. In Brazil, SG&A/revenue deteriorated mainly due to the expenses related to the launch of the first three Sodimac stores in the country and the negative SSS from the existing Dicico stores. In Argentina the increase in inflation impacted wages and basic services, while the rise in the USD impacted some lease expenses. Colombia improved SG&A/sales by 39 basis points, driven by the bank, thanks to higher fixed cost dilution.

2. Non-Operating Results and Net Income

Consolidated non-operating results reached a net expense of $49,896 million (MUS$ 74), which is 41.4% higher than 1Q15. This increase is largely due to higher net financial expenses, which reached $56,757million (MUS$ 85) this quarter. This increase is explained by: i) losses from forward instruments taken to hedge letters of credit related to imports (given the general appreciation of local currencies against the USD, QoQ); ii) higher monetary readjustment expenses from inflation-linked debt (the U.F. increased 0.7% this quarter); and iii) a less negative comparison base, given that in 1Q15 the company recognized gains from forwards used to hedge the USD bond issued for the acquisition of Maestro, while this quarter that same bond is hedged with swaps (which provided benefits in the exchange rate differences account).

Exchange rate differences registered a gain this quarter of $17 million (approximately US$ 25,000), compared to an expense of $9,618 million (MUS$ 14) in the same period last year. The variation is, primarily, due to the fact that the USD bond that the company issued for the purpose of acquiring Maestro was fully hedged this quarter with swaps, which are accounted for in the same line item as the bond. On the other hand, as was already mentioned, in 1Q15 the bond was primarily hedged with forwards, so the gains from those instruments were recognized as financial income while the impact of the depreciation of the CLP/USD on the bond was recognized separately as an exchange rate expense. As a result, the sum of net financial income/(expenses) and exchange rate differences this quarter increased 50.5% compared to the same period last year.

It is worth noting that S.A.C.I. Falabella has two bonds, one for MUS$ 500 and another for MUS$ 400, both of which have both capital and interest fully hedged, with swaps, to maturity.

Other income/(expenses) this quarter recorded a gain, compared to the loss that was reported in 1Q15, primarily as a result of the floods in the north of Chile in March of 2015, which resulted in damages to inventories and fixed assets.

The net gain from affiliated companies decreased 16.0% this quarter, primarily because the depreciation of the COP against the CLP reduced the contribution of Sodimac Colombia to the company's consolidated results.

The effective tax rate decreased to 20.2%, compared to 23.5% in the same period las year, mainly due to the impact that inflation in Chile had on the tax base.

As a result, net income for the period reached $104,039 million (MUS$ 155), -1.7% compared to the same period last year. Net income does not include gains or losses from asset revaluations of investment properties, as the company adopted the historic cost method in 2009.

3. Consolidated Balance Sheet

Non-banking current assets decreased $133,116 million (MUS$ 199) with regards to year-end 2015, primarily as a result of a decrease in trade and other accounts receivable and a decrease in inventory. Non-banking long term assets decreased $12,536 million (MUS$ 19), mainly due to lower property, plant and equipment and other long term financial assets. FX fluctuations contributed to the decrease, given the depreciation of local currencies against the Chilean peso and the impact on the consolidation of the balance sheets of foreign subsidiaries. In the case of the banking business, total assets increased by $93,474 million (MUS$ 140), compared to December 2015, mainly due to transactions with settlement in progress and instruments available for sale, due to a higher level of activity in the business. As a result, total assets decreased by $52,177 million (MUS$ 78).

Non-banking current liabilities decreased by $76,632 million (MUS$ 114) compared to December 2015, mainly explained by a decrease in trade and other accounts payable, primarily due to the payment of short term liabilities. Non-banking long term liabilities decreased by $155,796 million (MUS$ 233) due to the decrease in other non-current financial liabilities, which decreased primarily due to i) the transfer from long term liabilities to short term liabilities of obligations that come due in 2016; ii) the impact that the depreciation of the USD had on USD denominated liabilities and iii) the refinancing of some long term obligations. Total liabilities of the banking business increased $111,409 million (MUS$ 166) due an increase in transactions with settlement in progress and an increase in time deposits and other term deposits, explained by the higher level of activity of the business. As a result, total liabilities decreased by $121,019 million (MUS$ 181).

4. Consolidated Cash Flow

Non-banking business cash flow from operating activities increased $54,482 million (MUS$ 81) as of March 2016, compared to the same period last year, mainly as a result of higher proceeds from the sale of goods and services, in line with the higher level of activity of the business. Banking business cash flow from operating activities increased $15,180 million (MUS$ 23), primarily due to an increase in deposits and other time deposits, as well as lower payment to banks. As a result, consolidated cash flow from operating activities increased $69,663 million (MUS$ 104) in the period.

Non-banking business cash flow from investment activities was $30,434 million (MUS$ 45) less negative than in the same period last year, mainly due to less additions to property, plant and equipment; intangibles and other long-term assets. Banking business cash flow from investment activities was $25,131 million (MUS$ 38) less negative with respect to the same period last year, mainly due to a less negative contribution from investment securities available for sale. As a result, cash flow from consolidated investment activities as of March 2016 was $55,565 million (MUS$ 83) less negative than in the same period last year.

Non-banking business cash flow from financing activities as of March 2016 was $25,091 million (MUS$ 37) more negative than last year, mainly explained by higher interest paid. Banking business cash flow from financing activities was $5,341 million (MUS$ 8) less negative than the same period last year due to lower debt payments and other financing obtained in the period. As a result, consolidated cash flow from financing activities was $19,750 million (MUS$ 29) more negative than the same period last year.

V. Retail Indicators

1. Retail Business Revenues

Retail Revenues 1Q 2016 (MCLP)

	1Q15	1Q16	Var %	Var Local Currency %
Chile				
Department Stores	292,938	331,247	13.1%	13.1%
Home Improvement	506,908	535,958	5.7%	5.7%
Supermarkets	155,986	169,054	8.4%	8.4%
Peru				
Department Stores	120,396	124,250	3.2%	3.4%
Home Improvement	168,035	160,030	-4.8%	-4.5%
Supermarkets	153,350	158,440	3.3%	3.6%
Colombia				
Department Stores	68,200	61,647	-9.6%	5.9%
Home Improvement	192,532	182,613	-5.2%	10.8%
Argentina				
Department Stores	79,838	61,609	-22.8%	13.5%
Home Improvement	49,513	43,079	-13.0%	27.3%
Brazil				
Home Improvement	44,008	35,748	-18.8%	-0.9%

Retail Revenues 1Q 2016 (MUS$) [2,3,4]

	1Q15	1Q16	Var %	Var Local Currency %
Chile				
Department Stores	437.4	494.5	13.1%	13.1%
Home Improvement	756.8	800.2	5.7%	5.7%
Supermarkets	232.9	252.4	8.4%	8.4%
Peru				
Department Stores	179.7	185.5	3.2%	3.4%
Home Improvement	250.9	238.9	-4.8%	-4.5%
Supermarkets	228.9	236.5	3.3%	3.6%
Colombia				
Department Stores	101.8	92.0	-9.6%	5.9%
Home Improvement	287.4	272.6	-5.2%	10.8%
Argentina				
Department Stores	119.2	92.0	-22.8%	13.5%
Home Improvement	73.9	64.3	-13.0%	27.3%
Brazil				
Home Improvement	65.7	53.4	-18.8%	-0.9%

[2] Does not include revenue from the credit business.
[3] Nominal Chilean pesos converted to US$ at the observed exchange rate as of April 1st 2016, both for the current period and same period last year.
[4] Revenue variation and revenue variation in local currency: the first shows revenue variation in CLP and the second, in local currency.

Same Store Sales (SSS) Nominal Growth [5,6,7,8]

	1Q15	2Q15	3Q15	4Q15	2015	1Q16
Chile						
Department Stores	4.0%	2.8%	7.9%	8.7%	6.1%	13.1%
Home Improvement	7.9%	8.7%	5.7%	4.9%	6.8%	5.9%
Supermarkets	6.2%	4.1%	2.1%	2.7%	3.6%	2.5%
Peru						
Department Stores	-1.3%	-2.7%	-0.2%	-0.7%	-1.2%	1.4%
Home Improvement	0.4%	-1.9%	-4.3%	-5.5%	-3.4%	-3.8%
Supermarkets	3.2%	2.1%	0.2%	-1.9%	0.7%	0.3%
Colombia						
Department Stores	0.0%	-1.1%	7.1%	-6.0%	-1.0%	-1.8%
Home Improvement	9.5%	11.8%	13.0%	12.0%	11.6%	8.5%
Argentina						
Department Stores	9.5%	11.3%	22.4%	20.3%	16.4%	24.2%
Home Improvement	41.0%	37.9%	36.3%	36.4%	37.7%	29.1%
Brazil						
Home Improvement	-0.3%	2.2%	-9.0%	-8.1%	-4.0%	-10.4%

[5] All variations are calculated in nominal terms and in the local currency of each country. In Argentina SSS are calculated net of IIBB.
[6] SSS growth includes revenue generated from the online channel of each business unit.
[7] SSS for Home Improvement Peru include Maestro, starting from 4Q15.
[8] SSS calculation does not include stores that had significant changes in sales area open to the public, due to remodeling, expansions, reductions or closings.

2. Number of Stores and Sales Area of Retail Businesses[9,10,11]

	March 2015		March 2016	
	Sales Area (m²)	**Stores (#)**	**Sales Area (m²)**	**Stores (#)**
Chile				
Department Stores	307,932	45	310,000	45
Home Improvement	684,754	83	711,839	85
Supermarkets	182,942	52	195,812	57
Peru				
Department Stores	155,226	25	172,740	28
Home Improvement	372,890	57	368,258	56
Supermarkets	182,561	49	198,959	54
Colombia				
Department Stores	114,025	18	128,385	20
Home Improvement	331,441	34	341,114	35
Argentina				
Department Stores	57,415	11	57,511	11
Home Improvement	83,736	8	83,352	8
Brazil				
Home Improvement	120,931	57	141,203	57
Uruguay				
Home Improvement	- -	- -	19,211	2
Total Stores	**2,593,852**	**439**	**2,728,384**	**458**

3. Number of Shopping Malls and GLA of Real Estate Operators[12]

	March 2015		March 2016	
	GLA (m²)	**Shopping Malls (#)**	**GLA (m²)**	**Shopping Malls (#)**
Chile				
Mall Plaza	1,184,000	15	1,204,000	15
Open Plaza	232,000	10	232,000	10
Peru				
Aventura Plaza	274,000	4	276,000	4
Open Plaza	234,000	8	271,000	10
Colombia				
Mall Plaza	26,000	1	26,000	1
Total Real Estate	**1,950,000**	**38**	**2,009,000**	**40**

Furthermore, the Group owns 1,020,000 m2 of additional GLA in free standing Falabella, Sodimac, Tottus, Maestro stores and other locations.

[9] During 2015 the Company's sales area measurement was updated, which explains differences with data published in March 2015.
[10] Sales area includes cashiers and check out areas. In the case of Tottus, this represents approximately 8% of total sales area. This definition may differ from how some peers in the industry measure their sales area, and thus, has implications when comparing sales per square meter.
[11] The new Crate & Barrel store is included in department stores Peru. Four Sodimac stores were closed in 1Q16 in Chile, Peru, Colombia and Brazil.
[12] Open Plaza includes Power Centers (shopping malls with only two anchor stores, in addition to smaller shops) and Shopping Centers (shopping malls with three anchor stores, in addition to smaller stores) and is not part of Plaza S.A.

4. Sales per Square Meter of Retail Businesses

Sales per Square Meter – 1Q 2016 (CLP / m²)

	1Q15	1Q16	Var %
Chile			
Department Stores	952,832	1,068,332	12.1%
Home Improvement	740,277	752,406	1.6%
Supermarkets	852,654	863,351	1.3%
Peru			
Department Stores	775,622	737,631	-4.9%
Home Improvement	455,418	431,543	-5.2%
Supermarkets	841,795	816,330	-3.0%
Colombia			
Department Stores	598,118	480,177	-19.7%
Home Improvement	580,892	532,835	-8.3%
Argentina			
Department Stores	1,385,207	1,068,042	-22.9%
Home Improvement	591,295	515,644	-12.8%
Brazil			
Home Improvement	363,909	251,861	-30.8%
TOTAL	**707,421**	**688,763**	**-2.6%**

Sales per Square Meter – 1Q 2016 (US$ / m²)[13,14]

	1Q15	1Q16	Var %
Chile			
Department Stores	1,423	1,595	12.1%
Home Improvement	1,105	1,123	1.6%
Supermarkets	1,273	1,289	1.3%
Peru			
Department Stores	1,158	1,101	-4.9%
Home Improvement	680	644	-5.2%
Supermarkets	1,257	1,219	-3.0%
Colombia			
Department Stores	893	717	-19.7%
Home Improvement	867	796	-8.3%
Argentina			
Department Stores	2,068	1,595	-22.9%
Home Improvement	883	770	-12.8%
Brazil			
Home Improvement	543	376	-30.8%
TOTAL	**1,056**	**1,028**	**-2.6%**

[13] Revenues divided by average area of the period. These figures, expressed in dollars, were translated from Chilean pesos at the April 1st 2016 observed exchange rate. Therefore, the YoY variation corresponds to the variation in Chilean pesos and not the variation in local currency. Total sales per square meter is the sum of revenues from the retail business divided by the average total surface of stores for the period. Online sales are included in the total sales figure of each business unit.

[14] This definition may differ from how some peers in the industry measure their sales area, and thus, has implications when comparing sales per square meter.

VI. Financial Indicators

1. Credit Indicators[15,16,17,18,19]

		1Q15	2Q15	3Q15	4Q15	1Q16
CMR Chile (Card)						
Total Gross Loans	M CLP	1,255,878	1,277,464	1,266,825	1,379,680	1,410,244
Provisions (stock)	M CLP	(46,978)	(51,619)	(49,880)	(47,902)	(52,826)
Net Write-Offs	M CLP	12,412	23,271	38,540	52,777	15,790
Open Accounts (with balance)	#	2,294,285	2,311,288	2,306,532	2,377,164	2,357,932
Duration	Months	3.9	4.1	4.1	4.0	3.9
Average Loan	CLP	547,394	552,707	549,234	580,390	598,085
Banco Falabella Chile						
Total Gross Loans	M CLP	1,329,908	1,346,129	1,375,583	1,416,219	1,450,057
Provisions (stock)	M CLP	(65,118)	(64,868)	(67,503)	(69,121)	(70,567)
Net Write-Offs	M CLP	9,919	19,914	30,394	41,548	9,872
Banco Falabella Peru						
Total Gross Loans	M PEN	3,188	3,491	3,620	3,911	3,915
Provisions (stock)	M PEN	(225)	(244)	(260)	(279)	(299)
Net Write-Offs	M PEN	26	67	111	164	57
Open Accounts (with balance)	#	1,022,313	1,033,171	1,036,351	1,057,033	1,027,854
Duration	Months	10.7	10.8	10.8	10.5	10.6
Average Consumer Loan	SOL	3,119	3,379	3,493	3,700	3,809
Banco Falabella Colombia						
Total Gross Loans	M COP	1,442,319	1,507,428	1,545,704	1,747,486	1,768,232
Provisions (stock)	M COP	(84,926)	(92,426)	(94,828)	(101,774)	(107,085)
Net Write-Offs	M COP	13,764	27,235	43,525	61,438	18,981
Open Accounts (with balance)	#	850,338	871,637	883,303	934,648	915,148
Duration	Months	8.2	8.1	8.3	8.4	8.8
Average Consumer Loan	COP	1,696,171	1,729,422	1,749,914	1,869,673	1,932,182
CMR Argentina (Card)						
Total Gross Loans	M ARS	2,021	2,219	2,369	2,904	3,109
Provisions (stock)	M ARS	(49)	(52)	(44)	(50)	(65)
Net Write-Offs	M ARS	15	23	30	31	5
Open Accounts (with balance)	#	528,600	519,261	512,036	518,875	517,948
Duration	Months	2.7	2.9	2.8	2.9	2.9
Average Consumer Loan	ARS	3,823	4,274	4,626	5,597	6,002

[15] a. CMR Chile's Loan Portfolio includes legacy car loans. New car loans are included in Banco Falabella Chile's loan book.
b. Banco Falabella Chile's provisions include additional provisions suggested by the SBIF (Superintendent of Banks and financial Institutions of Chile), the Chilean bank regulator, which are accounted for as liabilities.
c. Banco Falabella Chile's loans and provisions includes only consumer loans.
informadas en los Estados Financieros de la compañía.

[16] Duration is calculated on a monthly basis according to the implied duration: 1/[(monthly cash flow)/(gross loans)]

[17] Total gross loans includes all loans, not just consumer loans.

[18] The CMR card was launched in 30 Maestro stores in February, contributing to Banco Falabella Peru's loan growth.

[19] Open accounts with balance refer to the stock of CMR accounts with less than 90 days of delinquency, voluntary transactions in the last 24 months and a balance greater than zero at any time in the period.

2. Percentage of Sales with CMR Card[20]

	1Q15	1H15	9M15	2015	1Q16
Chile - Falabella	50.1%	52.0%	52.0%	51.3%	45.9%
Chile - Sodimac	27.5%	27.3%	27.3%	27.7%	28.7%
Chile - Tottus	19.0%	19.4%	19.8%	20.2%	18.9%
Peru - Saga, Sodimac & Tottus	35.6%	37.5%	37.9%	38.7%	36.6%
Colombia - Falabella & Sodimac	22.3%	24.3%	23.9%	24.5%	20.3%
Argentina - Falabella & Sodimac	25.2%	25.1%	24.9%	24.6%	24.7%

[20] Percentage of Sales with CMR Card: The amount of sales revenue, as a percentage of total sales for that retail format, that corresponds to transactions made with a CMR credit card.

VII. Other Indicators

Average Collection Period,[21] Average Payment Period and Inventory Turnover[22]

Chile

	Dep. Stores		Home Improv.		Supermarkets		Promotora CMR		Plaza S.A.	
	1Q15	1Q16	1Q15	1Q16	1Q15	1Q16	1Q15	1Q16	1Q15	1Q16
Average Collection Period	6.0	7.6	23.1	21.4	2.0	2.0	117.0	117.0	32.0	28.0
Average Payment Period	50.4	46.5	45.0	45.5	45.6	42.1	NM	NM	NM	NM
Inventory Turnover (days)	84.6	90.2	70.7	66.1	38.8	45.1	NM	NM	NM	NM

International Operations[23]

	Peru		Argentina		Colombia		Brazil	
	1Q15	1Q16	1Q15	1Q16	1Q15	1Q16	1Q15	1Q16
Average Collection Period	2.6	2.6	14.5	12.2	7.0	9.3	64.1	22.0
Average Payment Period	47.0	42.8	60.1	65.6	72.7	64.4	109.7	126.6
Inventory Turnover (day)	81.6	91.5	106.7	136.4	101.4	132.0	117.7	199.4

[21] Collection period does not include accounts receivable of the retail businesses (department stores, home improvement and supermarkets) with Promotora CMR S.A.
[22] Average Collection Period (does not include Promotora CMR and Plaza): Current trade and other receivables *90/ Revenues
Average Collection Period for Promotora CMR: Duration * 30
Average Collection Period for Plaza corresponds to the payment of the common expenses of the building.
Average Payable Period: Current trade and other current accounts payable * 90 /Cost of sales.
Inventory turnover: Inventories (net) * 90 / Cost of sales
[23] Metrics include only retail operations.

VIII. Operating Results by Business Unit

Operating Results 1Q 2016 (MCLP)[24,25]

Chile

	Department Stores			Home Improvement			Supermarkets		
	1Q15	1Q16	(%, pbs)	1Q15	1Q16	(%, pbs)	1Q15	1Q16	(%, pbs)
Revenues	292,938	331,247	13.1%	506,908	535,958	5.7%	155,986	169,054	8.4%
Gross Profit	87,633	100,537	14.7%	145,721	159,313	9.3%	37,447	40,566	8.3%
Gross Margin	29.9%	30.4%	44	28.7%	29.7%	98	24.0%	24.0%	-1
SG&A	(85,060)	(94,494)	11.1%	(109,665)	(118,386)	8.0%	(36,185)	(39,632)	9.5%
SG&A / Revenues	-29.0%	-28.5%	51	-21.6%	-22.1%	-45	-23.2%	-23.4%	-25
Operating Profit	2,572	6,043	134.9%	36,055	40,926	13.5%	1,261	935	-25.9%
Operating Margin	0.9%	1.8%	95	7.1%	7.6%	52	0.8%	0.6%	-26
EBITDA	8,851	12,833	45.0%	44,432	50,287	13.2%	5,447	5,095	-6.5%
EBITDA Margin	3.0%	3.9%	85	8.8%	9.4%	62	3.5%	3.0%	-48

	Promotora CMR[17]			Banco Falabella Chile			Plaza S.A.		
	1Q15	1Q16	(%, pbs)	1Q15	1Q16	(%, pbs)	1Q15	1Q16	(%, pbs)
Revenues	86,593	98,285	13.5%	64,399	75,046	16.5%	57,509	63,673	10.7%
Gross Profit	42,163	42,530	0.9%	37,672	41,216	9.4%	44,861	50,998	13.7%
Gross Margin	48.7%	43.3%	-542	58.5%	54.9%	-358	78.0%	80.1%	209
SG&A	(9,196)	(10,353)	12.6%	(21,751)	(24,660)	13.4%	(8,331)	(6,297)	-24.4%
SG&A / Revenues	-10.6%	-10.5%	9	-33.8%	-32.9%	92	-14.5%	-9.9%	460
Operating Profit	32,967	32,177	-2.4%	15,920	16,556	4.0%	36,530	44,701	22.4%
Operating Margin	38.1%	32.7%	-533	24.7%	22.1%	-266	63.5%	70.2%	668
EBITDA	32,967	32,177	-2.4%	17,699	18,598	5.1%	45,876	53,197	16.0%
EBITDA Margin	38.1%	32.7%	-533	27.5%	24.8%	-270	79.8%	83.5%	378

International Operations

	Peru			Colombia			Argentina			Brazil		
	1Q15	1Q16	(%, pbs)	1Q15	1Q16	(%, pbs)	1Q15	1Q16	(%, pbs)	1Q16	1Q16	(%, pbs)
Revenues	498,767	512,046	2.7%	102,152	97,063	-5.0%	146,599	121,070	-17.4%	44,008	35,748	-18.8%
Gross Profit	148,848	155,807	4.7%	41,129	31,599	-23.2%	62,705	56,260	-10.3%	14,227	11,658	-18.1%
Gross Margin	29.8%	30.4%	59	40.3%	32.6%	-771	42.8%	46.5%	370	32.3%	32.6%	28
SG&A	(116,121)	(124,901)	7.6%	(39,797)	(37,433)	-5.9%	(57,077)	(52,400)	-8.2%	(16,383)	(15,709)	-4.1%
SG&A / Revenues	-23.3%	-24.4%	-111	-39.0%	-38.6%	39	-38.9%	-43.3%	-435	-37.2%	-43.9%	-672
Operating Profit	32,726	30,905	-5.6%	1,332	(5,834)	-538.0%	5,628	3,860	-31.4%	(2,156)	(4,051)	87.9%
Operating Margin	6.6%	6.0%	-53	1.3%	-6.0%	-731	3.8%	3.2%	-65	-4.9%	-11.3%	-643
EBITDA	48,530	46,792	-3.6%	4,837	(2,288)	-147.3%	7,394	5,168	-30.1%	(1,280)	(3,126)	144.3%
EBITDA Margin	9.7%	9.1%	-59	4.7%	-2.4%	-709	5.0%	4.3%	-78	-2.9%	-8.7%	-584

[24] International Operating Results includes banking business in Peru and Colombia, credit card business in Argentina and real estate business in Peru, as well as the corresponding retail businesses.

[25] Variations presented in the Var% column correspond to YoY changes in the period's Revenues, Gross Income, SG&A, SG&A w.o. Depreciation, EBITDA and Operating Income.

Operating Results 1Q 2016 (MUS$)[26,27]

Chile

	Department Stores			Home Improvement			Supermarkets		
	1Q15	1Q16	Var %	1Q15	1Q16	Var %	1Q15	1Q16	Var %
Revenues	437.4	494.5	13.1%	756.8	800.2	5.7%	232.9	252.4	8.4%
Gross Margin	29.9%	30.4%	14.7%	28.7%	29.7%	9.3%	24.0%	24.0%	8.3%
SG&A / Revenues	-29.0%	-28.5%	11.1%	-21.6%	-22.1%	8.0%	-23.2%	-23.4%	9.5%
SG&A w.o Dep. / Rev.	-26.9%	-26.5%	11.3%	-20.2%	-20.5%	7.7%	-20.5%	-21.0%	10.8%
EBITDA Margin	3.0%	3.9%	45.0%	8.8%	9.4%	13.2%	3.5%	3.0%	-6.5%
Operating Margin	0.9%	1.8%	134.9%	7.1%	7.6%	13.5%	0.8%	0.6%	-25.9%

	Promotora CMR[17]			Banco Falabella Chile			Plaza S.A.		
	1Q15	1Q16	Var %	1Q15	1Q16	Var %	1Q15	1Q16	Var %
Revenues	129.3	146.7	13.5%	96.1	112.0	16.5%	85.9	95.1	10.7%
Gross Margin	48.7%	43.3%	0.9%	58.5%	54.9%	9.4%	78.0%	80.1%	13.7%
SG&A / Revenues	-10.6%	-10.5%	12.6%	-33.8%	-32.9%	13.4%	-14.5%	-9.9%	-24.4%
SG&A w.o Dep. / Rev.	-10.6%	-10.5%	12.6%	-31.0%	-30.1%	13.2%	-11.1%	-9.5%	-5.4%
EBITDA Margin	38.1%	32.7%	-2.4%	27.5%	24.8%	5.1%	79.8%	83.5%	16.0%
Operating Margin	38.1%	32.7%	-2.4%	24.7%	22.1%	4.0%	63.5%	70.2%	22.4%

International Operations

	Peru			Colombia			Argentina			Brazil	Brazil	
	1Q15	1Q16	Var %	1Q15	1Q16	Var %	1Q15	1Q16	Var %	1Q16	1Q16	Var %
Revenues	744.7	764.5	2.7%	152.5	144.9	-5.0%	218.9	180.8	-17.4%	65.7	53.4	-18.8%
Gross Margin	29.8%	30.4%	4.7%	40.3%	32.6%	-23.2%	42.8%	46.5%	-10.3%	32.3%	32.6%	-18.1%
SG&A / Revenues	-23.3%	-24.4%	7.6%	-39.0%	-38.6%	-5.9%	-38.9%	-43.3%	-8.2%	-37.2%	-43.9%	-4.1%
SG&A w.o Dep. / Rev.	-20.1%	-21.3%	8.7%	-35.5%	-34.9%	-6.6%	-37.7%	-42.2%	-7.6%	-35.2%	-41.4%	-4.7%
EBITDA Margin	9.7%	9.1%	-3.6%	4.7%	-2.4%	-147.3%	5.0%	4.3%	-30.1%	-2.9%	-8.7%	144.3%
Operating Margin	6.6%	6.0%	-5.6%	1.3%	-6.0%	-538.0%	3.8%	3.2%	-31.4%	-4.9%	-11.3%	87.9%

26 International Operating Results includes banking business in Peru and Colombia, credit card business in Argentina and real estate business in Peru, as well as the corresponding retail businesses.
27 Variations presented in the Var% column correspond to YoY changes in the period's Revenues, Gross Income, SG&A, SG&A w.o. Depreciation, EBITDA and Operating Income.

IX. Financial Structure

Total liabilities as of March 1st 2016 reached $8,042,686 million (MUS$ 12,008). In turn, the leverage of the non-banking business[28] amounts to 1.11. Considering the financial debt[29] of the non-banking business, the ratio of Net Financial Debt / EBITDA was 3.01.

S.A.C.I. Falabella's firm-wide policy is to raise debt in local currency, or to hedge to local currency any debt raised in foreign currency. Under 144ª/Reg S, the company has two bonds, one for MUS$ 500 and another for MUS$ 400, both of which are fully hedged with swaps, capital and interest, to maturity.

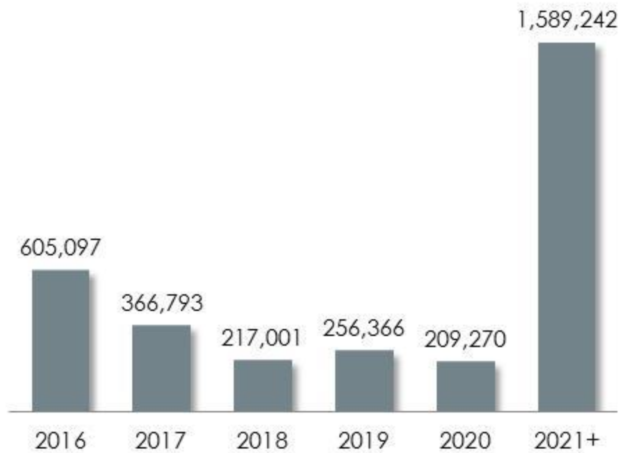
Leverage Non-Banking Operations

Net Financial Debt / EBITDA Non-Banking[30]

[28] Non-Banking Operations Leverage=Total Non-Banking Operations Liabilities divided by Total Equity.
[29] Non-Banking Business Financial Debt= total Current non-Bank Operations Liabilities + Total Non- current Non-Banking Operations Liabilities – Financial liabilities at fair value through income (Note 33 – Financial Instruments and Financial Risk Management).
[30] The ratio includes the fair value of the derivate financial instruments, related to financial debt. Therefore: Net Financial Debt = Non-Banking Financial Debt – Cash and Cash equivalents – Hedge Derivate associated to Financial debt.

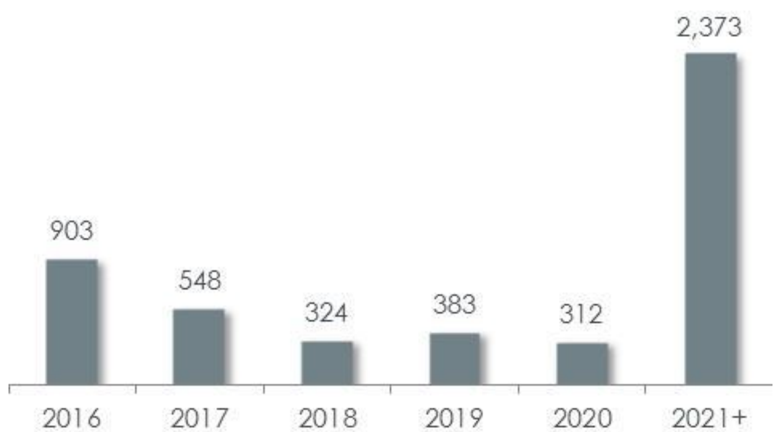
Debt Maturity Profile[31]

Debt Maturity Profile MCLP



Total Consolidated Financial Debt (excluding banking operations): MCLP 3,243,770.

Debt Maturity Profile MMUS$[32]



Total Consolidated Financial Debt (excluding banking operations): MUS$ 4,843.

[31] Total Consolidated Financial Debt does not include the banking operations of the Falabella Group (Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia) or accrued interests; however, it does include CMR in Chile and Argentina.
[32] Debt converted to US$ using the local currency exchange rate for each country at the close of the period.

X. S.A.C.I. Falabella Financial Statements [33]

	For the year ended as of 31-Mar-16	For the year ended as of 31-Mar-15
	TH CLP	TH CLP
Statement of Income		
Non-banking Business		
Revenue from continuing operations	1,889,596,225	1,817,584,630
Cost of sales	(1,264,658,822)	(1,223,052,430)
Gross Profit	**624,937,403**	**594,532,200**
Distribution costs	(20,361,824)	(20,877,076)
Administrative expenses	(412,578,313)	(388,200,646)
Other expenses, by function	(29,322,073)	(30,491,937)
Other gains (losses)	1,136,046	(4,365,426)
Financial income	3,915,213	10,496,091
Financial expenses	(54,386,931)	(39,088,381)
Equity interest in profits (losses) of associates accounted for using the equity method	5,592,977	6,691,858
Foreign currency translation	16,605	(9,617,679)
Income from indexation units	(6,285,019)	496,503
Profit (Loss), before Taxes	**112,664,084**	**119,575,507**
Income tax expense	(20,752,043)	(25,907,404)
Profit (loss) from Non-banking Business	**91,912,041**	**93,668,103**
Banking Services (Presentation)		
Interest and indexation revenue	125,539,159	109,942,157
Interest and indexation expenses	(35,992,828)	(26,594,406)
Net Income from Interest and Indexation	**89,546,331**	**83,347,751**
Fee revenue	38,535,590	29,504,036
Fee expenses	(8,911,877)	(7,788,427)
Net Fee Income	**29,623,713**	**21,715,609**
Net income from financial operations	6,021,910	1,289,560
Net exchange gains (losses)	(2,696,743)	2,287,591
Other operating income	72,427	166,479
Provision for loan losses	(32,512,801)	(23,438,166)
Total Operating Income, net	**90,054,837**	**85,368,824**
Employee remunerations and expenses	(23,376,559)	(22,479,386)
Administrative expenses	(29,980,278)	(26,351,184)
Depreciation and amortization	(4,025,764)	(3,800,039)
Other operating expenses	(2,371,372)	(2,582,257)
Total Operating Expenses	**(59,753,973)**	**(55,212,866)**
Operating Income	**30,300,864**	**30,155,958**
Income from equity method investments in companies	115,348	102,899
Income before Income Taxes	**30,416,212**	**30,258,857**
Income tax expense	(8,105,302)	(9,268,603)
Profit (loss) from Banking Business	**22,310,910**	**20,990,254**
Profit (Loss)	**114,222,951**	**114,658,357**
Profit (loss), Attributable to:		
Owners of the parent	104,039,339	105,809,136
Non-controlling interests	10,183,612	8,849,221
Profit (Loss)	**114,222,951**	**114,658,357**
Earnings per share		
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	0.0427	0.0435
Basic Earnings (Loss) per Share	**0.0427**	**0.0435**
Diluted Earnings per Share		
From continuing operations	0.0427	0.0435
Diluted Earnings (Loss) per Share	**0.0427**	**0.0435**

[33] Negocio Bancario no incluye CMR Chile ni CMR Argentina.

	31-Mar-16	31-Dec-15
	TH CLP	TH CLP
Assets		
Non-banking Businesses		
Current assets		
Cash and cash equivalents	193,206,200	207,308,226
Other financial assets	21,529,911	23,604,836
Other non-financial assets	98,271,195	88,637,767
Trade and other accounts receivable	1,592,732,002	1,681,913,169
Accounts receivable from related parties	5,311,570	5,099,194
Inventory	1,131,730,791	1,173,671,356
Tax assets	58,958,580	54,621,659
Total of current assets different from those assets or disposal groups classified as held for sale or as held for distribution to owners	**3,101,740,249**	**3,234,856,207**
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	2,935,337	2,935,337
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	**2,935,337**	**2,935,337**
Total Current Assets	**3,104,675,586**	**3,237,791,544**
Non-current Assets		
Other financial assets	145,476,136	164,996,973
Other non-financial assets	39,754,361	36,599,317
Accounts receivable	211,010,422	203,915,411
Investments accounted for using the equity method	185,913,549	184,148,339
Intangible assets other than goodwill	247,720,187	246,913,398
Goodwill	457,707,475	461,664,958
Property, plant and equipment	2,214,281,817	2,236,502,072
Investment properties	2,235,409,909	2,228,710,662
Deferred tax assets	105,571,726	91,930,367
Total Non-current Assets	**5,842,845,582**	**5,855,381,497**
Total Assets – Non-banking Business	**8,947,521,168**	**9,093,173,041**
Banking Services Assets (Presentation)		
Cash and bank deposits	350,443,460	372,864,747
Transactions with settlement in progress	75,079,121	13,884,905
Financial assets held for trading	120,358,808	110,154,548
Financial derivative contracts	23,868,311	8,744,053
Loans and accounts receivable from clients	2,476,508,086	2,471,067,255
Available for sale instruments	447,640,603	423,103,649
Investments in companies	2,698,641	2,801,387
Intangibles	36,278,681	34,128,788
Property, plant and equipment	33,848,528	35,555,641
Current taxes	1,683,378	1,850,246
Deferred taxes	19,329,593	18,580,064
Other assets	19,560,818	21,088,331
Total Bank Services Assets	**3,607,298,028**	**3,513,823,614**
Total Assets	**12,554,819,196**	**12,606,996,655**

	31-Mar-16	31-Dec-15
	TH CLP	TH CLP
Net Equity and Liabilities		
Non-banking Business		
Current Liabilities		
Other financial liabilities	765,661,110	738,717,161
Trade and other accounts payable	953,261,634	1,020,371,592
Accounts payable to related parties	13,811,710	3,240,430
Other current provisions	11,830,850	11,978,083
Current tax liabilities	40,733,766	44,919,936
Employee benefits provisions	110,397,173	121,651,114
Other non-financial liabilities	107,319,070	138,768,939
Total of current lianilities different from those assets or disposal groups classified as held for sale or as held for distribution to owners	**2,003,015,313**	**2,079,647,255**
Total Current Liabilities	**2,003,015,313**	**2,079,647,255**
Non-current Liabilities		
Other financial liabilities	2,542,246,527	2,700,830,781
Other liabilities	1,248,527	1,262,231
Other long-term provisions	13,977,207	15,174,089
Deferred tax liabilities	368,792,997	366,958,659
Employee benefits provision	21,687,613	21,045,521
Other non-financial liabilities	41,789,369	40,266,934
Total Non-current Liabilities	**2,989,742,240**	**3,145,538,215**
Total Non-banking Business Liabilities	**4,992,757,553**	**5,225,185,470**
Banking Services Liabilities (Presentation)		
Deposits and other demand liabilities	332,121,961	321,693,368
Transactions with settlement in progress	70,754,032	9,542,490
Time deposits and other term deposits	2,023,342,611	1,988,206,540
Financial derivative contracts	24,529,983	8,166,601
Due to banks	88,686,113	89,884,439
Debt instruments issued	288,689,515	294,047,824
Other financial obligations	157,119,720	159,527,592
Current taxes	5,304,099	4,327,573
Provisions	3,388,809	6,396,024
Other liabilities	55,991,870	56,727,698
Total Banking Services Liabilities	**3,049,928,713**	**2,938,520,149**
Total Liabilities	**8,042,686,266**	**8,163,705,619**
Net Equity		
Issued capital	533,409,643	533,409,643
Retained earnings	3,345,724,313	3,241,684,974
Share premium	93,482,329	93,482,329
Own shares in portfolio	(18,668,965)	(8,632,349)
Other reserves	(162,801,347)	(131,932,183)
Equity attributable to owners of the parent	**3,791,145,973**	**3,728,012,414**
Non-controlling interests	720,986,957	715,278,622
Total Equity	**4,512,132,930**	**4,443,291,036**
Total Equity and Liabilities	**12,554,819,196**	**12,606,996,655**

	31-Mar-16	31-Mar-15
	TH CLP	TH CLP
Statement of cash flows		
Cash flows provided by (used in) operating activities		
Non-banking Business (Presentation)		
Classes of proceeds from operating activities		
Proceeds from sale of goods and providing services	2,345,464,487	2,171,039,029
Classes of payments		
Payment to suppliers for supplying goods and services	(1,659,301,004)	(1,578,500,560)
Payments to and on account of employees	(264,730,405)	(253,577,490)
Income taxes refunded (paid)	(37,592,434)	(33,727,705)
Other cash inflows (outflows)	(183,506,005)	(159,380,952)
Subtotal net cash flows provided by Non-banking Business operating activities	**200,334,639**	**145,852,322**
Banking Services (Presentation)		
Consolidated net income (loss) for the period	22,310,910	20,990,254
Charges (credits) to income that do not involve cash movements:	-	-
Depreciation and amortization	4,025,764	3,800,039
Credit risk provision	38,801,794	29,191,129
Profit losses from equity method investments	(115,348)	(102,899)
Other charges (credits) that do not involve significant cash flow movements	8,105,302	6,922,606
Net change in interest, indexations and fees accrued on assets and liabilities	7,768,909	(2,404,831)
Changes in assets and liabilities affecting cash flow:		
Net (Increase) decrease due from banks	-	29,977,748
Net increase in loans and accounts receivable from clients	(72,624,152)	(73,339,281)
Net decrease in instruments held for trading	(15,254,522)	4,414,333
Increase in deposits and other demand obligations	10,428,593	4,712,079
Increase in deposits and other time deposits	35,748,513	21,933,379
Increase in obligations with banks	(1,198,326)	(24,005,215)
Other use of cash	(22,739,327)	(22,011,643)
Subtotal net cash flows provided by (used in) Banking Services operating activities	**15,258,110**	**77,698**
Net cash flows provided by operating activities	**215,592,749**	**145,930,020**
Cash flows provided by (used in) investing activities		
Non-banking Business (Presentation)		
Loans to related parties	-	(421,098)
Proceeds from disposal of property, plant and equipment	2,019,836	557,577
Additions to property, plant and equipment	(63,617,438)	(78,533,260)
Additions to intangible assets	(7,480,426)	(8,612,710)
Additions to other long-term assets	(22,939,734)	(32,845,422)
Dividends received	4,328	3,944
Interest received	1,802,665	4,349,266
Other cash inflows (outflows)	6,559,639	1,416,667
Subtotal net cash flows used in investing activities in the Non-banking Business	**(83,651,130)**	**(114,085,036)**
Banking Services		
Net (Increase) decrease in investment securities available for sale	(25,479,710)	(50,841,222)
Additions to property, plant and equipment	(5,234,094)	(4,063,507)
Other sources of cash	611,818	(328,410)
Subtotal net cash flows provided by (used in) Banking Services investing activities	**(30,101,986)**	**(55,233,139)**
Net cash flows provided by (used in) investing activities	**(113,753,116)**	**(169,318,175)**
Cash flows provided by (used in) financing activities		
Non-banking Business		
Proceeds from issuance of shares	-	-
Payments to acquire own shares	(10,036,616)	-
Proceeds from long-term loans	436,000	28,006,615
Proceeds from short-term loans	552,247,767	844,632,551
Total proceeds from loans	552,683,767	872,639,166
Loan payments	3,095,390	-
Payment of loans	(628,641,913)	(954,355,674)
Payment of financial lease liabilities	(6,271,609)	(5,180,656)
Dividends paid	(1,643,788)	-
Interest paid	(39,871,028)	(18,322,350)
Other cash inflows (outflows)	68,371	(306,787)
Subtotal net cash flows provided by (used in) Non-banking Business financing activities	**(130,617,426)**	**(105,526,301)**
Banking Services (Presentation)		
(Redemption) Letters of credit issuance	(2,894,681)	(3,745,213)
Bond payments and other long term loans	(1,588,011)	(5,232,633)
Other cash inflows (outflows)	2,685,325	1,839,192
Subtotal net cash flows provided by (used in) Banking Services financing activities	**(1,797,367)**	**(7,138,654)**
Net cash flows used in financing activities	**(132,414,793)**	**(112,664,955)**
Net increase in cash and cash equivalents, before the effect of changes in the exchange rate	**(30,575,160)**	**(136,053,110)**
Effects of changes in the exchange rate on cash and cash equivalents		
Effects of changes in the exchange rate on cash and cash equivalents	(12,310,035)	(2,015,302)
Net increase (decrease) in cash and cash equivalents	**(42,885,195)**	**(138,068,412)**
Cash and cash equivalents at beginning of period	661,059,154	610,126,163
Cash and cash equivalents at end of period	**618,173,959**	**472,057,751**

Cash Flow – Chilean Operations (MCLP)

March 2016	Department Stores	Home Improvement	Supermarkets	Promotora CMR	Banco Falabella	Plaza S.A.
Cash flow from operating activities	139,290	69,927	7,770	(97,514)	(15,983)	51,461
Cash flow from investing activities	(51,341)	(12,660)	(8,549)	- -	(21,787)	(6,454)
Cash flow from financing activities	(91,233)	(56,801)	(4,512)	96,916	(4,020)	(15,808)
Increase (decrease) in cash and cash equivalents	(3,285)	466	(5,291)	(598)	(41,790)	29,199
Impact of exchange rate differences on cash and cash equivalents	(165)	(379)	(14)	41	- -	(266)
Cash and cash equivalents at the beginning of the period	36,222	21,547	10,603	13,293	285,954	32,176
Cash and cash equivalents at the end of the period	32,772	21,634	5,298	12,736	244,149	61,109

March 2015	Department Stores	Home Improvement	Supermarkets	Promotora CMR	Banco Falabella	Plaza S.A.
Cash flow from operating activities	86,022	42,447	8,417	(18,663)	(4,576)	59,956
Cash flow from investing activities	(14,255)	(14,178)	(2,717)	(10,148)	(59,135)	(30,450)
Cash flow from financing activities	(89,099)	(31,490)	(10,663)	29,426	(2,775)	(20,349)
Increase (decrease) in cash and cash equivalents	(17,331)	(3,220)	(4,962)	615	(66,487)	9,157
Impact of exchange rate differences on cash and cash equivalents	(24)	55	(12)	- -	- -	13
Cash and cash equivalents at the beginning of the period	42,859	20,646	11,559	13,157	245,872	15,776
Cash and cash equivalents at the end of the period	25,503	17,481	6,585	13,772	179,385	24,946

Cash Flow –International Operations (MCLP)

March 2016	Peru	Colombia	Argentina	Brazil
Cash flow from operating activities	27,906	4,642	(25,315)	1,948
Cash flow from investing activities	(19,047)	(11,200)	(1,499)	(3,469)
Cash flow from financing activities	(6,017)	(2,191)	24,479	221
Increase (decrease) in cash and cash equivalents	2,842	(8,749)	(2,335)	(1,299)
Impact of exchange rate differences on cash and cash equivalents	(6,711)	(3,855)	(919)	32
Cash and cash equivalents at the beginning of the period	211,223	33,299	5,944	1,980
Cash and cash equivalents at the end of the period	207,354	20,695	2,691	713

March 2015	Peru	Colombia	Argentina	Brazil
Cash flow from operating activities	(5,478)	(15,364)	(5,818)	(1,165)
Cash flow from investing activities	(14,340)	(3,641)	(1,412)	(3,214)
Cash flow from financing activities	(9,382)	3,083	6,688	414
Increase (decrease) in cash and cash equivalents	(29,199)	(15,922)	(542)	(3,965)
Impact of exchange rate differences on cash and cash equivalents	(671)	(459)	42	(1,193)
Cash and cash equivalents at the beginning of the period	183,232	48,215	4,307	10,845
Cash and cash equivalents at the end of the period	153,362	31,835	3,807	5,686

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