



SACI Falabella partners with Soriana to enter Mexico with its home improvement format and financial services business

-The company will operate Sodimac and CMR in this market, co-investing in equal parts with Soriana, the second largest supermarket chain in Mexico.

Mexico City, April 15 of 2016.- Falabella signed today 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.

In the agreement signed today, 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. These two joint ventures will leverage Falabella's experience in home improvement and financial services and Soriana's expertise in the Mexican consumer and the Mexican retail industry.

The Sodimac home improvement chain will be rolled out in Mexico using the real estate properties that Soriana has throughout the country. CMR will use the experience of a loan book with over 5 million active credit cards in Latin America in order to offer financial products and services to customers in Mexico.

Each company will 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.

"Our entry into Mexico is an important milestone in our expansion in the region and we are very happy that we are taking this important step together with a company that has a vast knowledge of the Mexican market and shares our culture with regards to service and commitment to the customer", said Carlo Solari, Falabella's Chairman of the Board. "This partnership will allow us open stores in strategic locations and to deliver a differentiated value proposition in one of the largest markets in the region, with 118 million inhabitants", he added.

"I am confident that this partnership will bring together two great companies and, together, we will offer an innovative proposal in home improvement and financial services which will be highly valued by the Mexican customer", said Ricardo Martín Bringas, Director and CEO of Organización Soriana.



Founded in Chile in 1889, Falabella is one of Latin America's leading retail companies. The company serves customers in six countries (Chile, Peru, Colombia, Argentina, Brazil and Uruguay) and operates five business units: department stores, home improvement, supermarkets, real estate and financial services. In 2015, the company reported approximately USD 12 billion in revenue and had 105 thousand employees. Falabella is publicly traded in the Bolsa de Comercio de Santiago under the ticker Falabella. More information is available at www.falabella.com.

With its origins dating back to 1968, Organización Soriana is a leading Mexican retail company, owner of the second largest supermarket chain in Mexico. The company has 824 stores, located in 277 municipalities in the country's 32 states, and over 100 thousand employees. In 2015, the company's revenues reached USD 8.3 billion, including the acquisition of Comercial Mexicana. Soriana is publicly traded in the Bolsa Mexicana de Valores under the ticker Soriana. More information is available at www.soriana.com.