

Annual Report 2016





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WELCOME



Letter from the Chairman

Letter from the CEO

Letter from the Chairman



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

Dear Shareholders:

In 2016 we faced an uncertain world, with unforeseen political and economic changes in important countries. Furthermore, growth across the region was affected by falling commodity prices and internal dynamics in some of the countries where we do business.

The retail industry has been influenced by several technological changes. The emergence of new technologies such as e-commerce, widespread cell phone adoption, communications and logistics innovations and big data processing, among others, have all changed the entire retail map. This has required retail companies to strongly innovate, react more promptly, and clearly stand out from the competition. We have had to reinvent our companies, in order to serve our customers 24 hours a day through various channels, within an increasingly demanding environment.

The strength of Falabella's development model has become very important in such a variable environment, with its prudent but steady expansion across the region. Our multi-format model has been implemented using several subsidiaries, and has resulted in our expansion from Chile into Peru, Colombia, Argentina, Uruguay and Brazil.

This year we began our foray into Mexico in association with Organización Soriana, a leading retail company in Mexico with broad coverage, which fully understands the Mexican market and its consumers. We will launch our business there through two subsidiaries: our financial services company CMR and Sodimac.

We aim to operate efficiently and flexibly in each market. Our strength derives from understanding our customers, their needs and desires, and understanding their way of being and living. We aim to attract them and develop a long-term relationship with them.

“ We aim to operate efficiently and flexibly in each market. Our strength derives from understanding our customers, their needs and desires, and understanding their way of being and living. We aim to attract them and develop a long-term relationship with them. ”

Where we see significant growth opportunities we will continue to strengthen our position abroad, giving our trust and support to local inhabitants to help them to develop and fulfill their dreams.

During 2016 we continued to significantly invest in logistics and IT, in order to empower and expand our multi-channel distribution capacity to our markets, using all our formats. We want our customers to choose us when shopping, financing, insuring, seeking entertainment, using their preferred medium 24 hours a day. This requires data processing and logistics systems that can handle their requirements.

This multi-channel promise enables us to replace an anonymous relationship with a personalized one. We can now respond to individual requirements through one to one contact. We are investing in this process, to strengthen our leadership.

Our growth and corresponding investments require corporate governance that meets the requirements of our shareholders, creditors and the market, with transparency, honesty and sound governance policies. Our company has built its foundations upon these principles, in order to achieve sustainable and responsible growth. We constantly refine our control and corporate governance systems, in order to meet the challenges introduced by market regulators and the higher standards required by our customers and society.

We are aware of our obligations to our customers, employees, suppliers, shareholders, and to society and the financial market. Therefore,

we will continually strengthen the sustainability of S.A.C.I. Falabella in all areas.

Despite a difficult market, we have achieved good results this year, due to employee dedication at all levels, and in all subsidiaries and countries.

This year S.A.C.I. Falabella celebrated the twentieth anniversary of its launch on the Stock Exchange. That decision was key to expanding our company, it strengthened our regional growth and helped to improve our corporate governance. As a publicly traded company with liquidity in the market, we have been able to invite new partners and shareholders to participate in our development.

Thank you to everyone, employees and directors, for your responsible approach. We ask for the same commitment next year. We need to maintain the same values that have taken us to a leadership position. A company focused on our customers. Humble, imaginative, innovative, and concerned about the local environment. A company that we are proud to belong to. A company with a vision that reaches the next century.

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



Letter from the CEO



Sandro Solari Donaggio
Chief Executive Officer S.A.C.I. Falabella

During 2016 we focused on advancing the digital transformation of our organization. We continued to strengthen our omnichannel strategy, which integrates the physical and digital world, given that this will dominate the future of our company and its subsidiaries. Therefore, we worked on operational, commercial, technological and logistical processes, strengthening our ability to continuously improve our customer service. This year we also achieved our goal to enter the Mexican market, with Sodimac and CMR, in association with Soriana. This seventh market offers us a tremendous growth opportunity for the future of the company.

The year was marked by a decrease in consumption across the region, which forced us to maximize our capacity to continue to grow and capture market share, whilst safeguarding a strong financial position and reasonable leverage levels. Consolidated revenues totaled US\$ 12,829 million, 2.5% more than in 2015; EBITDA totaled US\$ 1,720 million, growing by 3.4%; and net income was US\$ 910 million, 17.6% more than the previous year (a decrease of 4.7%, if we exclude the gain from the Aventura Plaza dissolution). Operations outside Chile accounted for about 40% of the company's revenues.

In 2016 we invested US\$ 778 million, which resulted in opening 25 stores and a shopping center, in addition to various expansions and renovations, and investments in IT, distribution centers and logistics. We finished the year with 476 stores and 39 shopping centers.

The focus at Falabella Retail was on strengthening fast fashion in our private brands, focusing on trends, price and speed to market. This strategy also included remodeling and expanding 13 regional Sybilla corners with very good results for the consumer. We made progress in redesigning Falabella.com, completely changing the check-out process, increasing its speed and usability for customers, which increased the conversion rate.

“ During 2016 we focused on advancing the digital transformation of our organization. We continued to strengthen our omnichannel strategy, which integrates the physical and digital world, given that this will dominate the future of our company. ”

The assortment online continued to expand, in categories such as Sports and Perfumes, which doubled their products available online during 2016.

We opened our third Sodimac home improvement store in Brazil (São José dos Campos) and we have started construction of the fourth (Guarulhos). Sodimac continued to make progress on its omnichannel strategy, delivering greater benefits to its customers through e-commerce and digitally transforming the organization. This was accompanied by significant investments in logistics, with new distribution centers opening in Peru, Brazil and Colombia during 2016, and an expansion of the main distribution center in Chile.

It was also a growth year for Tottus, with 12 new supermarkets launched in Chile and Peru, including the beginning of the roll-out of the Hiperbodega Precio Uno format. We continued to strengthen our private brands, with new, high quality products at convenient prices. Tottus became the first supermarket chain in Chile to obtain quality certification to the ISO 9001 standard, which ratifies the process and development of new products. In addition, we launched the new Tottus web platform, which is more intuitive, faster and provides a better shopping experience. Operational productivity increased with the implementation of a new warehouse management system.

Regarding the shopping center businesses, in 2016 the company completed the division of Aventura Plaza, which will enable us to consolidate our real estate operations in Peru. We inaugurated a new shopping center in the city of Huancayo in Peru during the year. Open Plaza began the construction of three shopping malls in Chile, including Open Plaza Kennedy, located in the main shopping district in Santiago. Meanwhile, Mallplaza continued to grow as the market leader with 18 shopping centers in operation and four projects under construction. Mallplaza Los Dominicos will open in 2017, which will substantially increase our presence in the eastern sector of Santiago.

We will also continue to improve the integrated financial solutions that we provide for our customers. We gained 940 thousand new customers in 2016, which resulted in 6 million active CMR credit cards in the region. In the region, CMR credit card transactions at third party vendors grew by 10.8% and at our stores, by 6.5%. The consolidated loan portfolio reached US\$ 6.8 billion, 8.8% more than at the close of 2015. The number of current and sight accounts at Banco Falabella grew by 23% and 22%, respectively, and now exceeds 2 million accounts. Banco Falabella also implemented a new core banking system in Chile and Colombia, and relaunched its web site in Colombia, with a new design and new features. Falabella Financiero also released new mobile applications for CMR Chile, CMR Argentina and Banco Falabella Chile. Meanwhile, Viajes Falabella reported more than 497 thousand passengers in the year, with an increase of 7.1% in sales.

Another highlight of the year were the preparations for the upcoming launch of operations in Mexico. Following the announcement of the joint venture with Soriana, we conducted new market research on the Mexican consumer, to adapt our value proposition to fulfill their needs and expectations. We made progress in recruiting Sodimac's and CMR's management teams, selecting executives with extensive experience. We plan to launch the financial business in 2017, and to this end, we are establishing alliances and requesting the corresponding approvals. We began the permit application process and we started to draw up the plans for the first few Sodimac stores in Mexico in 2016. We expect to open the first Sodimac store in the first half of 2018.

Sustainability is an integral part of the growth and development strategy at S.A.C.I. Falabella and at each of our business units. In 2016 we became the first Latin American retailer to be included in the Dow Jones Sustainability World Index (DJSI World), which is a benchmark of the world's

leading publicly-traded companies committed to sustainable development. Only 14 companies from the retail industry are included in the World Index. We will continue to strive towards benefiting the interests of our customers, employees, suppliers, investors and local communities in each country.

In all store formats and countries we aim to improve our ability to listen to our customers, and translate that feedback into tangible improvements in services at our stores and channels. This interaction with our customers provides us with the opportunity to improve customer services and capture greater value for the company.

S.A.C.I. Falabella ranked among the top ten best multinational companies to work for in the world, according to the World's Best Multinational Workplaces 2016, prepared by Fortune magazine, together with Great Place to Work. We will continue to emphasize professional and personal development for our employees, and continue to improve the internal climate and the quality of our labor relations.

I would particularly like to thank our suppliers for all their support and the enormous commitment and dedication of all our employees and executives in each business unit, which has enabled us to continue being preferred by our customers. A new year has already begun and we will redouble our efforts to continue growing in a responsible and sustainable manner, always thinking of how to benefit our customers.

Sincerely,
Sandro Solari Donaggio
Chief Executive Officer S.A.C.I. Falabella





THE COMPANY & ITS SUBSIDIARIES



Introduction - Business Divisions

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

Regional Footprint

Operating Highlights

Key Indicators

- Customers
- Employees
- Suppliers
- Community
- Environment
- Corporate Governance
- Shareholders

Investment Plan

History

Introduction – Business Divisions



S.A.C.I. Falabella and its subsidiaries (together, “the Falabella Companies”) have been serving customers for 127 years. The Falabella Companies have become a leading Latin American retail player, with operations in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and, soon, in México.

Through a strategy that balances growth, profitability and sustainability, S.A.C.I. Falabella and its subsidiaries are organized into five business divisions: Department Stores, Home Improvement, Supermarkets, Financial Services and Real Estate.

The Falabella Companies reach millions of customers across the region through their 476 stores, 39 shopping centers, 265 bank branches and online platforms. S.A.C.I. Falabella and its subsidiaries offer customers a wide range of products and services from each business division. The Falabella Companies’ omni-channel strategy has enabled it to become a leading e-commerce company in Latin America.





Department Stores



S.A.C.I. Falabella operates department stores in Chile, Peru, Colombia and Argentina and is a market leader 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 exclusive international brands, local and second-generation brands, as well as a portfolio of private brands.
- The division operates specialty stores for its exclusive and second-generation apparel and footwear brands, with a wider assortment of products.

Falabella Retail has various competitors in the retail industry. There are three distinct sub-sectors: department stores, multi-product stores and specialty stores (which specialize in providing a specific brand, or that focus on a lifestyle or concept).

Market share estimates are 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 Statistics Department (Departamento Administrativo Nacional de Estadísticas) and Euromonitor, among other sources. Accordingly, Falabella Retail's market share of the retail industry (department store product categories) is approximately 23% in Chile, 17% in Peru, 6% in Colombia and 2%, in Argentina.



	N° of Stores*	Sales Area	Revenues (MCLP)
Chile	44	306,000 m ²	1,471,982
Peru	29	177,000 m ²	595,596
Colombia	25	161,000m ²	349,599
Argentina	11	58,000 m ²	303,038

*Note: Does not include specialty stores for exclusive and second generation apparel and footwear brands.
Peru and Colombia include the Crate & Barrel stores.





Home Improvement

S.A.C.I. Falabella and its subsidiaries operate home improvement stores in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and, soon, in Mexico. Currently, the division has different store formats, including: Sodimac Homecenter, Sodimac Constructor, Imperial, Homy, Dicico and Maestro. In many locations, Sodimac stores include both the Homecenter and Constructor formats.

- **Sodimac Homecenter (HC):** offers a full range of home improvement products and services for equipping, renovating, remodeling and decorating the home. Present in Chile, Peru, Colombia, Argentina, Brazil and Uruguay.
- **Sodimac Constructor (Co):** focuses on the needs of professionals, offering the best construction materials, hardware supplies and services at the most competitive prices in Chile.
- **Sodimac Homecenter/Constructor (HCo):** combines the Homecenter and Constructor formats in one store. Present in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and, soon, in Mexico.
- **Imperial:** offers specialized products in the carpentry and lumber market in Chile.
- **Homy:** an accessible and diverse offering of home furnishings, accessories and design in Chile.
- **Dicico:** is a chain of stores in Brazil that specializes in floors and tiles, bathrooms and kitchens.

- **Maestro:** tailored to the needs of the local contractor or construction professional, this chain of stores in Peru offers the best construction materials, hardware supplies and services at the most competitive prices.

The Falabella Companies face a wide range of competitors in the home improvement segment. Competitors include construction and home improvement big-box stores, as well as a large number of hardware stores, which either operate independently or as chains. Additionally, there are other competitors that offer home improvement products, such as hypermarkets, department stores, specialty stores and wholesale suppliers that work directly with construction companies.

Market share estimates are based on information from Chile's National Statistics Institute (Instituto Nacional de Estadísticas), the Chilean Family Budget Survey (Encuesta de Presupuestos Familiares) and the Chilean Chamber of Construction (Cámara Chilena de la Construcción); Peru's National Statistics and Information Technology Institute (Instituto Nacional de Estadística e Informática), the Colombian National Administrative Statistics Department (Departamento Administrativo Nacional de Estadísticas), the Argentinian National Statistics and Census Institute (Instituto Nacional de Estadísticas y Censos de Argentina), the Brazilian Geography and Statistics Institute (Instituto Brasileiro de Geografia e Estatística), and Uruguay's National Statistics Institute (Instituto Nacional de Estadística de Uruguay), among other sources. Accordingly, market share in this segment is, approximately, 27% in Chile, 16% in Peru, 11% in Colombia, 1% in Argentina, 3% in Uruguay and less than 1% in Brazil.



	N° of Stores	Sales Area	Revenues (MCLP)
Chile	85	712,000 m ²	2,000,747
Peru	56	372,000 m ²	591,765
Colombia	38	366,000 m ²	766,046
Argentina	8	86,000 m ²	166,077
Brazil	56	148,000 m ²	167,504
Uruguay	3	25,000 m ²	NA



Supermarkets

TOTTUS



This business unit operates in Chile and Peru and has three supermarket store formats.

- **Tottus Supermarkets** : primarily offer the traditional grocery store and personal care product categories.
- **Tottus Hypermarkets**: provide a wide variety of basic durable goods, large appliances, apparel, electronics and household products, in addition to the traditional supermarket categories.
- **Precio Uno Hiperbodega**: offers a range of products, including non-perishables, at low prices for the Peruvian market.

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

Market share estimates are based on information from Chile's National Statistics Institute (Instituto Nacional de Estadísticas), Euromonitor, Peru's National Statistics and Information Technology Institute (Instituto Nacional de Estadística e Informática), and Apoyo Consultoría, among others. Accordingly, market share in the supermarket industry is approximately 4% in Chile and 6% in Peru.

	N° of Stores	Sales Area	Revenues (MCLP)
Chile	61	207,000 m ²	705,968
Peru	60	219,000 m ²	666,023





Financial Services



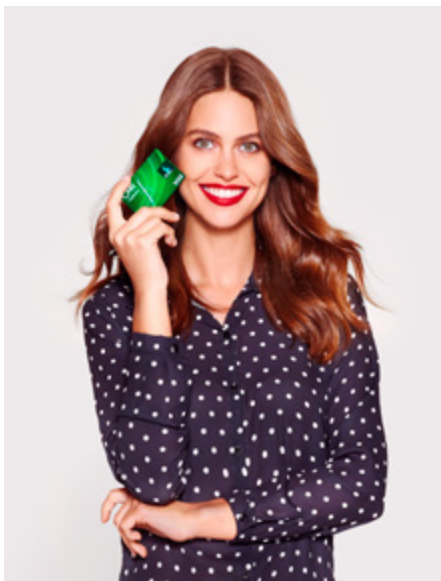
Falabella Financiero offers integrated financial products and services that provide customers with credit in a responsible manner, by combining the stability of a traditional financial business with the proximity to customers that characterizes a retail company. S.A.C.I. Falabella and its subsidiaries operate their financial business in Chile, Peru, Colombia, Argentina and, soon, in Mexico, through various financial business units.

- **CMR Falabella:** with 37 years in Chile, CMR is the largest credit card issuer in the Chilean market, offering customers a convenient and flexible payment option. CMR also operates in Argentina, and through Banco Falabella in Peru and Colombia. In 2008 and 2009, CMR partnered with Visa in Chile and Peru, in order to allow its customers to use the CMR card at third party stores and vendors. Subsequently, CMR partnered with MasterCard in Argentina and Colombia.
- **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, in a simple and transparent manner, and with the most convenient terms.
- **Seguros Falabella:** aims to provide customers with peace of mind. The company provides advice on selecting insurance policies 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:** this company, a joint venture with BNP Paribas Cardif, markets life and credit life insurance. Launched in January 2016.
- **Viajes Falabella:** offers its customers in Chile, Peru, Colombia and Argentina a first rate travel service that balances quality, price and flexible payment terms.
- **Móvil Falabella:** a virtual mobile operator in Chile that provides its prepaid mobile phone customers with benefits that are similar to those available only with monthly contracts at other companies.

Falabella Financiero competes in the financial services market with retail banks and with retail credit card issuers. Additionally, the company and its subsidiaries compete with other insurance brokers, travel agencies, airlines and mobile telephone operators.

Based on information from the SBIF and SVS, and from cjasdechile.cl, Falabella Financiero's share of the consumer loans market in Chile, including CMR and Banco Falabella, as of December 2016 was 9.5%. Based on information from the Peruvian Superintendencia de Banca, Seguros y AFP, Banco Falabella's share of the consumer loans market in Peru as of December 2016 was 7.2%. According to Colombia's regulator SuperFinanciera, Banco Falabella's share of the consumer loans market in Colombia as of December 2016 was 4.1%¹. Finally, according to the Banco Central de la República de Argentina, CMR's share of the credit card and consumer loans market in Argentina was 0.7%².



	N° of CMR Accounts with a balance	Banking Branches	N° of Passengers at Viajes Falabella
Chile	2,417,591	101	256,000
Peru	1,048,241	97	56,000
Colombia	1,045,641	67	127,000
Argentina	535,757		58,000

	N° of Mobile Phone Lines
Chile	+154,000

¹ Loans as of November 2016.

² Loans as of August 2016.



Real Estate



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

- **Mallplaza:** with operations in Chile, Peru and Colombia, Mallplaza 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 promoting cultural events. In Peru, S.A.C.I. Falabella, through its subsidiaries, began to control and consolidate the Bellavista and Trujillo shopping centers and the Cayma project, following the dissolution of Aventura Plaza on July 2016.
- **Open Plaza:** With a presence in Chile (through Rentas Falabella) and Peru, Open Plaza operates power centers with one or more stores from the Falabella Companies' three main retail divisions (Falabella, Sodimac, Tottus) as an anchor store, complimented by an attractive offering of third party shops and entertainment options.



According to surveys carried out in homes and shopping centers, primary competitors include other shopping centers, in various formats, such as malls, power centers and strip centers; as well as traditional neighborhood shops located in the neighborhoods where the Falabella Companies' shopping centers are located.



According to internal market analysis based on information from Chile's National Statistics Institute (Instituto Nacional de Estadísticas), Plaza S.A.'s market share of the retail trade in Chile is approximately 6.6%.

The Falabella Companies have a portfolio of projects on land owned by the Falabella Companies and on land leased from third parties. The Nuevos Desarrollos S.A. subsidiary in Chile has projects that include: Mallplaza Puerto Barón (on leased property) and Mallplaza Los Dominicos opening in 2017, as well as real estate in the V Region, VI Region and XV Region. The Mallplaza Colombia subsidiary owns real estate to develop projects in Manizales, Barranquilla and Cali. Open Plaza in Chile is currently developing the Megacenter, Calera and Fontova projects. Additionally, the subsidiary has properties in the Metropolitan Region and in the V Region for future developments.

The company owns approximately 980,000 m² in additional sales floor real estate, primarily in free-standing Falabella, Sodimac, Tottus and Maestro stores, among others.³

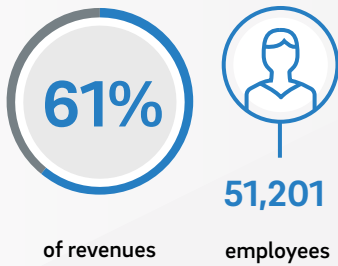
	Mallplaza Shopping Centers Number	GLA	Open Plaza Shopping Centers Number	GLA
Chile	15	1,214,000 m ²	10	229,000 m ²
Peru	2	160,000 m ²	11	313,000 m ²
Colombia	1	27,000 m ²		

³ Does not include specialized apparel, footwear and cosmetic stores of exclusive and second generation brands operated by Falabella Retail.

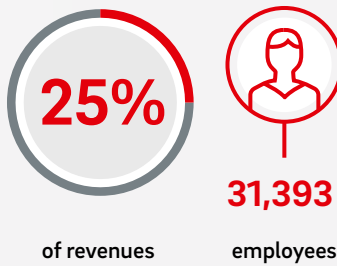
Regional Footprint & Key Figures

Regional Footprint

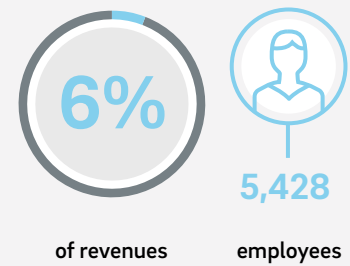
Chile



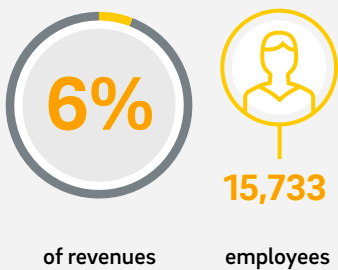
Peru



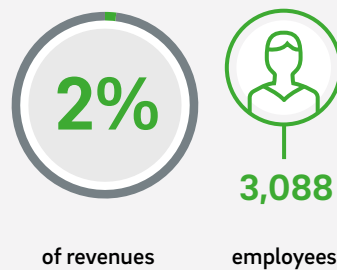
Argentina



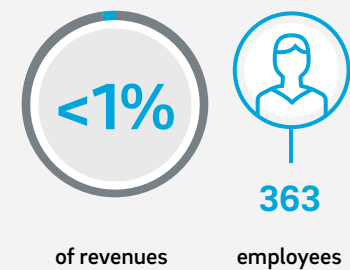
Colombia



Brazil



Uruguay



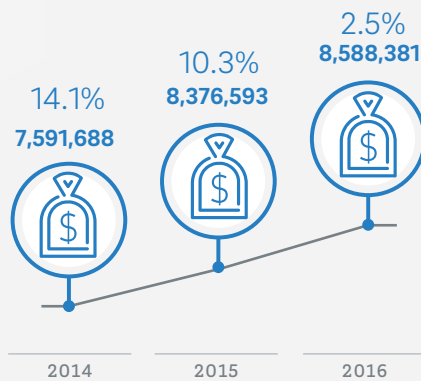


Operating Highlights



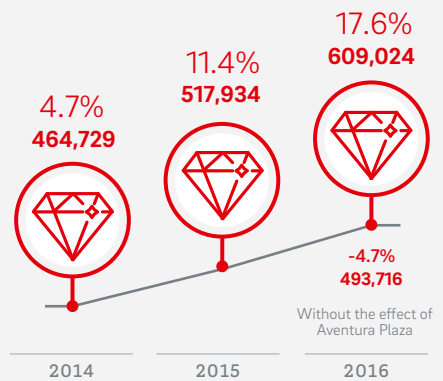
Revenues

(million of nominal Chilean pesos)



Net Income

(million of nominal Chilean pesos)



Stores & Shopping Centers

2,838,000 m²

Sales Area

1,943,000⁴ m²

GLA

39

Shopping Centers

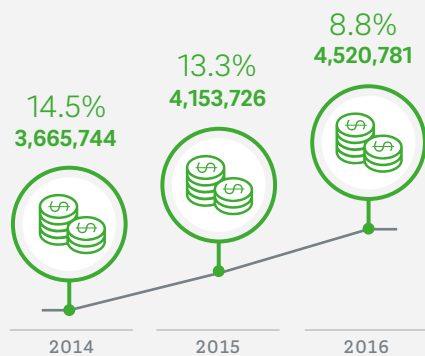
476

Stores



Loan Portfolio

(million of nominal Chilean pesos)



⁴ Furthermore, the company and its subsidiaries owns 980,000 m² own 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 Indicators



The company is committed to sustainable development. Therefore, defining and implementing sustainability policies and initiatives is considered to be a strategic pillar. The company's Sustainability Policy takes into account best practices in this field, using as a reference the guidelines provided by well-known international organizations and the Global Reporting Initiative (GRI⁵).

Responsibility for implementing our sustainability policy lies with our businesses in each country. Similarly, we are committed to disseminating and promoting the Sustainability Policy's guidelines among our stakeholder groups, as part of this effort to continue to improve sustainability standards, by measuring and monitoring objectives.

Consequently, this year S.A.C.I. Falabella was selected to enter the Dow Jones Sustainability World Index (DJSI World) becoming the first Latin American company from the retail industry to enter this index. Additionally, the company was selected to remain in the Dow Jones Sustainability Index Emerging Markets Index (DJSI EM) and the Dow Jones Sustainability Chile Index (DJSI Chile). The DJSI World Index was created in 1999 and is the largest and most respected index of sustainable investments in the world, where non-financial indicators for the largest companies in the world are evaluated, covering economic, social and environmental factors.

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

Material indicators for the seven stakeholder groups that the company has defined as cornerstones in its sustainability strategy are as follows. These indicators include information from all of the company's subsidiaries plus the associate Sodimac Colombia, which is not consolidated into the company's financial statements. Our indicators have been verified and audited⁶ by Corporate Citizenship⁷ for the second consecutive year.

⁵ The main business units of the company report under the G4 GRI standard. To obtain more information on the policies and management of sustainability initiatives, please review the subsidiaries respective Sustainability Reports, which are available in the investors' section of the S.A.C.I. Falabella website.

⁶ Auditors letter in Appendix II, page 118.

⁷ Corporate Citizenship is a consultancy firm specialized in sustainability and corporate social responsibility with global presence and prestige. For more information see <http://corporate-citizenship.com/about-us/>

Customers



The company and its subsidiaries strive to be preferred and respected by customers

- The company and its subsidiaries seek to guarantee the quality and safety of all the products they offer to the public, the services they provide and the condition of their structures.
- The company and its subsidiaries promote transparent communication with customers, and provide clear and accurate information about the products and services offered and the contracts that customers may sign with S.A.C.I. Falabella or its subsidiaries.
- The company and its subsidiaries promote respect for the rights of the individual in general and those of the customer in particular.
- The company and its subsidiaries seek to ensure that its commercial policies are fair and transparent.
- The company and its subsidiaries maintain contact with customers and have feedback mechanisms to listen to their concerns regarding the products and services offered, with the aim of delivering excellent services.
 - The company's retail business monitor their Net Promoter Score (NPS), which is a survey tool that measures customer loyalty based on recommendations (promoter, passive, detractor). The real estate businesses also measure customer satisfaction via a survey carried out with IPSOS⁸.

Social media has helped connect more directly with clients, facilitating communication with our customers, in order to improve services on a daily basis.

- During 2016, there were 1.26 complaints and requests⁹ for every 1,000 transactions in the three retail businesses. The increase in this indicator is mainly due to greater penetration by social media, which supports both the generation and settlement of customer complaints, and



- a strong growth in distance selling, which has an additional component related to fulfillment. The proportion of complaints in the financial business¹⁰ was 0.1% of total customer contact, as in the previous period.
- The company has 23.3 million followers on social media (Twitter, Facebook and others), considering all the apps where the company's subsidiaries are registered. This represents growth of 34.3% compared to 2015, and although there was growth in all countries, this was particularly important in Colombia and Brazil, where specific campaigns have achieved an increase in brand presence.
- During the year 1,141,820 positive comments were made on social media regarding the company's brands, along with 309,117 negative comments.

Relevant customers indicators:

- In 2016 some 318.6 million transactions were carried out in the retail businesses.
- The total number of orders in our distance selling businesses increased by 39% with respect to 2015. This increase is greater than the increase achieved in 2015 of 29.3%, which is in line with S.A.C.I. Falabella's commitment to its omnichannel strategy.

- We estimate that 387.3 million visits were made in the year to our shopping centers in the region.
- Banco Falabella has 2,033,552 current and sight accounts in the region in 2016. Meanwhile, CMR has 5,047,230 cards with a balance in the region. The financial businesses have 637 branches in the region.
- The number of travelers who made trips through the travel agency Viajes Falabella reached 497.5 thousand during the year.
- Due to the highly fragmented nature of the businesses in which the company participates in, none of its businesses has a client that individually represents more than 10% of its revenue.

⁸ Independent company whose business is market research based on surveys.

⁹ Falabella jointly measures complaints and requests.

¹⁰ CMR, Bank, Insurance and Travel.

Employees



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

- S.A.C.I. Falabella recognizes the importance of the integral welfare of its employees together with their professional development. Therefore, we provide tools that strengthen our employee's skills and their personal and professional development, and provide various programs that seek to improve the quality of life for them and their families.
- The company ended 2016 with 107,361 employees. We promote employment inclusion and gender equality when hiring employees.
 - At the end of 2016, 51.5% of the staff were women.
 - 50,067 (46.6%) of employees are Chilean, 31,837 (29.7%) are Peruvian, 15,919 (14.8%) are Colombian, 5,384 (5%) are Argentine and 4,154 (3.9%) are of other nationalities.
 - 47% of employees are under 30 years old.
 - 46% of the staff have worked at the company for more than 3 years.
 - The average basic salary for female employees as a proportion of the average basic salary of male employees is:
 - ▶ 100% for operating staff, who account for 76.9% of the total workforce.
 - ▶ 92% for professionals and technical staff, who account for 20% of the total workforce.
 - ▶ 73% for 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

	Operating staff	Professionals and technical staff	Managers and executives	Total
S.A.C.I. Falabella (Parent Company)	23	53	107	183
Subsidiaries	82,377	21,294	3,507	107,178
Total	82,400	21,347	3,614	107,361
Chile	39,732	9,311	2,158	51,201
Perú	23,757	6,863	773	31,393
Argentina	3,941	1,266	221	5,428
Colombia	11,950	3,393	390	15,733
Uruguay	302	51	10	363
Brasil	2,697	355	36	3,088
China	19	89	25	133
India	2	19	1	22
TOTAL	82,400	21,347	3,614	107,361

	Women	Men	Total
Operating staff	43,739	38,661	82,400
Professionals and technicians	10,180	11,167	21,347
Managers and executives	1,376	2,238	3,614
TOTAL	55,295	52,066	107,361

Classification by nationality

	Women	Men	Total
Chilean	27,386	22,681	50,067
Peruvian	15,436	16,401	31,837
Colombian	7,565	8,354	15,919
Argentine	3,112	2,272	5,384
Brazilian	1,269	1,826	3,095
Uruguayan	167	197	364
Other	360	335	695
Total	55,295	52,066	107,361

Classification by age

	Women	Men	Total
Under 30	24,984	25,487	50,471
Between 30 and 40	18,003	15,765	33,768
Between 41 and 50	8,514	6,805	15,319
Between 51 and 60	3,292	3,043	6,335
Between 61 and 70	463	865	1,328
Over 70	39	101	140
Total	55,295	52,066	107,361

Classification by age

	Women	Men	Total
Under 3 years	29,620	28,370	57,990
Between 3 and 6 years	12,036	10,707	22,743
Between 6 and 9 years	5,936	5,158	11,094
Between 9 and 12 years	3,894	3,678	7,572
Over 12 years	3,809	4,152	7,961
Total	55,295	52,066	107,361

- It is important for the company to constantly monitor employee turnover.
 - Consolidated turnover¹¹ for the year reached 40.3%.
- One of the company's main objectives is to be a good place to work, and to achieve that it is essential to develop programs and benefits that improve the quality of life for employees and their families. The wellbeing of employees is regularly checked through working climate surveys.
- S.A.C.I. Falabella achieved an excellent result in the Great Place to Work survey. This year it took tenth place in the worldwide ranking of the category for the "World's Best Multinational Workplaces".
 - Department stores in Chile moved up to 17th place, an improvement of seven positions in relation to the previous year. Department stores in Colombia reached 6th place, an improvement of one position with respect to the previous year. Department stores in Peru and Argentina achieved 8th place, the same as 2015.
 - Home improvement stores in Chile, Argentina and Uruguay were ranked 32th, 5th and 3rd respectively. Whilst Sodimac Peru was in 11th place and Maestro in 10th place. This meant a decrease of two positions in Argentina and one in Peru, with an improvement in one position in Uruguay.
 - Tottus Peru was ranked 12th place, advancing one position in the ranking.
 - CMR Argentina took sixth place, a decrease of two positions in the ranking.
- The company has a solid group of leaders and professionals who know how to form teams and develop individuals.
 - One of the main initiatives to manage internal talent is the 360° Evaluation Process 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 talents to be identified and developed in order to plan for future requirements. In 2016, some 2,121 executives were evaluated in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and Asia.
 - In addition to the 360° Evaluation Process, performance evaluations are performed throughout the organization. In 2016, 85,332 employees had their performance evaluated, who represented 79.5% of staff.
 - The aim of our talent management initiatives is to enhance our employee's skills and their professional and personal development. This training consists of induction 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 staff and empower them in order to meet the requirements of the business.
 - Our commitment to increase employee training resulted in a total of 4,223,638 hours of training in 2016, up 6.4% from 2015, which is equivalent to an average of 39.3 hours per employee per year.
- In order to understand and satisfy our employee's requirements, constant fluid internal communication is essential, both at an individual and a collective level. The company encourages dialogue and transparency, recognizing freedom of association and employment rights.
 - As of December 2016, 29.5% of the company's employees were unionized (covered by collective agreements). In Chile the percentage of unionization is 57.6%.
- It is important to establish policies that guarantee the health and safety of our employees. This is achieved through joint committees that are comprised of employees and administrative staff, which are responsible for ensuring the health and wellbeing of their colleagues in their respective facilities. In this regard, accident statistics are constantly monitored in each business.
 - During 2016 a total of 4,308 occupational accidents were recorded, resulting in an accident rate¹² of 4.1%, which is lower than the rate for 2015 of 4.2%. No fatal accidents occurred over the year.
 - We monitor the occupational disease rate (ODR), the lost day rate (LDR) and the absenteeism hours (AH), which were 0.09, 41 and 12,676 respectively^{13, 14, 15}.

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

¹² Occupational accidents / Direct staff.

¹³ 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: caused by the working environment or the result of an accident at work; Lost Day: time not worked due to an occupational disease or accident at work; Absenteeism: Absence from work due to any kind of disability, not solely as a result of an accident at work or an occupational disease. Absenteeism does not include authorized absence, for example for vacations, study, maternity or paternity leave and authorizations for humanitarian reasons.

¹⁴ The GRI4 standards recommend that these calculations are based on an annual working year of 50 weeks, 5 working days per week and 8 working hours per day, which was used for reporting in 2015. From 2016, SACI Falabella has adjusted this calculation to the working environment in Chile (which is the country with the highest proportion of revenue for Falabella) to a 9-hour day, so that these results are not comparable with those presented in 2015, but will be comparable next year.

¹⁵ The data excludes Sodimac Brazil.

Suppliers



We seek constructive long-term relationships with our suppliers.

- Mutual cooperation and trust allows suppliers and companies to grow. We have open communication with our suppliers, providing them with appropriate dialogue channels and encouraging them to develop innovative solutions that are focused on the needs of customers.
 - At the end of 2016, our retail businesses had a total 30,695 active suppliers¹⁶, 19.5% more than in 2015.
- Suppliers are audited and evaluated constantly. Similarly, they receive support to improve their service standards and we encourage responsible development that encompasses economic, social and environmental areas.
 - In 2016, the CSR practices were audited at 1,270 retail suppliers¹⁷.
 - Falabella Retail and Sodimac work with Sedex, the biggest world platform for 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 trading standards of Sedex members (SMETA).
 - Some 42.2% of active supplier's contracts¹⁸ include Social Responsibility clauses¹⁹. 1,904 product suppliers to the retail business have Vendor Compliance clauses in their contracts, which specify ethical and human rights conditions under which their products must be manufactured. Significant progress has been achieved in this area, and we achieved 4.8% growth compared to 2015.
- The company is concerned about promptly paying suppliers, particularly SMEs, as they drive development in the countries where the company operates.
- In 2016 the company worked with 15,278 SMEs in all our subsidiaries, which represents approximately 36.2% of their total active suppliers, and 11,885 SMEs work with our retail business. Payment was made within 30 days to 12,070 SMEs (79%), representing growth of 45% compared to 2015, which is aligned with the company's commitment to contribute to their development.
- None of the company's business units has suppliers that individually account for more than 10% of total goods and services purchased in their segment during the period.

¹⁶ Includes suppliers that traded during the year.

¹⁷ Sedex or any other CSR practices audit.

¹⁸ Includes product or service suppliers to all retail businesses.

¹⁹ Vendor Compliance or other.

Community



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

- The company cooperates with the social, economic and cultural development of local communities.
- We incorporate the expectations of these community into our own processes.
- The company implements social programs whose impact is measurable and meaningful to the community. The most important of these are²⁰:
 - **Haciendo Escuela (School Sponsorship) program:** This is a characteristic hallmark of our company's Social Responsibility, where each department store sponsors a local school and provides comprehensive support in the areas of culture, values, sports, knowledge and infrastructure. The program was extended in 2016 with the incorporation of five new schools, reaching a total of 100 establishments in Chile, Peru, Colombia and Argentina, which results in 80,000 students benefiting from the program. In the same year, Falabella received the Corporate Sustainability Award from SOFOFA, Capital Magazine and the Business Sustainability Center of the UAI Business School, due to the results achieved by this program.
 - **Buen Vecino (Good Neighbor) program:** This is the volunteer program for the home improvement business, which consists in supporting construction, remodeling and habitability projects that are aimed at improving the community. Local communities present construction, remodeling and habitability proposals to the company's home improvement stores, distribution centers and offices. The proposals are evaluated according to potential impact for the local community, and are awarded financing through competitive funds. Projects have been implemented in various institutions such as kindergartens, community centers, schools, foundations, fire brigades, among others. During the last 10 years, 595 projects have been carried out throughout Chile, with the participation of 14,281 employees in volunteer days and benefiting 123,251 people in the community.

- **Educación en Alimentación Saludable (Healthy Eating Educational) 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 (Growing up healthy is awesome with Tottus) started in 2014 with 200 children and two schools in Melipilla. It has now expanded to 16 schools and is benefiting 3 thousand children between four and nine years old, and approximately 1,200 teachers and parents at the same establishments, through consultations carried out by our nutritionists at healthy eating workshops.
- **Regional Alliance with América Solidaria (Solidarity America):** This is an initiative sponsored by our financial services business unit that improves the living standards of communities in the countries where we operate. This year it attracted 41,608 new partners, an increase of 16.7% compared to 2015, whose total contributions reached US\$ 751,000, an increase of 54.8% compared to the previous year.
- **Educación Financiera (Financial education) program:** The objective of this program is to teach community members, customers and employees how to appropriately manage their personal finances and budgets. In 2016, we created an innovative program called "Eddu", which is led by a cartoon character who encourages responsible financial behavior through practical advice. Recommendations and videos have been published on the web platform, which use simple and fun language to reach thousands of people since its launch. Talks were held at branches of Banco Falabella Chile and e-learning courses were launched for the first time, in order to clarify doubts and deepen our customer's understanding of financial security issues. In addition, this program was implemented in 60 schools belonging to the Haciendo Escuela program, through talks and the interschool financial education competition Juntos Juguemos (Let's Play Together) where 5,800 students and 427 volunteers participated.
- **Sodimac Círculo de Especialistas (Specialists Circle):** This program was developed in 2005, which seeks to be more inclusive and

improve the skills of Specialists. It reached 400,000 members during 2016 and 1,377 scholarships were given to Specialists at higher education institutions during the year. For the fourth consecutive year, Sodimac Constructor, together with its Specialists Circle, held the entirely free event "Great Specialists Training Fair", under the heading "Because learning is progressing." Its aim was to offer training to Specialists in Chile, so they could learn new technologies and the latest market trends, and thus be able to innovate in their field. The fair featured 240 courses where 14,000 people were trained, with a massive participation in streaming courses.

- **Entrepreneurship support program:** This program provides entrepreneurs with access to the large number of customers who visit shopping centers. We also support our entrepreneurs with training programs and mentoring, conducted by company executives. In 2016 we held 200 trade shows between Iquique and Los Angeles, involving 1,000 micro and small entrepreneurs, of whom 60% received tools to improve the management of their businesses and thus become more sustainable over time. Therefore, we had a positive impact on 1,000 families and indirectly on 4,000 people, in addition to encouraging innovation and dynamism within local trade.
- Corporate volunteer work is a key part of our relationship with local communities, as it has a positive impact on both the employees and the local communities
 - In 2016 company employees carried out a total of 96,905 hours of voluntary work.

²⁰ The details of the programs and initiatives of each business can be seen in the Sustainability reports of each of those businesses.

Environment



Our aim is to encourage caring for the environment, which requires us to identify, assess and manage the environmental impact of our operations in order to minimize it.

The businesses have led various initiatives aimed at generating operational eco-efficiency and minimizing the environmental impact of our operations, including:

- Constructing stores and buildings with eco-friendly facilities²¹ that generate efficiencies and increase productivity.
 - As of December 2016, Falabella had one LEED-certified shopping center, Mallplaza Egaña, with a Gold rating. Mallplaza Copiapó is in the process of securing this certification, Mallplaza Arequipa received its LEED pre-certification, while 23 of the company's shopping centers in the region also have eco-friendly features.
 - At the end of 2016, the group had 22 LEED-certified retail stores and 67 with eco-friendly features. 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 sustainable construction and development; technological innovation and certification of sustainable buildings; efficient energy use; renewable energy use; efficient water use; use of building materials from renewable, recyclable and non-toxic sources; in order to improve the quality of life and health of people and communities
- Promoting efficient resource use, mainly in terms of energy.
 - During 2016, our retail stores reported consolidated energy consumption of 178 KWh per m², which represents a reduction in consumption of 4.8%. Meanwhile, our shopping centers reported energy consumption of 80 KWh per m², representing a reduction in consumption of 8.5%.
- Technological improvement initiatives are being carried out on equipment and operational control that generate efficiencies in consumption. In 2016 efforts were made to reduce energy consumption, which were reflected in the company's indicators. During 2017 we will continue searching for new technologies that we can implement through pilot programs and contribute to this objective.
- During 2016, Sodimac Chile together with the company Solarity, developed pilot plans to supply the chain's premises with renewable energy, starting with two stores in 2016. These plans resulted in commissioning two solar plants in these stores.
- 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 standardizing data collection and information control (Scope 1 and 2). During this year, Falabella Retail conducted a pilot that measured the carbon footprint of two stores with Scope 1 and 2. In 2017, we expect to reach ten stores with the same scope and conduct a pilot for a store with Scope 3.
- Waste management, fostering recycling projects and recycling facilities.
 - We are creating and standardizing operational waste recovery and byproduct systems.
 - We place special emphasis on product packaging, by focusing on eco-design, reuse and recycling.
- In 2016, Falabella Retail Chile increased the number of stores with standardized recycling facilities to 18, achieving 37% coverage, which is 15% more than in 2015.
- Falabella Retail Chile increased its recycling percentage to 55%, mainly in the Metropolitan Region. Various strategies are being developed in waste logistics in order to continue improving.
- The National Network of recycling facilities at Sodimac Chile stores, where customers and the community can recycle their waste, recycled 2 thousand tons in 2016, surpassing the 315 thousand customer and community visits during the year.
- Sodimac launched the "Virtue of Recycling" project in 2016, which is the first Circular Economy initiative by a retail company in South America, and consists of manufacturing and selling products made from the plastic waste received by this network of recycling facilities.



²¹ Eco-friendly facilities are those that have achieved certain LEED criteria, but: (a) not enough to be certified; (b) or have not undertaken the certification process.

Corporate Governance



We promote ethical behavior and good practices.

- Falabella Sodimac S.A. and Falabella Retail S.A. are part of the United Nations Global Compact, and are committed to promoting and fulfilling the 10 fundamental sustainability principles in the areas of: Human Rights, Employment Rights, Environment and Anti-Corruption.
- The company promotes honesty, a service vocation, impartiality, initiative, teamwork and respect. These values reflect its commitment to conduct itself with transparency and remain faithful to people, their freedoms and rights.
 - The company has a Code of Ethics that provides specific guidelines applicable to the daily duties of all its employees, executives and directors. The business units 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, to identify corruption, discrimination and abuse in the company. In 2016, a total of 26 cases of discrimination were reported in the company's subsidiaries, which were duly investigated and led to corrective measures being applied to those involved in eight of these cases.
- The company is constantly training employees regarding its principles, policies and procedures.
 - During 2016, 193,241 people registered for e-learning courses, of which around 55% were related to the following subjects: i) Ethics, ii) Human Rights, iii) Asset Laundering, iv) Money Laundering, v) Consumer Law, vi) Antitrust, vii) Crime Prevention, and viii) Fraud, Risk and Information Security.
 - 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.
- In December 2015 the Board of S.A.C.I. Falabella complied with the guidelines contained in General Standard 385 issued by the SVS by agreeing to hold an annual training day as a regular training exercise for the Board. The first of these exercises took place during September 2016 with the participation of external and internal presenters. The topics covered in this first training day were as follows: (i) attribution of responsibility to companies, their boards and executives; (ii) free competition law, the current environment, recent changes and expectations for the future; and (iii) how directors and executives should fulfill their duties of loyalty and care in business.
- 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 current and potential sources of risks are identified so as to mitigate their impact on the organization.
 - The Board meets twice a year with the corporate audit unit to ensure that the risk management process operates correctly.
 - 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.
- In May 2016 the Governance, Ethics and Compliance Department was created to organize and structure corporate governance in a manner consistent with an organization the size of the Falabella Group. Its main objective is to protect corporate value by strengthening a corporate culture of integrity and preventing and detecting behavior in conflict with ethics or the law. This new department is comprised not only of lawyers, but also of professional experts in communication and training, in order to form a multidisciplinary team.

Shareholders



We are committed to increasing corporate value and providing sustainable profitability to shareholders.

- The company endeavors to assign resources efficiently and competitively.
- The company protects and promotes shareholders' rights, where appropriate.
- Financial results are reported regularly, as well as any event considered to be significant or of interest to the company, in accordance with current regulations.
- The company complies with the rules and regulations established by the authorities in each country where subsidiaries operate.



Investment Plan

114

Stores

9

Malls

US\$4.0

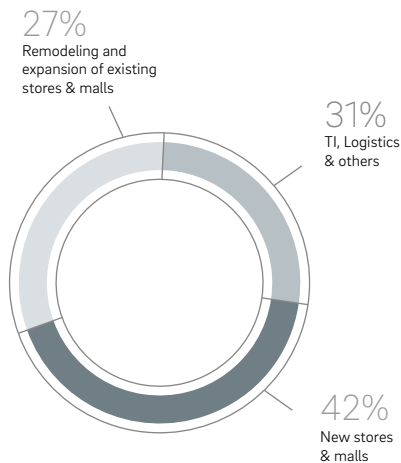
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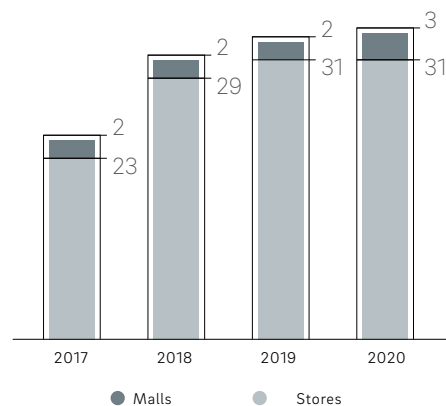
S.A.C.I. Falabella is constantly looking for investment opportunities that will contribute to business growth, generate synergies and leverage the expertise of the company or its subsidiaries. Expected cash flow projections and the strategic value of the investment are evaluated in each investment decision. Financing is selected to match each particular case, always following guidelines approved by the Board.

is a flexible and dynamic investment plan, where approximately 42% will be invested in opening 114 new stores and 9 new shopping centers. Nearly 27% will be invested in extending and remodeling current stores and shopping centers, in order to maximize their performance and improve the customer experience. The remaining 31% will be invested in logistics and IT, in order to strengthen omnichannel growth, and improve efficiency and productivity across all business units in each country.

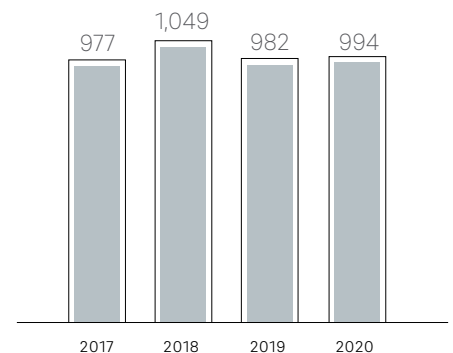
In January 2017 the company announced its new four year organic growth plan, which projects a total investment of US\$ 4 billion by 2020. This



New stores and malls



Investment plan
(US\$ million)



Note: The investment plan includes 100% of expected capex for S.A.C.I. Falabella and subsidiaries, including Sodimac Colombia, Sodimac Mexico, CMR Mexico, which the Company does not consolidate.

History



1889

Salvatore Falabella opens the first important tailoring store on Ahumada Street in Chile.



1958

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



1937

Alberto Solari joins the company, transforming Falabella into a well-known apparel store.



1980

Falabella launches CMR, its proprietary credit card, and the first store credit card in Chile.

Excellence and Austerity

Falabella has been forged from hard work and austerity. We do things correctly, with passion and taking care of the details.

1990

Mallplaza opens its first shopping center in Chile, Mallplaza Vespucio, in the municipality of La Florida.



falabella



SODIMAC
HomeCenter



Our customer at the center

Placing our customers at the center has been our hallmark from day one. This drive to serve our customers first and foremost translates into the values of our brand: transparency, proximity and convenience.

1993

Falabella enters Argentina and Sodimac enters Colombia.

1995

Falabella enters Peru through the acquisition of Saga.



1996

S.A.C.I. Falabella goes public, and the newly incorporated company's shares begin to trade on the Santiago Stock Exchange.

1997

Launch of Falabella's travel and insurance services.

1997

S.A.C.I. Falabella partners with Home Depot in Chile, which it acquires four years later.



1999

Falabella launches its e-commerce platform in Chile.



José Luis del Río

2003

S.A.C.I. Falabella and Sodimac merge, launching the first regional home improvement chain in Latin America.

Teamwork

The retail business requires teamwork. We provide training and internal opportunities for our 107,000 employees so they can grow, both personally and professionally, and to create a positive working environment.



1998

Launch of Banco Falabella, by acquiring the ING Bank Chile license.



2002

S.A.C.I. Falabella opens the first Tottus supermarket in Lima, Peru.

2004

S.A.C.I. Falabella acquires the San Francisco supermarket chain in Chile.



2007

Launch of Banco Falabella in Peru.



2007

Sodimac acquires 60% of the Chilean home improvement chain Imperial.



2007

Launch of Aventura Plaza in Peru.

**Innovating,
always innovating**

The drive to respond to our customers changing requirements has made innovation part of Falabella's DNA. We repeatedly reinvent ourselves, and incorporate the latest technology into new products, services and sales channels.



falabella

2006

Falabella Retail enters Colombia with its first department store in Bogota.



2008-09

CMR forms a partnerships with Visa in Peru and Chile. Subsequently, it forms a partnership with MasterCard for Argentina and Colombia in 2011.



2009

Launch of Homy in Chile.



2012

Mallplaza opens its first shopping center in Colombia.



Our suppliers, good partners

Our suppliers are our strategic partners and we have grown together. Trust and unconditional respect are key commitments in this partnership.



2011

Banco Falabella launches operations in Colombia.



2013

S.A.C.I. Falabella enters Brazil by acquiring 50.1% of the home improvement chain Dicico.



2014

The first Hiperbodega Precio Uno supermarket is launched in Peru.



2014

Sodimac acquires the home improvement chain Maestro in Peru.

Respecting the environment

We build sustainable stores and shopping centers that respect the local communities. Our culture includes efficiently using water and energy, using renewable energy (NCRE) and recycling waste.



2015

S.A.C.I. Falabella opens its first two Sodimac stores in Brazil.



2015

Sodimac enters Uruguay by opening its first two stores.



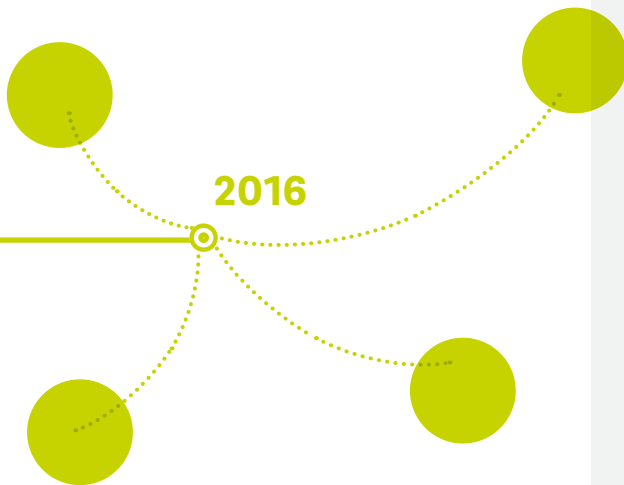
S.A.C.I. Falabella forms a partnership with Soriana to jointly develop a chain of home improvement stores (Sodimac) and a financial services business in Mexico.

S.A.C.I. Falabella marks its 20th anniversary as a public company

1996-2016



In 1996 S.A.C.I. Falabella lists its shares on the Santiago Exchange and becomes a publicly traded company.



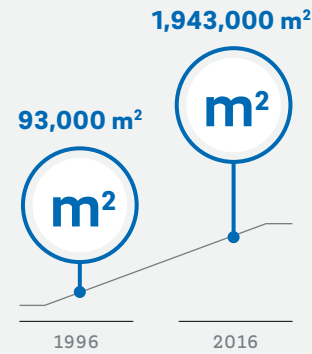
MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

S.A.C.I. Falabella is included in the Dow Jones Sustainability World Index (DJSI World).

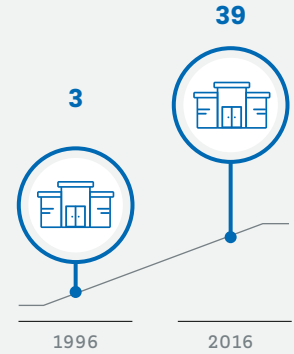
Dissolution of Aventura Plaza S.A. in Peru. S.A.C.I. Falabella consolidates the Bellavista and Trujillo shopping centers (and the Cayma project) after the division.

A shareholder who acquired S.A.C.I. Falabella's stock at its IPO in 1996, and kept that investment over the next 20 years would have received a compounded annual growth rate of 17%, including dividends.

S.A.C.I. Falabella: Leasable Area (GLA)



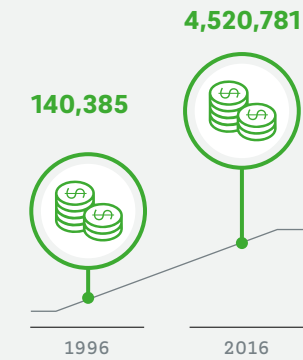
S.A.C.I. Falabella: Number of Malls



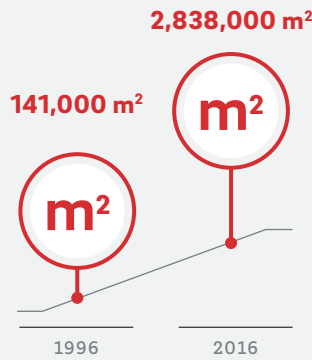
Employees



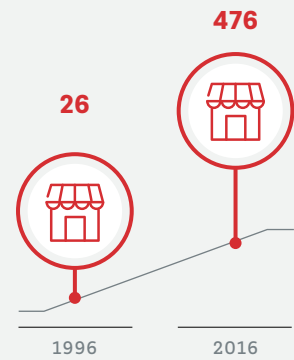
Loan Book (millions of pesos)



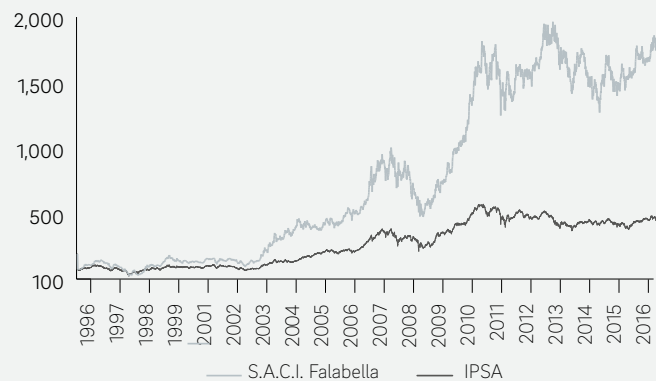
S.A.C.I. Falabella: Sales Area



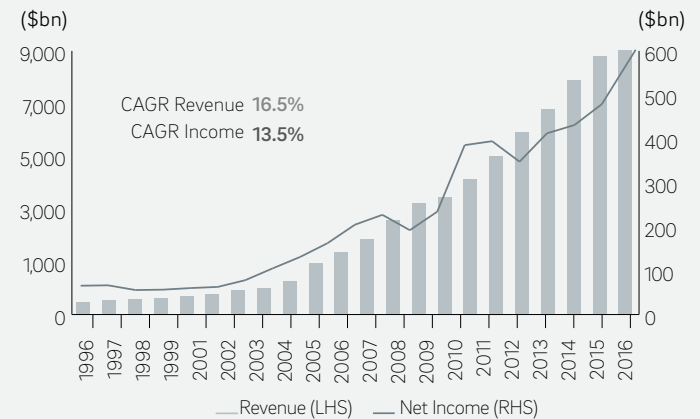
S.A.C.I. Falabella: Number of Stores



S.A.C.I. Falabella Stock Price & IPSA (1996=100)



S.A.C.I. Falabella: Consolidated Revenue & Net Income (billion pesos)





2016 HIGHLIGHTS



Strategic Pillars

- Growth
- Profitability
- Sustainability

Strategic Pillars

S.A.C.I. Falabella aims to grow each business with discipline and responsibility, create value, strengthen its leadership across the region, whilst focusing on continuously improving the company's three strategic pillars.

Growth



To achieve responsible organic and non-organic growth across the region, strengthening our leadership position and our ability to serve our customers, entering new markets and introducing innovative formats and channels.



Profitability



To increase the productivity of each business, by increasing competitive differentiation and improving operational efficiency.



Sustainability



To be respected, valued and preferred by all our stakeholders: customers, employees, suppliers, communities and shareholders.



Growth



Our entry into Mexico this year marked an important milestone in our growth strategy. We formed a partnership with Organización Soriana, the second largest supermarket chain in Mexico, to jointly develop a chain of home improvement stores and a financial services business. The initial investment plan envisages opening 20 Sodimac stores in five years, with the first store opening during the first half of 2018. We plan to launch CMR cards at the Soriana supermarket chain, which has over 800 supermarkets in Mexico, during the first half of 2017.

The Falabella Companies' retail divisions opened 25 stores during 2016. Falabella Retail opened six department stores: four in Colombia, at the Primavera, Plaza Central, Diverplaza and La Colina shopping centers, located in Villavicencio and Bogota; and two in Peru, in Lima and Huancayo. In addition, Falabella Retail launched the second Crate & Barrel store in the region at the La Colina shopping center in Bogota. Sodimac added six new Homecenter Constructor stores: one in Huancayo, in Peru; three in Cartagena, Tulúa and Barranquilla, in Colombia; a third Sodimac store in Brazil, in São Jose dos Campos; and a third Sodimac store in Uruguay, in Maldonado. Tottus opened twelve supermarkets: four in Chile, in Antofagasta, Coquimbo, and in Quilicura and Huechuraba in Santiago; eight in Peru, including two Tottus supermarkets, one in Piura and one at the Mega Plaza shopping center in Lima; two Tottus hypermarkets, one at the Mall del Sur shopping center in Lima, and one at the Open Plaza shopping center in Huancayo; and four Hiperbodega Precio Uno supermarkets, in Chinchipe and two in Lima.

The Falabella Companies continued to develop its online platforms, in line with its omnichannel and digitalization strategy. Falabella Retail redesigned the online check-out process, which resulted in 40% fewer steps and fields to complete, implemented a mobile responsive platform, and increased the speed and user-friendliness of the process, resulting in a higher conversion rate

and improved customer satisfaction. Falabella Retail also continued to expand and improve its online product offerings, in order to develop leadership and authority in product assortment. For example, the Sports and Perfume categories doubled the number of products offered online this year. Sodimac made changes to its website in its primary markets, integrating more transactional features. Sodimac also incorporated new product categories to website and ran more advertising campaigns to promote the online offering. Tottus launched a new platform for its web site with a new, fully responsive design, which has resulted in a more intuitive and navigable site for the customer. Falabella Financiero continued to develop its online channel. Banco Falabella increased its regional consumer loan sales via the internet by 52.4% compared to 2015. These now represent 22.6% of total consumer loan sales.

Falabella Financiero continued to advance towards providing integrated financial solutions for its customers, with sustained growth in the different business units. Total revenues reached \$690,079 million in 2016, an increase of 10.7% compared to the prior year. The consolidated financial loan portfolio at Falabella Financiero grew by 8.8% this year, surpassing US\$ 6.8 billion at December 2016. Moreover, sales using CMR cards this year increased by 8.8% this year, including third party and Falabella Companies' stores. CMR also added 940 thousand new customers this year, and the number of active CMR cards in the region reached 6 million. The "CMR Puntos" loyalty program continued to improve, by providing customers with a broader more flexible range of benefits, such as the new Giftcards program in Chile, which contributed to the over 1.2 million account holders who have cashed in their loyalty points for products or services. Banco Falabella Colombia signed an agreement with Makro, a leading wholesale supermarket chain, to develop a financial offer for its customers in Colombia.

Banco Falabella's deposits also continued to grow. The numbers of current and sight accounts



increased by 23% and 22%, respectively, and now total over 2 million accounts in the region. Account openings with deposited remuneration expanded by 52%, reaching 325 thousand new openings during the year. The increase in these accounts contributed to decreasing Falabella Financiero's funding costs and increasing the number of customers who use Banco Falabella as their primary bank. Debit card sales experienced an increase of 38.9% compared with the previous year. Falabella Financiero added new customer contact networks, in order to improve the customer service experience, with a focus on transparency, convenience and simplicity. Falabella Financiero has over 610 ATMs across the region, a network of 384 branches and 981 electronic customer service points, including Saldomaticos and video conferencing modules. Furthermore, the total number of virtual customer service contacts increased by 88.1% this year, which achieved the goal of providing customers with a more agile and simple service.

Another Falabella Financiero business, Seguros Falabella, grew by 7.5% across the region. CF Seguros de Vida is a partnership with BNP Paribas Cardif, which began to operate in January 2016 by selling life insurance and loan repayment protection. Viajes Falabella reported 497 thousand passengers in the year across the region and its sales increased by 7.1%.

The real estate business includes Mallplaza, which experienced an increase in visits of 7.1% in Colombia, and Open Plaza which registered an increase in visits of 6.1% in Peru. Mallplaza Egaña in Chile inaugurated new offices, an educational building and an Integramedica medical center. The first Integramedica medical center in the Atacama Region was inaugurated at Mallplaza Copiapo, thus improving access to health networks for families in the area. Open Plaza inaugurated its shopping

center in Huancayo, Peru, which features Saga Falabella, Sodimac and Tottus stores, in addition to Banco Falabella, cinemas, entertainment, a fast food terrace, restaurants, and fashion, technology and service shops, among others. Mallplaza Trujillo saw extensions to its cinema, boulevard and fast food terrace. Mallplaza completed extensions to the Educational Building and the Boulevard at Mallplaza Bellavista, which generated new meeting areas and entertainment for families from that sector.

Falabella Retail incorporated several international brands, including Etam, to its portfolio of exclusive brands in Peru and Colombia (already available in Chile a year ago). Meanwhile, Falabella Retail incorporated Body Shop, Calzedonia and Double Agent into the portfolio of exclusive brands in Chile.



Profitability



S.A.C.I. Falabella continuously seeks to improve and optimize the operations of each one of its business divisions, by increasing competitive differentiation and improving operational efficiency. In parallel, the company continues work towards providing its customers with the highest levels of service across all channels.

One of the main objectives at the company is to become truly omnichannel, by integrating digital and physical sales channels, and maximizing their complementary strengths. In line with this, the Falabella Companies continued to invest in its stores, incorporating new technologies, such as ecommerce enabled tablets for sales staff and tablets with management tools for supervisors and store managers, in order to boost sales and unlock management potential. Falabella Retail continued to invest in renovating and expanding its stores in Chile: including the newly reopened Alto Las Condes and Viña del Mar stores, which expanded their product assortment, adding new exclusive international brands. In addition, five other stores had their women's and young women's apparel areas remodeled: Antofagasta, La Serena, Plaza Oeste, Vespucio and La Dehesa. Falabella Retail completed phase two of the new Order Management System (OMS) in Chile. This platform governs distribution and collection and can process high sales volumes, reducing order-processing time.

Falabella Retail began to build a new omnichannel distribution center in 2016, to support the company's omnichannel strategy. This new DC in Chile will have a phase one surface area of approximately 40,000 m², and it will handle the logistics of home delivery of e-commerce sales, as well as restocking stores on a per unit basis, by size/color in Chile. The new DC will use automation technology to handle a greater volume of orders per hour, at a lower expense.

The Falabella Companies have developed private brands for each of its retail chains, which provide customers with attractive alternatives to other

brands, based on the price/quality proposal, and which boost the retailers' profitability and competitive differentiation over time. In 2016 Falabella Retail continued to focus on the development of its fast fashion private brands, reducing time to market for both locally and internationally sourced products, in order to respond quickly to new trends in fashion and customer demand. The result was collections with less end-of-season markdowns and better gross margins. In line with this strategy, Falabella Retail continued to leverage its Sybilla brand, remodeling and expanding 13 Sybilla corners across the region, which customers received with enthusiasm.

In line with the private brand strategy, Sodimac did a mayor region-wide launch of its private brand line of wireless power tools Ubermann Multiforce, which it had developed and introduced in Chile during 2015. Sodimac also began to offer Ozom in its stores in Uruguay, so this brand is now available in four countries. Ozom is a range of products that allow customers to control various household functions from a distance using an application on their mobile phone.

For Tottus, the development of a wide assortment of private label, quality products at a good price is essential. The supermarket chain launched 374 new private label products during 2016, in both the food and non-food categories.

The company and its subsidiaries continued to implement the LEAN management model across all businesses in the region, with a focus on productive, logistical and operational efficiency. This has resulted in reducing operational tasks, shortening processing times at distribution centers and greater efficiency when receiving goods and replenishing stores. LEAN initiatives were also used to distribute the workforce, which were supported by training and courses with certification for each business.

Sodimac made significant changes to its processes across the region and in China, which enabled it to reduce average inventories by 4.7% and increase efficiency. As a result of these and other initiatives,



Sodimac increased sales per employee by 3.7% across the region, and improved service quality, as measured by the NPS.

Tottus Chile has implemented a new warehouse management system, which has improved the visibility and traceability of logistical movements, and the productivity of staff at distribution centers. Tottus Chile has increased its sales per employee by 7.7%.

Falabella Financiero continued to incorporate new technology into customer services, by using more efficient channels, while maintaining the highest standards of safety and improving response times, mainly on customer-facing issues. As a result of these and other initiatives, service quality improved (measured by the NPS) and customer complaints decreased by 20% during 2016. Falabella Financiero continued to advance in the implementation of the core banking and core card systems across the region, omnichannel customer services and in the innovation in payment options. CMR Chile and CMR Argentina launched new mobile apps, as did Banco Falabella Chile. These aim to provide the customer with greater control and autonomy, with features that allow the customer to review account statements, block/unblock his credit card and generate loan simulations, among others.

The company and its subsidiaries are developing a number of infrastructure projects in the region to promote productivity and support growth. Peru launched a new distribution center for Sodimac and Maestro, resulting in a single logistics and supply network, with a surface area of 65,000 m². Sodimac Brazil opened a new distribution center in Cajamar, with a surface area of 20,000 m² that can be expanded up to 80,000 m², together with a restructured logistics organization. The new logistics solution incorporates a cross-docking

system and efficient merchandise reception and storage methods. Sodimac Chile expanded its distribution center in Lo Espejo, by adding another area of 28,000 m². This facility now has a surface area of over 100,000 m².

The real estate business continued to make progress on regional synergies by sharing services between shopping centers in the three countries. It has regionally negotiated advertising, audits and consultancy, information systems, communications and networking services.



Sustainability



S.A.C.I. Falabella continued to strengthen its sustainability initiatives, striving to be respected, valued and preferred by its customers, employees, suppliers, communities and shareholders. This requires listening to customers in order to better respond to their needs. Once again, the feedback received from customers this year using Net Promoter Score (NPS) surveys was taken into account in our new plans and adjustments to our value proposition.

Furthermore, our business units participated in programs and projects that made positive contributions to the local communities where their stores and shopping centers are located, aiming to improve the quality of life and promote development. Falabella Retail strengthened its "Haciendo Escuela" (Doing School) program across the region. Five new schools were added to the program, totaling 100 establishments in Chile, Peru, Colombia and Argentina. Employees at Falabella Retail dedicated over 19,600 volunteer hours to this program, an increase of 17% compared to the previous year. Employees at Sodimac Peru contributed approximately 11,400 volunteer hours to this program, improving infrastructure and the quality of education in the schools.

Falabella Financiero launched an innovative financial education program called "Eddu" in Chile, Peru and Colombia, which is based on a cartoon character who encourages responsible financial behavior through practical lessons. The new web platform publishes recommendations and videos that use easy and colloquial language. Thousands of people since its launch, with approximately 11,000 visits during the month of December in 2016. This initiative has been reinforced with talks given at branches of Banco Falabella Chile, and for the first time e-learning courses were launched, which aim to build on the customer's education. At the same time, the "Juntos Juguemos" (Let's play together) regional tournament was held, with the support of the Superintendency of Banks and Financial Institutions in Chile, and the Ministry of Education in Colombia. This tournament brought together over 5,800 students belonging to schools in the "Haciendo Escuela" program in 2016, who learn in a fun way the key concepts about managing their finances.

Sodimac Chile continued to strengthen the "Buen Vecino" (Good Neighbor) program in 2016, where 2,050 employees helped to implement 84 projects throughout the country. Community impact increased by 259%, reaching approximately 50,400 people. Also Sodimac continued to promote the "Círculo de Especialistas" (Specialists Circle) program, and provided 1,377 scholarships in Chile for specialist tradesmen, enabling them to take courses at higher education institutions. It also organized the "Gran Feria de Capacitación para Especialistas" (Great Specialists Training Fair) for the fourth consecutive year, where over 240 courses were offered, and over 14,000 people were trained. Meanwhile, in Colombia 306 scholarships were awarded and over 21,000 people personally or virtually participated in the third version of the "Gran Feria de la Capacitación" (Great Training Fair). Sodimac Argentina built a snack bar in the Mitre neighborhood, called "Jóvenes por Siempre" (Forever Young), which provides food to over 350 children from economically vulnerable families.

Tottus continued to develop the "Que Rico es Crecer Sano con Tottus" (Growing up healthy is awesome with Tottus) program, together with the Five a Day Corporation belonging to the Nutrition and Food Technology Institute at the University of Chile (INTA). Tottus has implemented this initiative in 16 schools, benefiting more than three thousand children between four and nine years old, and approximately 1,200 teachers and parents have attended workshops on healthy eating. In 2016, Tottus also continued to support the fire department, with a program created in 2015, which asks customers to donate their spare change.

Mallplaza has been offering musicals for seven years with functions open to the public, free of charge and this year was no exception, with the premiere of the musical "The Magic of Aladdin" in Chile. The musical was performed eight times in various cities across Chile, and over 25,000 people attended. Furthermore, these gala performances were transmitted via streaming to all the malls in the chain, thus enabling another 24,000 people to see them.

The company and its subsidiaries strive to be a good place to work, and prioritize developing and



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supporting their employees. There were 4,223,638 hours of training across the region during 2016, 6.4% more than in 2015. These contributed to the results obtained in the Great Place to Work survey, where S.A.C.I Falabella ranked number 10 in the 2016 World's Best Multinational Workplaces ranking.

The company and its subsidiaries work every day to build constructive and long-term relationships with their suppliers, particularly with SMEs as they drive development in the countries where the Falabella Companies operate. SMEs currently represent 36% of total suppliers. Paying suppliers on time is essential and 79% of these SMEs were paid in under 30 days in 2016.

As part of the effort to take care of the environment, the company and its subsidiaries have made progress certifying their stores and shopping centers across the region. During 2016, the U.S. Green Building Council awarded LEED pre-certification to Mallplaza Cayma in Peru, for the expansion of this urban center in Arequipa. As a result, the company and its subsidiaries have two malls certified or pre-certified in the region and one currently in the certification process. Falabella Retail received LEED certification for three new stores --San Fernando, Piura, and Arequipa Porongoche--, totaling 13 certified stores in the region and 16 stores currently undergoing the certification process. All the Mallplaza malls in Chile maintained their ISO 50,001 certification for Energy Efficiency and ISO 14,001 certification for Environmental Management during 2016. Similarly, Tottus Chile received the ISO 9001 certification, which guarantees compliance with quality standards for its products and services. Tottus is the first supermarket chain in Chile to achieve this distinction.

The Falabella Companies launched various initiatives in 2016 to mitigate the impact on the environment of building new stores and shopping centers across the region. Mallplaza reached an agreement with Enel that certifies that from December 1, 2016, Mallplaza Egaña is to be supplied exclusively with energy from non-conventional renewable sources (NCRE). Mallplaza will replicate this initiative across Chile during 2017, to all of its malls, from Copiapo to Los Angeles. Falabella Retail replaced its traditional plastic bags for biodegradable bags at all its stores in Chile, marking an important milestone in the company's sustainable development. These bags will take between 10 and 15 months to degrade on average, under normal waste conditions. The company and its subsidiaries began to incorporate new ways of measuring its carbon footprint and adopted energy-saving initiatives at stores and other facilities, in order to reduce electricity consumption. Sodimac has begun to measure its carbon footprint in Chile, Peru and Colombia, and during 2016 achieved energy savings of 15% compared with 2015, and water consumption savings of 8.7% compared with 2015.

The real estate area worked on a number of security initiatives at shopping malls during 2016, including the implementation of risk management methodologies in Chile. The Operations Center (COP) began in 2015, and this year it worked in close coordination with officials from the Interior Ministry, the Uniformed Police and Investigatory Police to implement various measures to cope with delinquency, such as using GoPro cameras, surveillance drones in parking lots, cameras that read vehicle registration plates directly connected to the Uniformed Police, and emergency assistance buttons in each store. This work achieved positive results and reduced criminal acts by over 20% during 2016.

The company and its subsidiaries received several accolades and acknowledgements this year. S.A.C.I. Falabella was included, for the first time, in the Dow Jones Sustainability World Index (DJSI World), becoming the first Latin American retail business to be included in this index, which evaluates the largest companies in the world in terms of environmental, social and governance factors. The process this year reviewed 2,535 companies from 47 countries, of which 316 companies were selected for the DJSI World Index, including two Chilean companies. S.A.C.I. Falabella was included again in the Dow Jones Sustainability Emerging Markets Index (DJSI EM) and Dow Jones Sustainability Chile Index (DJSI Chile).

Mallplaza Egaña received the "Best of the Best Viva Awards 2016" award in the sustainability category, from the International Council of Shopping Centers (ICSC) at the annual shopping centers event in Las Vegas, USA. This award recognizes Mallplaza Egaña's position as a world leader in the field of sustainable construction and operation. Falabella Retail won the Corporate Sustainability Award granted by SOFOFA, Capital magazine and the Business Sustainability Center of the Business School and the IAU, for its sustainability achievements, particularly the "Haciendo Escuela" program. The Falabella Financiero "Eddu" program received first place in the competition "Financial Education and Inclusion 2016" in the "Contribution to Financial Education" category, awarded by the Superintendency of Banks and Financial Institutions.





CORPORATE GOVERNANCE



Board of Directors

Board Committees

- Audit Committee
- Strategy Committee
- Compensation and Talent Committee

Management

- Senior Executives
- Incentive Plans

Ownership and Control

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

Board of Directors



S.A.C.I. Falabella's Board of Directors has nine members. Board members serve for three-year periods and may be reelected indefinitely. The Board does not have alternate directors.

The Board of Directors was elected for a new period during the Ordinary Shareholders Meeting held on April 29th, 2014.

S.A.C.I. Falabella's Board was composed by the following members on December 31, 2016:

	Chilean I.D. Number	Name	Title	Occupation	Member since	2016 Attendance
1.	9.585.749-3	Carlo Solari Donaggio	Chairman	Civil Engineer	2011	17
2.	7.017.522-3	Juan Carlos Cortés Solari	Vice Chairman	Business Administrator	2002	16
3.	5.718.666-6	Hernán Büchi Buc	Director (Independent)	Civil Engineer	1996	15
4.	5.082.229-K	Sergio Cardone Solari	Director	Business Administrator	1986	17
5.	6.888.500-0	Carolina del Río Goudie	Director	Business Administrator	2011	15
6.	4.773.832-6	José Luis del Río Goudie	Director	Civil Engineer	2003	15
7.	8.717.000-4	Carlos Heller Solari	Director	Agricultural Engineer	2002	14
8.	7.005.097-8	María Cecilia Karlezi Solari	Director	Entrepreneur	2003	13
9.	8.506.868-7	Paola Cúneo Queirolo	Director	Business Administrator	2014	17

Notes:

Carlo Solari Donaggio has been Chairman of the board since 2014.

Juan Carlos Cortés Solari has been Vice Chairman of the board member since 2014.

The Board met 17 times in 2016.

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



The following tables shows the number of Directors by age and by years of service:

Number of Directors by age

Age range	Directors
Under 30 years	-
Between 30 and 40 years	-
Between 41 and 50 years	2
Between 51 and 60 years	4
Between 61 and 70 years	3
Older than 70 years	-

Number of Directors by years of service

Service	Directors
Under 3 years	-
Between 3 and 6 years	3
Between 6 and 9 years	-
Between 9 and 12 years	-
Over 12 Years	6



Compensation of S.A.C.I. Falabella Board for 2016 (ThCh\$):

Chilean I.D. Number	Director	Fixed Portion	Variable Portion	Total 2016
9.585.749-3	Carlo Solari Donaggio	213,581	363,966	577,546
7.017.522-3	Juan Carlos Cortés Solari	17,364	181,983	199,347
5.718.666-6	Hernán Büchi Buc	19,450	181,983	201,433
5.082.229-K	Sergio Cardone Solari	17,364	181,983	199,347
6.888.500-0	Carolina del Río Goudie	17,364	181,983	199,347
4.773.832-6	José Luis del Río Goudie	17,364	181,983	199,347
8.717.000-4	Carlos Heller Solari	17,364	181,983	199,347
7.005.097-8	María Cecilia Karlezi Solari	17,364	181,983	199,347
8.506.868-7	Paola Cúneo Queirolo	17,364	181,983	199,347
TOTAL		354,580	1,819,829	2,174,409

Compensation of S.A.C.I. Falabella Board for 2015 (ThCh\$)*:

Chilean I.D. Number	Director	Fixed Portion	Variable Portion	Total 2015
3.066.418-3	Juan Cúneo Solari	-	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 members in Subsidiaries for 2016 (ThCh\$):

Chilean I.D. Number	Director	Dinalsa	Malls	Sodimac	FIF	Retail	Total 2016
9.585.749-3	Carlo Solari Donaggio	17,364	31,261	17,501	17,351	17,353	100,830
7.017.522-3	Juan Carlos Cortés Solari	52,093	-	17,990	-	14,429	84,511
5.082.229-K	Sergio Cardone Solari	-	93,783	-	17,351	17,353	128,486
6.888.500-0	Carolina del Río Goudie	-	-	-	-	18,652	18,652
4.773.832-6	José Luis del Río Goudie	-	-	17,501	-	5,722	23,223
8.717.000-4	Carlos Heller Solari	-	-	-	-	69,410	69,410
7.005.097-8	María Cecilia Karlezi Solari	17,364	-	17,501	-	17,353	52,218
8.506.868-7	Paola Cúneo Queirolo	-	-	17,501	-	-	17,501
TOTAL		86,821	125,043	87,996	34,703	160,270	494,833

Compensation of S.A.C.I. Falabella Board members in Subsidiaries for 2015 (ThCh\$):

Chilean I.D. Number	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

The Board procured the advisory services of José Pablo Arellano Marín and Cristián Lewin Gómez in 2016 for Ch\$ 88,154,569. There were no other advisors directly procured by the Board.

*Note: Juan Cúneo Solari was a Director and Chairman until April 2014.

Board Committees

Audit Committee

S.A.C.I. Falabella's Audit Committee

In the ordinary meeting of the Board of Directors dated April 29, 2014, and pursuant to Article 50 bis of Law 18,046 on Corporations (hereinafter, the "LSA"), the independent Director Mr. Hernán Büchi Buc appointed Mr. Sergio Cardone Solari and Mr. Jose Luis del Rio Goudie as members of the Audit Committee. As a result, the Committee has as its members the aforementioned three Directors and Mr. Hernán Büchi Buc, as the Independent Director of the Board, is the Chairman of the Committee.

The Audit Committee's expense budget and compensation for each of its members were approved at the General Shareholders Meeting held on April 26, 2016, as follows: (i) the expense budget is equivalent to the sum of the annual remunerations of the members of the Committee; and (ii) the remuneration of each member of the Committee is a third of the monthly remuneration of a Director, for each Committee meeting attended, plus one-third of the variable remuneration for Company Directors for 2016. Likewise, the Chairman of the Committee's monthly remuneration remained at UF 100 gross. The Committee was also authorized to procure professional advice in order to fulfill its duties. There were no professional consulting expenses in 2016.

In 2016 the Audit Committee met on February 29, May 10, August 29, November 14 and December 19 to address the issues that fell within its responsibilities. Therefore, the Committee addressed the issues indicated in Article 50 bis of the LSA and that were referred to the Committee by the Board, and it: (i) examined the Company's quarterly and annual financial statements, including reports presented by Company executives and by the external auditors, stating their opinion of them; (ii) proposed to the Board external auditors and private risk classifiers in accordance with numeral 2) clause eight of Article 50 bis of the LSA; (iii) advised the Board about the desirability of contracting the external auditors to provide services other than the audit, under the terms referred to in numeral 6) of clause eight of Article 50 bis of the LSA; (iv) received progress reports on the audit of the Company and its subsidiaries, and the internal control report submitted by the Company's external auditors; (v) reviewed the proposed changes to the Company's distributable earnings policy, which was proposed to the Board and approved by it; (vi) reviewed the action plans and proposed solutions aimed at resolving critical vulnerabilities within the Company's IT systems; (vii) analyzed

the habitual transactions policy between related parties and its relevance to current circumstances; (viii) received reports on, and commented on, the variable incentive plans and contingencies to secure the long-term commitment of senior executives at the Company and its subsidiaries; (ix) reviewed the provisions established by the Company and its subsidiaries, with special focus on those arising from the credit card business and the changes made to these provisions; and, x) received reports submitted by the Internal Audit Department, and provided guidelines and comments on them regarding: (i) continuing to implement this department under an independent structure that is separate from the Company's daily management; (ii) the preparation, implementation and findings of the annual audit plans prepared by the Internal Audit Department, both for the Company and its subsidiaries; and, (iii) the risk management and mitigation process for the Company and its subsidiaries.

At the meeting held on February 29, 2016 the Committee evaluated service proposals received from external audit firms and proposed to the Board that for the financial year 2016, the Board should propose to the shareholders' meeting that they choose from a short-list of two external auditors in the following order of preference: (i) in first place, Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada (hereinafter "EY"); and, (ii) in second place, Deloitte Auditores y Consultores Limitada. The Committee highlighted that the professional aspects of the EY service proposal that should receive top priority are as follows:

- a. Quality of the professional team responsible for the Company's audit;
- b. The Company's experience working with EY in the past;
- c. EY's international coverage in the countries where the Falabella Companies operate;
- d. The financial cost of the proposed audit services; and,
- e. New countries and businesses that have recently been incorporated, which need to be correctly introduced to the audit process.

At the same meeting, the Committee proposed that the Board considered the following companies as private risk classifiers for the Company:

- a. In accordance with Chilean legislation, the agencies Fitch Chile Clasificadora de Riesgo Limitada and Feller-Rate Clasificadora de Riesgo Limitada; and
- b. In accordance with the conditions attached to the bonds issued abroad that are subject to the Securities Standards of the United States of America, specifically Regulation 144A and Regulation S issued by the U.S. Securities and Exchange Commission, the Committee proposed that the agencies Standard & Poor's and Fitch Ratings should be retained.

The Directors' Committee met five times during 2016.

Membership and attendance at meetings:

Director	2016 Attendance	2015 Attendance
Hernán Büchi Buc, (Chairman)*	5	6
Sergio Cardone Solari	5	6
José Luis del Río Goudie	3	4

*Independent Director

Directors' Committee Remuneration (thousands of Ch\$)

Chilean ID number	Director	Fixed Portion	Variable Portion	Total 2016	Total 2015
5.082.229-K	Sergio Cardone Solari	1,967	60,661	62,628	56,108
5.718.666-6	Hernán Büchi Buc	33,366	60,661	94,027	76,590
4.773.832-6	José Luis del Río Goudie	1,481	60,661	62,142	56,108
Total		36,815	181,983	218,798	188,806

Strategy Committee



The purpose of the Strategy Committee is to evaluate industry trends and their implications for S.A.C.I. Falabella. The Committee makes recommendations to the Board regarding medium and long-term strategic business opportunities.

The Strategy Committee examines the corporate strategic plan, and the plans prepared by each business unit. The Committee proposes improvements to these plans as presented by the CEO.

Furthermore, the Committee thoroughly examines investments and divestments, and makes proposals regarding the company's investment and risk management policies. 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 2016.

Its members and their attendance was as follows

Director	2016 Attendance	2015 Attendance
Carlo Solari Donaggio (Chairman)	4	4
Juan Carlos Cortés Solari	4	4
Hernan Büchi Buc	-	2
Sergio Cardone Solari	4	4
José Luis del Río Goudie	3	4
Paola Cúneo Queirolo	4	3

Compensation and Talent Committee



This committee analyzes the policies regarding compensation, performance evaluation and talent management. The committee also reviews nominations to Director positions for the company's subsidiaries.

The committee analyzes and proposes compensation policies for the Directors, Board advisors and senior executives of the company and its relevant subsidiaries.

The committee designs performance evaluation policies for Directors and ensures that the performance of the CEO is correctly evaluated.

Furthermore, the committee is regularly informed about key issues for talent management and nominations within the organization. The committee proposes policies and procedures regarding succession plans for the CEO and senior executives, and monitors their performance.

The Compensation and Talent Committee held one meeting in 2016. José Pablo Arellano is also a member of this committee, together with three Directors named in the following table.

Members and Meeting Attendance:

Director	2016 Attendance	2015 Attendance
Juan Carlos Cortés Solari (Chairman)	1	3
Carlo Solari Donaggio	1	3
Carolina del Río Goudie	-	3



Management S.A.C.I Falabella

Senior Executives

BOARD OF DIRECTORS

▶ **Sandro Solari Donaggio**
 9.585.729-9
 Chief Executive Officer
 Civil Engineer
22 years in Falabella Companies
 Date appointed: November 2012

▶ **Jorge Joannon Errázuriz**
 7.003.348-8
 Internal Audit Manager
 Civil Engineer
2 years in Falabella Companies
 Date appointed: August 2014

▶ **Alejandro González Dale**
 10.054.917-4
 Chief Financial Officer
 Business Administrator
10 years in Falabella Companies
 Date appointed: November 2006

▶ **Jordi Gaju Nicolau**
 13.660.520-8
 Planning And Development Manager
 Business Administrator
7 years in Falabella Companies
 Date appointed: July 2009

▶ **Gonzalo Smith Ferrer**
 9.959.968-5
 Corporate Legal Affairs and
 Governance Manager
 Lawyer
1 years in Falabella Companies
 Date appointed: December 2015

▶ **Pablo Ardanaz**
 O-E (Foreigner)
 Argentina Country Manager
 Industrial Engineer
10 years in Falabella Companies
 Date appointed: August 2016

▶ **Rodrigo Fajardo Zilleruelo**
 7.649.739-7
 Colombia Country Manager
 Business Administrator
22 years in Falabella Companies
 Date appointed: February 2010

▶ **Juan Xavier Roca Mendenhall**
 O-E (Foreigner)
 Peru Country Manager
 Economist
28 years in Falabella Companies
 Date appointed: September 2013

▶ **Gonzalo Somoza García**
 22.051.269-K
 CEO
 Department Stores
 Civil Engineer
17 years in Falabella Companies
 Date appointed: April 2014

▶ **Enrique Gundermann Wylie**
 9.900.567-K
 CEO Home
 Improvement Stores
 Civil Engineer
15 years in Falabella Companies
 Date appointed: October 2012

▶ **Cristóbal Irarrázabal Philippi**
 10.216.082-7
 CEO Supermarkets
 Civil Engineer
15 years in Falabella Companies
 Date appointed: January 2011

▶ **Pablo Meza Martínez**
 6.699.659-K
 Corporate IT Manager
 Civil Engineer
25 years in Falabella Companies
 Date appointed: April 1992

▶ **Gaston Bottazzini**
 22.923.569-9
 CEO Falabella Financiero Econo-
 mist
8 years in Falabella Companies
 Date appointed: October 2008

▶ **Fernando de Peña Iver**
 7.556.207-1
 CEO Mallplaza
 Civil Engineer
27 years in Falabella Companies
 Date appointed: January 1990

▶ **Ricardo Hepp de Los Ríos**
 7.617.431-8
 CEO Rentas Falabella
 Business Administrator
22 years in Falabella Companies
 Date appointed: April 2009

Note:

Juan Xavier Roca Mendenhall left the position of Peru Country Manager on December 31, 2016 and was replaced by Juan Fernando Correa.
 Pablo Meza Martínez left the position of Corporate IT Manager on January 31, 2017 and was replaced by Brian Brenta.



As of December 31, 2016, no executive or Director, excluding those who are members of the Controlling Group (which is described in the following pages) individually owned more 0.5% of the company. Also as of December 31, 2016, the executives and Directors (excluding the Controlling Group), taken together did not own more than 0.5% of the company.

Eleven of the senior executives are Chilean, four are foreigners and all are men.

The numbers of senior executives by age and by service was as follows.

Number of executives by age range

Age	Executives
Aged under 30	-
Aged between 30 and 40	1
Aged between 41 and 50	9
Aged between 51 and 60	3
Aged between 61 and 70	2
Aged over 70	-

Number of executives by service range

Service	Executives
Less than 3 years	2
Between 3 and 6 years	-
Between 6 and 9 years	2
Between 9 and 12 years	2
Over 12 years	9

Incentive Plans

The company and its subsidiaries provide its employees with incentives in addition to their salaries in the form of bonuses. These are calculated based on objectives that are set at the beginning of each period and the extent to which they are achieved. The company also has executive bonus plans based on the company's stock performance. For more information on stock based compensation, please refer to Note 21 d) in the company's Financial Statements as of December 31, 2016.



Ownership and Control

Controlling Group

The following groups of shareholders make up the “controlling group”, which controls S.A.C.I. Falabella. As of December 31st, 2016, the controlling group owned 76.59% of the company’s shares. These controlling shareholders have a Shareholders Agreement that was signed on September 24th, 2013. This Agreement contains restrictions on the free use of shares.



Grupo Auguri

	Chilean ID number	Shares	%
SOLARI FALABELLA MARÍA LUISA (estate)	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		

Grupo Bethia

	Chilean ID number	Shares	%
BETHIA SA	78.591.370-1	238,649,011	9.80%
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		
INBET 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

	Chilean ID number	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 DOS LIMITADA	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		

Grupo Corso (continuation)

	Chilean ID number	Shares	%
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		
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		
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

	Chilean ID number	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 INVERSIONES 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		
ASESORÍAS E INVERSIONES 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

	Chilean ID number	Shares	%
INVERSIONES LOS OLIVOS SA	76.360.576-0	280,569,988	11.52%
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		

* Inv y Rentas Don Alberto Cuatro SA absorbed Inversiones QS SA and changed its name to Inversiones Don Alberto Cuatro SPA.

Grupo Amalfi

	Chilean ID number	Shares	%
IMPORTADORA Y COMERCIALIZADORA AMALFI SPA	87.743.700-0	45,224,102	1.86%
This company is controlled by the individuals listed below:			
SERGIO CARDONE SOLARI	5.082.229-K		
INÉS FANTUZZI MUTINELLI	6.066.811-6		
MACARENA CARDONE ARMENDÁRIZ	10.091.903-6		
MATÍAS CARDONE ARMENDÁRIZ	10.091.901-K		
VALENTINA CARDONE ARMENDÁRIZ	15.642.572-9		
JOSEFINA CARDONE MATTE	17.406.681-7		
FRANCISCO DE PABLO FANTUZZI	12.265.592-K		
CRISTIÁN DE PABLO FANTUZZI	12.585.617-9		
NICOLÁS DE PABLO FANTUZZI	13.550.768-7		
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

	Chilean ID number	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		
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		

Grupo Dersa (continuation)

	Chilean ID number	Shares	%
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		
DT PEÑUELAS 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	9,892,110	0.41%
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 VITACURA 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		

Grupo Dersa (continuation)

	Chilean ID number	Shares	%
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		
INPECA 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		
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 SPA	76.156.962-7	500,000	0.02%
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		
DEL RÍO GOUDIE FELIPE AURELIO	5.851.869-7	7,941	0.00%
Total Controllers		1,864,435,855	76.59%

Equity

As of December 31, 2016 the company's equity was divided into 2,434,465,103 shares of equal value and belonging to a single series, with 1,410 registered shareholders.

12 Largest Shareholders

	Chilean ID number	Shares	%
INVERSIONES LOS OLIVOS SA	76.360.576-0	280,569,988	11.52%
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	238,649,011	9.80%
INVERSIONES Y RENTAS DON ALBERTO CUATRO SPA	99.552.470-8	150,666,022	6.19%
DERSA SA	95.999.000-K	138,024,501	5.67%
BANCO DE CHILE ON BEHALF OF NON-RESIDENT THIRD PARTIES	97.004.000-5	113,202,883	4.65%
MAPCOR CUATRO SA	99.556.480-7	108,247,346	4.45%
BANCO ITAU CORPBANCA ON BEHALF OF FOREIGN INVESTORS	97.023.000-9	105,623,601	4.34%
BANCO SANTANDER ON BEHALF OF FOREIGN INVESTORS	97.036.000-K	60,132,951	2.47%
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

In July 2016, the Dersa Group sold 52,961,590 shares of S.A.C.I. Falabella, equivalent to 2.17%. The investment companies that sold all of the S.A.C.I. Falabella shares under their custody were Inder SpA, Chilean ID number 76.075.989-9 and Ager SpA, Chilean ID number 76.142.164-6. These transactions were for 41,114,421 and 11,847,169 shares, respectively.

During the year, no other transactions represented more than 1% controlling group's holdings in the company.

Dividend Policy and Estatistic

The dividends paid during 2014, 2015 and 2016 are detailed below:

	Ch\$/share
Final dividend N° 34	
Paid in May, 2014	40
Final dividend N° 35	
Paid in December, 2014	25
Final dividend N° 36	
Paid in May, 2015	47
Final dividend N° 37	
Paid in October, 2015	26
Final dividend N° 38	
Paid in May, 2016	54
Interim dividend N° 39	
Paid in November, 2016	26

The ordinary shareholders meeting held on April 26, 2016 approved that the dividend policy is to distribute at least 30% of the company's net liquid income each year. A Material Fact was issued on December 28, 2016 that informs the Board's decision on December 27, 2016 to modify the policy to determine the distributable liquid net income beginning with 2016's earnings. The terms of this modification are described in the Material Fact, which is included in this Annual Report.



CORPORATE INFORMATION



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Identification of the Company

S.A.C.I. Falabella is a publicly traded corporation registered under N° 582 in the Securities Registry of the Securities and Insurance Superintendence. Its main offices are located at Manuel Rodríguez Norte 730, Santiago, Chile; Phone: +56 (2) 2380-2000; Fax: +56 (2) 2380-2077; P.O. Box 1737; web site: www.falabella.cl/inversionistas; e-mail address: inversionistas@falabella.cl. Its taxpayer identification number 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 19, 1937, before the Santiago Notary Mr. Jorge Gaete Rojas. The Company was authorized to do business and declared legally constituted by Supreme Decree 1,424 dated April 14, 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, and were published in the *Diario Oficial* (Chile's official publisher of legal notices) on April 27, 1937, and in the *La Nación* newspaper of Santiago on April 27, 29 and 30 and May 3 of the same year.

Since its incorporation, the by-laws have been subject to several amendments, including changing its corporate name to "S.A.C.I. Falabella" by public deed on December 23, 1970. The most recent amendment having been approved at an Extraordinary Shareholders Meeting held on April 28, 2009. The minutes of that meeting were executed as a public deed on May 11, 2009, before Mr. Guillermo Le-Fort Campos, who was the alternate notary at the second Santiago Notary Office. An abstract of that deed was published in edition N° 39,375 of the *Diario Oficial* on June 1, 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 amended and published in edition N° 39,406 of the *Diario Oficial* on July 8, 2009, and registered on page 30,826, number 21,157 of the 2009 Commercial Registry of the Santiago Property Registrar. Finally, a public deed was

executed on June 15, 2015 before the Santiago Notary Mr. Francisco Leiva Carvajal, and noted at the margin of the company's registration on June 17, 2015, with the declaration required by Article 56 of the Law 18,046 Regulations.

The Company's purpose shall be to: 1) Directly or through third parties, within Chile or abroad, install and operate any kind of commercial establishment, shop, store and supermarket, that retails any kind of goods and services, including: clothing, raw materials, textiles, ready-made and tailored clothing, decorations and accessories, all kinds of hardware articles, household goods or equipment, electrical or electronic equipment, such as radios, televisions, computers, cookers, washing machines, and in general all kinds of products and services that can be sold in large retail shops, stores and supermarkets. 2) Directly or through third parties, within Chile or abroad, install and operate workshops or factories to produce such articles to be sold on a retail basis. 3) Sell, import, export and market such retail products. 4) Directly or through companies in which it invests, within Chile or abroad, organize, commission, develop and manage systems for marketing, granting credit and retail finance for all such articles, goods, products and services to be sold on a retail basis. 5) Directly or through third parties, within Chile or abroad, undertake any kind of real estate business.



Insurance

S.A.C.I. Falabella and its subsidiaries have insurance contracts with world-class insurance companies, which adequately protect its assets against the risk of loss or damage. These assets include buildings, inventories, facilities, vehicles, machinery, and the storage and freight of products for sale. Insured risks expressly include fire and natural events, such as earthquakes. The property insurance policy also contemplates damages for business interruption. Policies also cover the company's third-party civil liabilities and other risks that are standard for the industry.



Regulatory Framework

S.A.C.I. Falabella is a publicly traded corporation and is governed by Law 18,046 regarding Corporations, Law 18,045 regarding the Stock Market, and regulations issued by the Securities and Insurance Superintendence, among others.

S.A.C.I. Falabella's subsidiaries are subject to Consumer Protection Law, General Banking Law, regulations issued by the Securities and Insurance

Brands and Patents

The company and its subsidiaries have registered many product brands that they market both in Chile and abroad. The company relies on the advice of the lawyers Silva & Cia to protect its brands. Additionally, the related company Plaza S.A. relies on the advice of the lawyers Porzio, Ríos, García and Associates.

The main registered trademarked private brands of S.A.C.I. Falabella and its subsidiaries include:

Falabella, Sodimac, Homecenter, Homecenter Sodimac, Sodimac Constructor, Imperial, Maestro, Homy, Tottus, Precio Uno, CMR, Banco Falabella, Viajes Falabella, Seguros Falabella, Mallplaza, Open Plaza, Sybilla, Basement, Americanino, Newport, Apology, University Club, Yamp, Doo Australia, Eleven, Home Collection, Bauker, Kolor, Mr. Beef, Recco, Ubermann, Wurden, Ozom, among others.

Superintendence and the Banking and Financial Institutions Superintendence, among others, depending on the nature of their business.

Subsidiaries abroad are regulated by the laws issued in their own jurisdictions.



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 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. However, subsidiaries 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 its major business units also analyze potential risks at Board meetings and Audit Committee meetings, as well as at audit committee meetings in the case of certain subsidiaries.

S.A.C.I. Falabella and its main subsidiaries have internal audit teams that report directly to the Boards of each company. These teams conduct internal audits according to audit plans previously approved by the corresponding Boards. The results of these processes are reported to the audited units and the corresponding Boards, and are analyzed by the Audit Committee or Directors' Committee.

The following is a list of the Empresas Falabellas' main risks, according to the analysis carried out by the company and its subsidiaries, based on 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 financial losses and a negative impact 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 those listed here to be the most relevant based on our experience and the information currently available.

Risk of Injury to People and Assets

The company and its subsidiaries operate a significant number of facilities and various assets that are necessary for carrying out its business, such as stores, shopping centers, distribution centers, offices and equipment, among others. These facilities, goods and assets are subject to events that could diminish 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 these facilities they could also harm the people that use them, whether they be customers, employees or suppliers. Injury to people within such facilities could result in financial or reputational consequences for the company or its subsidiaries. Similarly, damage to facilities could temporarily or permanently halt operations, leading to financial losses, and negatively affecting revenue or the profitability of the respective business, depending on the scope of the event and the protection provided by the company's insurance policies.

Competition Risk

The company and its subsidiaries face competition in each of its markets. This competition depends on various factors, including the price, 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. Competition could intensify in the future, either from existing competitors or from new players. The potential failure 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 could even result in its business model or value proposition becoming obsolete, in extreme circumstances.

Exchange Rate Risk

The value of the Chilean peso fluctuates compared to 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 imports are pending there is an exchange rate risk. The same is true in Argentina, Colombia, Peru, Brazil and Uruguay regarding the exchange rates of their local currencies to the U.S. dollar. A sharp depreciation in one or more of these local currencies could result in higher costs and lower margins for the respective business. Also, fluctuations in exchange rates with respect to the Chilean peso in countries where S.A.C.I. Falabella has invested, may affect the value of such investments abroad. These currency fluctuations may also affect the contribution of subsidiaries outside Chile to the consolidated financial statements of the company, which are expressed in Chilean pesos, including consolidated revenues.

Retail Sensitivity to Economic Cycles

The Falabella Companies' revenues are subject to fluctuations in the commercial sector and to economic cycles. Consumer behavior is affected by many factors, including the perception of overall economic outlook, based on factors such as inflation, economic growth, interest rates, etc. These factors can affect purchasing behavior and the ability of consumers to repay consumer loans. This could adversely affect revenues and the profitability of the company and its subsidiaries.

Inventory Management Risks

The company and its subsidiaries must maintain sufficient stock levels to run its business successfully, avoiding both inventory shortfalls and surpluses. Suppliers usually need considerable lead time to fulfill product orders, so purchase orders need to be submitted long before these products are offered for sale. Therefore, it is necessary to anticipate future demand accurately and estimate the time needed to procure products in order to ensure appropriate inventory 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 forecasts, or delay by suppliers could require the implementation of business strategies to offset or mitigate these situations, which could have a negative impact on the Falabella Companies' results.

Risk of Investments Abroad

The Falabella Companies' financial situation and operating results rely, to a large extent, on the prevailing economic conditions in the countries where they operate. Economic conditions in these countries may be affected by a number of factors that are beyond the company's control, including economic and/or other government policies, inflation policies and inflation control mechanisms, exchange rate fluctuations, and global and regional economic conditions, among others. Adverse changes in these variables could affect the Falabella Companies' businesses, customers and suppliers.

Risk of Rising Interest Rates

A high proportion of sales to customers in the Falabella Companies' stores are financed by credit granted by CMR and Banco Falabella. A significant rise in interest rates could affect company revenues and its lending business, since consumption usually falls in these circumstances.

Fluctuations in interest rates could also impact the financial cost of the company's financial debt. This effect would relate to loans at variable rates or short-term loans, but also when refinancing liabilities or issuing new long-term debt.

IT Systems and Information Security Risks

The company and its subsidiaries use information technology systems and processes in all their businesses. A prolonged failure in any of these systems could disrupt some of these processes, potentially affecting sales, costs, or causing other adverse effects. The company and its subsidiaries are also subject to third-party attacks on their

systems, aimed at accessing confidential information belonging to the Falabella Companies, their customers or suppliers. A breach of the Falabella Companies' IT security systems could seriously damage the reputation of the company or its subsidiaries and impact future revenues.

Human Capital Risks

The company and its subsidiaries rely on the experience and knowledge of their executives, employees and directors to run their daily business and to implement investment plans. An inability to attract and retain talent could impact the Falabella Companies' 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 various countries, all of which affect and determine the way in which the 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, resulting in increased costs and making them less profitable or unviable.

Associations and Organizations

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

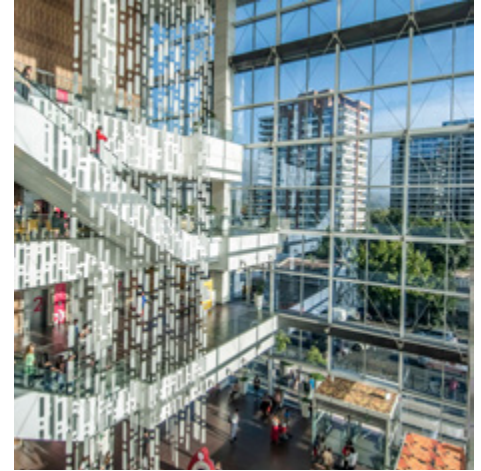
Department Stores:

- International Association of Department Stores
- United Nations Global Compact
- Sedex
- U.S. Green Building Council
- Acción RSE Chile (Entrepreneurial Action on Social Responsibility)
- Chilean Association of Advertisers (ANDA)
- American Chamber of Commerce (AMCHAM)
- Santiago Chamber of Commerce (CCS)
- Chilean Chamber of Commerce, Services and Tourism (CNC)
- 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
- Bogota Chamber of Commerce (CCB)
- Colombian Chilean Chamber of Commerce and Industry
- Colombian National Federation of Merchants (FENALCO)

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)
- Chilean Chamber of Commerce, Services and Tourism (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 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)
- Bogota and Cundinamarca Human Management Association (ACRIP)
- National Association of Colombian Business (ANDI)
- Colombian Chamber of Construction (CAMACOL)
- Colombian Chamber of Infrastructure
- Bogota Chamber of Commerce
- Colombian Sustainable Construction Council
- Colombian Business Council for Sustainable Development (CECODES)
- conTREEbute (Colombia)
- Colombian National Federation of Merchants (FENALCO)
- Colombian National Federation of Wood Industry (Fedemadera)
- Al 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) (Brazil)
- Uruguayan Chamber of Commerce and Services
- DERES Corporate Social Responsibility (Uruguay)
- Fideicomiso PGE – Uruguayan Chamber of Industry
- Commercial Defense League (LIDECO) (Uruguay)





Supermarkets:

- International Labour Organization (ILO)
- ISO 26000
- Sedex
- U.S. Green Building Council (Peru)
- 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 (of the CNC)
- Peruvian National Association of Advertisers (ANDA)
- Lima Chamber of Commerce (CCL)
- Peruvian Committee of Electrical Appliance Merchants
- Governing Board of GS1 Peru
- Foreign Trade Society of Peru (Comex)
- Peruvian Marketing Society
- Multisectorial Permanent Commission on Food Safety (COMPIAL – Peru)

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
- Retail Finance Committee, Insurance Service – Seguros Falabella Chile
- Chile Transparente (Transparency International)
- 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 (APA-VIT) – 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 (ATA-CYC) – 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
- Colombian Association of Shopping Centers (Acecolombia)
- Chilean Colombian Chamber of Trade and Industry
- Bogota and Cundinamarca Human Management Association (ACRIP)



Awards and Recognition

S.A.C.I. Falabella:

- S.A.C.I. Falabella was included, for the first time, in the Dow Jones Sustainability World Index (DJSI World), which evaluates the largest companies in the world in terms of financial, social and environmental issues. The process this year reviewed 2,535 companies from 47 countries, of which 316 companies were selected for the DJSI World Index, including two Chilean companies.
- S.A.C.I. Falabella was included again this year in the Dow Jones Sustainability Emerging Markets Index (DJSI EM) and the Dow Jones Sustainability Chile Index (DJSI Chile).
- S.A.C.I. Falabella took 10th place in the 2016 World's Best Multinational Workplaces ranking, prepared by the Great Place to Work Institute, up six positions from 2015.
- S.A.C.I. Falabella took 37th place in the Latin American Multilatina 2016 ranking prepared by América Economía.
- S.A.C.I. Falabella (87th place) is the only company headquartered in Chile –and one of only two companies from Latin America– selected for Forbes's The World's Most Innovative Companies 2016 ranking.



Department Stores:

- Falabella is the most valuable brand in Chile and the 4th most valuable brand in Latin America, according to the 2017 rankings of BrandZ Top 50 Latin American Brands, conducted by the company Millward Brown.
- Falabella Colombia took 6th place (in the over 500 employees category) in the 2016 Best Companies to Work For ranking, prepared for each country by the Great Place to Work Institute. Saga Falabella took 8th place (in the over 1,000 employees category), Falabella Argentina took 8th place (in the over 1,000 employees category) and Falabella Chile took 17th place.
- U.S. Green Building Council awarded LEED certification to the Falabella San Fernando store in Chile.
- Falabella Retail won the Customer Satisfaction National Award in the department stores sector at the 2016 ProQuality Awards, a joint initiative between the Universidad Adolfo Ibañez (Chile) and the Praxis Customer Engagement consultancy.
- In the 3D Chilean Brands and Life Styles study carried out by GfK Adimark, Falabella won in the Department Store category.
- First place in the Retail sector (8th place in the Corporate category) in the MercoEmpresas Chile 2016 ranking, which measures corporate reputation. Saga Falabella took 2nd place in Peru in the specialist retail sector, and Falabella Colombia took 3rd place in the Large store sector.
- First place in the Retail sector in the 2016 MercoTalento Chile ranking, which measures the companies that best attract and retain talented staff. Saga Falabella took 1st place in Peru in the specialist retail sector, and Falabella Colombia took 3rd place in the Large store sector.
- Saga Falabella in Peru took 2nd place in the specialist retail sector in the 2016 Merco Corporate Governance and Responsibility ranking.
- Falabella Retail won the Corporate Sustainability Award granted by SOFOFA, Capital magazine and the Business Sustainability Center of the Business School and the UAI, for its "Haciendo Escuela" program.
- Saga Falabella took 1st place in the Department store category in the "15th Annual Executive Survey 2016", conducted by the Lima Chamber of Commerce.
- Falabella Chile was recognized as one of the 50 most innovative companies in Chile in the Retail category, awarded by Best Place to Innovate in partnership with the Innovation and Technology Center at the Universidad Adolfo Ibañez UAI, the researcher GfK Adimark, and the business accelerator Imagine Business Lab by Microsoft Innovation Center.
- Falabella entered the 2016 E-Business Hall of Fame. This recognition was awarded by the eCommerce Institute. "Retail eCommerce Leaders" was awarded to Falabella.com in the 2016 eCommerce Awards in Colombia.
- Saga Falabella won the award for "Most attractive employer in the Peruvian retail sector", awarded by Laborum.
- Gold Award in the Trade/Retail category at the 2016 Colombia Effie Awards for the campaign "Soy Falabella" (I am Falabella).
- Falabella participated in the first stage of the Chile Footprint program at the Environment Ministry, and received recognition for counting and reporting greenhouse gas emissions at its Parque Arauco and Alto Las Condes stores.
- 5th place in the Business Sustainability ranking prepared by the PROhumana Foundation (Chile).
- Saga Falabella took 5th place in the 2016 Most Gender Equitable Companies ranking awarded by OWIT Peru (Organization of Women in International Trade).
- 6th place in the Cool Place to Bike ranking. This is a national prize awarded by KAPPO BIKE, which recognizes companies and institutions that encourage their employees to use bicycles.
- 9th place in the 100 Brands most valued by Chileans ranking in the Brand Asset Valuator (BAV), prepared by the consultant BavLab Y&R and published in Capital magazine.

Home Improvement Stores:

- Sodimac is the second most valuable brand in Chile (after Falabella Retail) and the 13th most valuable in Latin America, according to the 2017 ranking of BrandZ Top 50 Latin American Brands, carried out by the company Millward Brown for the multinational advertising agency WPP.
- Sodimac Uruguay took 3rd place in the 2016 Best Companies to Work For ranking in Uruguay (in the over 150 employees category), prepared by the Great Place to Work Institute. Sodimac Argentina took 5th place (in the over 1,000 employees category), Maestro and Sodimac Peru took 10th and 11th place respectively (in the over 1,000 employees category) and Sodimac Colombia took 13th place (in the over 500 employees category)
- In the 3D Chilean Brands and Life Styles study carried out by GfK Adimark, Sodimac was classified within the Excellent brands, and led in the home improvement and construction category.
- Sodimac Peru took 1st place in the Specialist Retail sector in the 2016 Merco Companies ranking, which measures corporate reputation. Sodimac Chile took 2nd place in the Retail sector (9th place in the Corporate category) and Sodimac Colombia took 2nd place in the Large store sector.
- 2nd place in the Retail sector in the 2016 Merco Talent Chile ranking, which measures the companies that best attract and retain talented staff. Sodimac took 2nd place in Peru in the specialist retail sector, and Sodimac Colombia took 2nd place in the large store sector.
- Sodimac in Peru took 1st place in the specialist retail sector in the 2016 Merco Corporate Governance and Responsibility ranking.
- Sodimac won the Corporate Sustainability Award in the Corporate Governance category granted by SOFOFA, Capital magazine and the Business Sustainability Center of the UAI Business School, for its customer service, and for increasing its NPS by 30%.
- 3rd place in the Corporate Reputation awards for the 2016 RepTrak ranking in Chile, carried out by two international consultants: The Reputation Institute and Triangular Strategic Integration.
- Sodimac Chile took 4th place in the Corporate Sustainability Index prepared by the ActionAbility Institute and published in Capital magazine.
- Sodimac Chile received a training award for being the company that provides the most training, awarded by the OTIC of the Chilean Chamber of Construction.
- Sodimac Chile received the SENCE award for being the company that provides the most SENCE training (National Training and Employment Service), an agency of the Government of Chile.
- Sodimac Chile received the 2016 Business Award in the outstanding company category, awarded by the Universidad de Santiago de Chile.
- Sodimac Chile received the CIRPAN 2016 Award in the Growth, Leadership and Innovation category awarded by the Panamericana Norte Companies Circle.
- Sodimac Chile was recognized as one of the 50 most innovative companies of Chile in the Retail category, awarded by Best Place to Innovate in partnership with the Innovation and Technology Center at the Universidad Adolfo Ibáñez UAI, the researcher GfK Adimark, and the business accelerator Imagine Business Lab by Microsoft Innovation Center.
- The National Free Trade and Intellectual Property Protection Institute (INDECOPI) awarded the prize "Customers First - Guarantees Honored" to Sodimac Peru for its technical support and customer service volume, and the "Customers First" prize to Maestro Peru in the Information Mechanisms category for its program of "Train yourself with Maestro" workshops.
- First place in the Home improvement store category in the "15th Annual Executive Survey 2016", conducted by the Lima Chamber of Commerce.
- 8th place for in the 2016 Most Gender Equitable Companies ranking awarded by OWIT Peru (Organization of Women in International Trade).
- Sodimac Colombia received the 2016 Andesco Award for Social Responsibility in the Economic Environment category, awarded by the National Association of Public Services and Communications in Colombia.
- Maestro received recognition for its "Reeduca" recycling campaign, awarded by the Environment Ministry in Peru.
- Maestro received recognition for its "Trabajando junto a ti" (Working Together) inclusion program, awarded by the Employment Ministry in Peru.
- Sodimac Peru received recognition as a Socially Responsible Company, in the Fifth Distinctive Socially Responsible Company Awards prepared by Peru 2021.
- 12th place in the 100 brands most valued by Chileans ranking in the Brand Asset Valuator (BAV), prepared by the consultant BavLab Y&R and published in Capital magazine.
- 15th place in the 2016 Corporate Reputation ranking conducted by Hill & Knowlton, GfK Adimark and the newspaper El Pulso in Chile.





Supermarkets:

- Tottus is the 7th most valuable brand in Chile, according to the 2017 ranking of BrandZ Top 50 Latin American Brands, carried out by the company Millward Brown for the multinational advertising agency WPP.
- Tottus took 12th place in the 2016 Best Companies to Work For ranking in Peru (in the over 1,000 employees category), prepared by the Great Place to Work Institute.
- Tottus Chile took 2nd place in "Consumer Satisfaction" in the Supermarkets category in the measurement of the National Customer Satisfaction Index (INSC), prepared by ProQuality for the first semester of 2016.
- Tottus Peru took first place in the Self-service sector in the Merco Companies Peru ranking, which measures corporate reputation. It took first place in the Self-service sector in the Merco Talent Peru ranking, which measures the companies that best attract and retain talented staff. Additionally it took 3rd place in the Self-service sector in the 2016 Merco Corporate Governance and Responsibility ranking in Peru.
- Tottus Peru received the "Best Retail Supermarket Campaign" award, awarded by Magic the Marketing Representative of Disney Consumer Products Latam, in recognition of its innovation, for being pioneers in creating a differentiated customer experience, for its excellent point-of-sale implementation, and successful 360 campaign to disseminate the Tottus World.
- Tottus Peru received the "ABE for Social Responsibility 2016" award, in the "Best Program for People with Special Abilities" category, awarded by the Association of Good Employers (ABE), of the Peruvian American Chamber of Commerce (AMCHAM), for giving people with hearing disabilities the opportunity to work as cashiers.
- The Education Ministry (MINEDU) recognized Tottus Peru as one of its "Educational Allies" for its contribution to improving education in Peru during 2016.
- Rimac recognized Tottus Peru for the third consecutive year with the "Excellent Prevention of Occupational Risks" award, in the "Best Integrated Management of Occupational Risk Prevention" category in Peru.
- The Praxis Xperience Index (PXI) 2016 for Chile placed Tottus within the group of companies with "Good Service Experience".

Financial Services:

- CMR won the Customer Satisfaction National Award in the Commercial Cards sector at the 2016 ProQuality Awards, a joint initiative between the Universidad Adolfo Ibañez (Chile) and the Praxis Customer Engagement consultancy.
- CMR Argentina took 6th place in the Best Companies to Work For ranking in Argentina (in the 251 to 1,000 employees category) and Viajes Falabella Argentina took 11th place (in the under 251 employees category).
- First place in the "Eddu" program, in the Financial Education and Inclusion contest, in the Financial Education Contribution category to Falabella Financiero in Chile, awarded by the SBIF, the MIPP Millennium Institute and the Millennium Scientific Initiative (ICM).
- "Best Business Initiatives" award to Falabella Financiero in Chile in the best merger and acquisition category for its alliance with Soriana, awarded by the newspaper El Diario Financiero.
- CMR Chile won the Consumer Loyalty Award, in the commercial cards category, awarded by Alco Consultores.



Real Estate Business:

- CMR Chile received the recently launched 2016 IMPULSA Female Talent Award, which recognizes companies by sector that promote women in the workplace with high female recruitment and talent development, according to public data from GS 386 proposed by the SVS on corporate governance, social responsibility and sustainable development, awarded by the ChileMujeres Foundation, PwC Chile and PULSO.
- 2nd place for Banco Falabella in the 2016 Most Gender Equitable Companies ranking awarded by OWIT Peru (Organization of Women in International Trade).
- Banco Falabella Peru received recognition as a Socially Responsible Company, in the Fifth Distinctive Socially Responsible Company awards prepared by Peru 2021.
- Banco Falabella Peru received recognition in the Gender, Equality and Diversity program of the National Best Practice Competition for confronting domestic and sexual violence and femicide, awarded by the Ministry of Women and Vulnerable Populations.
- Viajes and CMR Argentina won a Social Impact Promoters prize, awarded by "Red Activos" (a Non-profit Civil Association).
- Banco Falabella Colombia received the Bronze Award in the Colombian Effie Awards 2016 in the David & Goliath category, for its "Hablamos mirándote a los ojos" (Talking whilst looking you in the eyes) campaign.
- América Solidaria together with Banco Falabella Colombia won the Best Fundraising Campaign with Higher Investment award, in the 2016 AFCOL Friendraising Awards, for its fund-raising campaign "A World of Opportunities" conducted in 2015 - 2016.
- Seguros Colombia took 3rd place in the customer service category, for reinforcing the "We are passionate about customers" principle, through various sales and customer service channels (branches, Call Center, Customer Management), awarded by the Colombian business newspaper Portafolio.
- Banco Falabella Chile was recognized as one of the 50 most innovative companies of Chile in the Financial Services category, awarded by Best Place to Innovate in partnership with the Innovation and Technology Center at the Universidad Adolfo Ibáñez UAI, the researcher GfK Adimark, and the business accelerator Imagine Business Lab by Microsoft Innovation Center.
- The 2016 Praxis Xperience Index (PXI) for Chile placed Banco Falabella and CMR within the group of companies with "Good Service Experience".
- Mallplaza took 3rd place (gold seal) in the Business Sustainability ranking prepared by the PROhumana Foundation (Chile).
- Mallplaza Egaña received the "2016 Best of the Best Viva Awards" award in the sustainability category, from the International Council of Shopping Centers (ICSC) at the annual shopping centers event in Las Vegas, USA.
- Mallplaza Oeste (Chile) received an award in the Remodeling/Extensions category from the International Council of Shopping Centers (ICSC) at the RECon Latin America 2016 event. Similarly they recognized Mall Aventura Plaza in Peru in the Marketing category for its "Suma tu Energía" (Add Your Energy) campaign. They also recognized Open Plaza Rancagua in the Events and Sales Promotions category for its Selva Viva Open Plaza event.
- Mallplaza Chile received a Silver Award at the 2016 Effie Awards in the Corporate/Institutional category for its "Decidí ser Mamá" (I decided to become a Mom) campaign. It also received two Bronze awards: one in the Corporate/Institutional category, for its musical "Aladdin" and another in the Engagement / Loyalty category for its "Fan Fest" campaign.
- In the 3D Chilean Brands and Life Styles study carried out by GfK Adimark, Mallplaza won in the Malls category.
- Mallplaza received the "Transparent Example" award in the 2016 Corporate Transparency ranking, prepared by Business Intelligence, for being the only privately owned company that voluntarily chose to measure its corporate transparency indicators.
- Mallplaza took 4th place in the Retail sector, in the 2016 Merco Companies Chile ranking, which measures corporate reputation, awarded by the Corporate Reputation Business Monitor (Merco).
- Mallplaza Los Angeles Chile received an award for Employment Inclusion at the 6th Jobs Fair in Los Angeles, for providing elderly people with employment opportunities, awarded by the Municipality of Los Angeles and AIEP.

Summary of Material Facts During the Period

Material Fact N°1 March 30th, 2016

On occasion of S.A.C.I. Falabella's (the "Company") Board Meeting held on March 29, 2016, the following was agreed upon:

- To call an Ordinary Shareholders' Meeting for April 26, 2016 at 3pm, at Courtyard Hotel, Alamo BC Meeting Room, located in Kennedy Avenue N° 5601, 7th floor, Las Condes, Santiago, in order to discuss the following:
 - Approval of the Report, Balance Sheet, Income Statement and External Auditors' Certificate corresponding to the fiscal year ending December 31, 2015.
 - Distribution of fiscal year 2015's profits.
 - Dividend Policy.
 - Remuneration of the Board.
 - Selection of External Auditors and Risk Classifiers for fiscal year 2016.
 - Selection of the newspaper in which the Company's publications will appear.
 - Account of the operations touched on Title XVI of Law N° 18,046.
 - Report of the Directors' Committee, determination of its budget of expenses and remuneration setting for its members.
 - Other topics falling under the scope of the Ordinary Shareholders' Meeting.
- Concerning the distribution of dividends, it was agreed to propose to the Ordinary Shareholders' Meeting a share-out of \$54 per share as a final dividend, charged against the earnings of the fiscal year ending on December 31, 2015, which added to the \$26 per share distributed as an interim dividend during 2015, gives a total of \$80 per share charged against the earnings of the fiscal year ending on December 31, 2015.

Material Fact N°2 April 15th, 2016

Today, Falabella has entered into a memorandum of understanding with Organización Soriana S.A.B. de C.V. (hereafter, "Soriana"), to pursue an association between Falabella and Soriana, with a 50% participation for each of them, through a joint venture for the development of Sodimac home improvement stores and the CMR financial products and services business in the Mexican market. The memorandum of understanding establishes the fundamental agreements that the parties have already achieved in relation to the joint investment. Falabella and Soriana foresee that the preparation of the definitive agreements should occur in a term not exceeding 90 days. Preliminary, the project considers capital contributions for a total equivalent to approximately US\$600 million, between both companies, during the next 5 years.

The aforementioned memorandum of understanding was presented to the Board of Falabella, which approved it in a board meeting held on this date.

Material Fact N°3 April 27th, 2016

During the Ordinary Shareholders' Meeting held on Tuesday, April 26th 2016 the following was agreed upon:

- Approval of the Annual Report, Balance Sheet, Income Statement and External Auditors Certificate corresponding to the fiscal year ending December 31st 2015.
- Approval of a dividend of CLP\$ 54 per share charged against the earnings of fiscal year 2015. The mentioned dividend will be paid on May 10th, 2016 to the shareholders of the unique series that are registered in the Shareholders Registry by May 4th, 2016. To that effect, Form N° 1 of the Bulletin N° 660 of the Superintendencia is enclosed herewith.
- 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 Ernst & Young to provide external audit services to the company for fiscal year 2016.
- Finally, other subjects pertaining to the scope of these meetings were dealt with.

Material Fact N°4 **July 8th, 2016**

In connection with what was informed through our Material Event disclosure of April 15th 2016, on this day, July 8th 2016, Falabella and Organización Soriana S.A.B. de C.V. (hereinafter, "Soriana") have entered into the definitive agreements for the materialization of the association through which they will jointly develop their home improvement (Sodimac) and financial services (CMR) businesses in Mexico.

The agreements provide for the formation of two companies for the development of these businesses as partners with equal ownership percentages, for which they have each committed contributions equivalent to US\$300 million, in equity and real estate, over the next five years.

The investment plan considers the opening of approximately 20 Sodimac stores within the next five years, the first of which is expected to open by the end of 2017. To develop the financial business, in turn, CMR shall commence operations in all of the Soriana formats in the short term, and in the future in the Sodimac stores that will be opened.

Material Fact N°5 **20 October 26th, 2016**

During the Ordinary Board of Directors Meeting held on Tuesday, October 25th 2016 was approved an interim dividend of CLP\$ 26 (twenty six Chilean pesos) per share charged drawn from the earnings of fiscal year 2016. The mentioned dividend will be paid on November 29th, 2016 to all unique series shareholders registered in the Shareholders Registry by November 23rd, 2016. To that effect, Form N° 1 of the Bulletin N° 660 of the Superintendencia is enclosed herewith.

Material Fact N°6 **October 26th, 2016**

In the Ordinary Board Meeting held on Tuesday, October 25th, 2016, the Society's Board has become aware of a favorable accounting effect in its results (profit), for approximately US\$ 174 million according to the exchange rate of the American dollar valid on July 6, 2016. This accounting effect is a consequence of having the Society acquired control of the Peruvian company Aventura Plaza S.A. (onwards "The Company"), after the scission of a patrimonial block of 40% of the total equity of the Company. The referred scission was agreed upon by the General Shareholders Meeting of Aventura Plaza S.A., held on July 6, 2016, which was reported by the Company through the material fact of the same date.

The above-mentioned favorable accounting effect in the results (profit) of the Society was generated as a consequence of the appreciation of the former participation in the Society in its reasonable value.

Material Fact N°7 **December 13th, 2016**

Today Falabella made the first placement in the local market of dematerialized and bearer bonds with charge to the line to 10 and 30 years, registered in the Register of Securities of the Superintendencia of Securities and the Insurance under the Number 846 and 847, with date 2 of December of 2016, respectively, whose most relevant characteristics are the following:

1. Series Q Bonds, issued with charge to bond line N° 846, for a total sum of CLP 78,000,000,000, with expiration date on November 25th, 2021. The issuance was made at a placement rate of 4,84%, corresponding to a spread of 95 basis points. The total demand reached the equivalent of 2.7 times the amount of the placement.
2. Series S Bonds, issued with charge to bond line N° 847, for a total sum of UF 3,000,000, with expiration date on November 25th, 2039. The issuance was made at a placement rate of 3,11%, corresponding to a spread of 125 basis points. The total demand reached the equivalent of 2.4 times the amount of the placement.

The funds of the placement of Series Q and S bonds will be used entirely to refinance liabilities short- and long-term of Falabella and/or its affiliates, whether they are expressed in national or foreign currency.

The issued Series have an AA / Stable risk rating by Feller Rate and Fitch Ratings.

Material Fact N°8 December 28th, 2016

1. In accordance with the provisions of Bulletin Number 1945, complemented by Bulletin Number 1983, both of the SVS, during its meeting held on October 26th, 2010, the Company's Board implemented a policy for the determination of the net distributable profit (hereinafter, the "Policy"), pursuant to which it was established that neither deductions nor aggregations would be made to the net distributable profit, all of the aforementioned in consideration of the circumstances existing at the time of the Policy's implementation.
2. The Policy has been consistently applied since its adoption. Consequently, since the Policy's adoption and up to and including financial year 2015, the Company has not applied adjustments to the "Profit (Loss) Attributable to the Shareholders of the Controlling Company" account of its financial statements.
3. During its session held yesterday, December 27th, 2016 the Company's Board agreed to modify the Policy as from and including the results of financial year 2016, as follows:
 - a. The Net and Distributable Profit will be that which appears in the annual financial statements in the "Profit (Loss) Attributable to the Shareholders of the Controlling Company" account, excluding:
 - i. the results that are product of fair value valuations, both of assets and liabilities, that have not been monetized or realized, and that are originated as a result of business combinations, or corporate restructurings, including affiliates (subsidiaries) and associates; which will be reintegrated at the time of their monetization or realization; and,
 - ii. the non-monetized or non-realized results due to reappraisal at fair value of investment properties; which will be reintegrated to the net profit at the time of their monetization or realization;
 - b. The effects of deferred taxes, associated to the concepts indicated in preceding literals i and ii, shall follow the same fate as the line item which originate them; and,
 - c. In an explanatory note to the annual financial statements of the corresponding financial year, detailed information will be provided of the adjustments executed, indicating both the criteria used in the determination of the net distributable profit, as well as the scope of the concept of realization and which are the assets and liabilities the results of which will be adjusted due to variation of their fair value.

Material Facts after December 31th 2016

Material Fact N°1 February 28th, 2017

1. For the period running between January 1, 2010 and September 30, 2014, the Company prepared and reported its financial statements according to the International Financial Reporting Standards (hereinafter, "IFRS"), notwithstanding certain additional information requirements imposed by the SVS that are not inconsistent with IFRS.
2. On October 17, 2014, the SVS issued its General Instruction N° 856 (hereinafter, "General Instruction 856") by which it determined that regardless of the content of International Accounting Standard 12 on income taxes, differences between assets and liabilities due to deferred taxes that are a consequence of the increase of the first category income tax rate ordered by Law N° 20,780 on tax reform, would have to be accounted for in the respective fiscal year, over equity.
3. Given that IFRS mandates that financial statements may only be prepared and issued under such rules if they are adopted in full in an explicit and unreserved manner, the requirement imposed by General Instruction 856 caused the Company to stop preparing and issuing its financial statements under IFRS in full and in an explicit and unreserved manner.
4. Given that General Instruction 856 will cease to have effects, with respect to and as of our fiscal year 2016, on February 28, 2017 the board of directors of the Company decided that it will return to the adoption of IFRS in full in the preparation and reporting of its financial statements, through the application of IFRS 1, "First-time Adoption of International Financial Reporting Standards" (hereinafter, "IFRS 1").
5. The above-explained decision will take January 1, 2015 as the transition date to IFRS. Thus, the opening IFRS balance sheet will be that of such date. Therefore, all IFRS rules will be applied retroactively as of January 1, 2015, considering, however, certain mandatory exceptions and voluntary exceptions provided for under IFRS 1. The date of implementation of IFRS for the Company will be January 1, 2016.
6. The company has used the fair value of assets as deemed cost in the retroactive application of IFRS 1. This has caused the revaluation to fair value of certain items under the following accounts: i) "property, plant and equipment"; and, ii) "investment property"; using such revalued amounts as opening amounts. This revaluation was only applied to certain material assets of Chilean subsidiaries. For those items of the referred accounts that were not revalued, their opening values shall remain at their historical cost plus accumulated depreciation.
7. The re-adoption of IFRS has generated: i) a net increase in the Company's equity for an amount of CLPM\$ 368,948,689 as of December 31, 2015, and of CLPM\$ 372,394,084 as of January 1, 2015; ii) a net negative impact in the consolidated integral result of CLPM\$ 3,445,395 as of December 31, 2015; and, iii) a net negative impact of CLPM\$ 2,016,513 in the account "net result attributable to shareholders of the parent" as of December 31, 2015.

Shareholder's Comments and Proposals

There were no comments or proposals from shareholders pursuant to paragraph 3 of Article 74 of Law 18,046 during the Ordinary Shareholders' Meeting held on April 26, 2016.

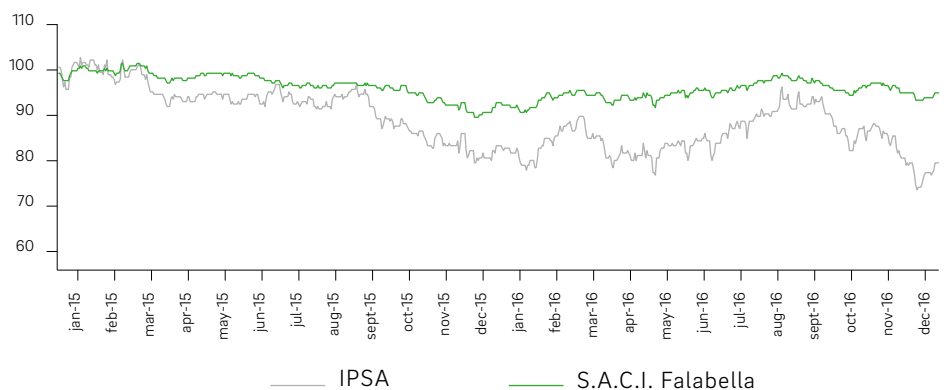
Stock Market Information

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

S.A.C.I. Falabella Data 2015 – 2016

Period	N° of Shares	Volume	Average Price
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
1Q 2016	48,683,930	\$221,729,140,848	\$4,554
2Q 2016	50,306,288	\$248,577,977,377	\$4,941
3Q 2016	128,281,891	\$615,806,245,274	\$4,800
4Q 2016	104,505,410	\$541,375,350,992	\$5,180

Comparison of S.A.C.I. Falabella to IPSA (Chilean Stock Market Index) 2015-2016



Source: Bolsa de Comercio de Santiago, Bolsa Electrónica de Chile and Bolsa de Valores de Valparaíso in Chile.

Stores by Format and Country

The company owns approximately 49% 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 in 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° 2184, 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° 878, Local A	Chillán
15	Talca	1 Norte N° 1485	Talca
16	Plaza Tobalaba	Av, Camilo Henríquez N° 3296, Puente Alto	Santiago
17	Plaza La Serena	Alberto Solari N° 1400, Mall Plaza La Serena	La Serena
18	Valparaiso	Independencia N° 1806	Valparaiso
19	Curicó	Peña N° 615	Curicó
20	Iquique	Héroes de la Concepción N° 2555	Iquique
21	Puerto Montt	Av, Juan Soler Manfredini N° 101	Puerto Montt
22	Quilpué	Diego Portales N° 822	Quilpué
23	Plaza Los Angeles	Valdivia N° 472	Los Ángeles
24	Plaza Norte	Av, Americo Vespucio N° 1737, Santiago	Santiago
25	Expo Pucón	O' Higgins 11, LOCAL 9/10/11	Pucón
26	Puente	Puente N° 530, Santiago	Santiago
27	Portal La Dehesa	La Dehesa N° 1445 local 1, Lo Barnechea	Santiago
28	Plaza Antofagasta	Balmaceda N° 2355, Mall Plaza	Antofagasta
29	La Calera	Prolongación J,J, Perez N° 12010	La Calera
30	Valdivia	Arauco N° 561	Valdivia
31	Melipilla	Vargas N° 457, Melipilla	Melipilla
32	Punta Arenas	Avenida Frei N° 01110	Punta Arenas
33	Manquehue	Avenida Manquehue Sur N° 329, Las Condes	Santiago
34	Plaza Alameda	Av, Libertador Bernardo O Higgins N° 3470 Local A-2, Estación Central	Santiago
35	San Bernardo	Av, Jorge Alessandri N° 20040, Local 1, San Bernardo	Santiago

Department Stores in Chile (continuation)

N°	Stores	Address	City
36	San Felipe	Av. Bernardo O'Higgins N° 1150	San Felipe
37	Costanera Center	Avenida Andrés Bello N° 2447. Providencia	Santiago
38	Arauco Maipu	Av. Américo Vespucio N° 399. Local 500. Maipú	Santiago
39	Expo Puente Alto	Av. Concha y Toro N° 1477	Santiago
40	Ovalle	Prolongación Benavente N° 1075	Ovalle
41	Plaza Egaña	Larrain N° 5862. La Reina	Santiago
42	San Fernando	Avenida Bernardo O' Higgins N° 701 (Cardenal Caro esquina Chillán)	San Fernando
43	Plaza Copiapo	Maipú N° 110	Copiapó
44	Castro	San Martín N° 457	Castro

Department Stores in 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
28	Mall del Sur	Av. Los Lirios 301 - Urb. Entel - San Juan de Miraflores	Lima
29	Huancayo	Av. Ferrocarril 146 - Huancayo	Huancayo

* Crate & Barrel is a chain of stores, based in the U.S., specializing in housewares, furniture and home accessories, renowned for its designs, quality and functionality.

Department Stores in 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 Carrera 100 Cruce Paso Ancho, Centro Comercial Unicentro	Cali
8	Chipichape	Calle 38 Norte N° 6N - 35; Local 406 CC Chipichape	Cali
9	Centro Mayor	Autopista Sur Carrera 27 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, Circunvar 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	Carrera 72 N° 80-94 Local 130-350, Centro comercial Titán Plaza	Bogotá
14	El Castillo	Carrera 13 N° 31-45 Chambacu local 125, Centro Comercial Mall Plaza	Cartagena
15	Floridablanca	Carrera 23 N° 29-145 Local 101, Centro Comercial Parque Caracoli	Bucaramanga
16	Ibague	Calle 57 N° 60K - 8E Avenida Guabinal, Centro Comercial Acqua	Ibague
17	WTC Cali	Avenida 6ª norte entre calles 35an y 36an, World Trade Center	Cali
18	Cacique	Transversal Oriental 93 # 34 - 99, Centro Comercial Cacique	Bucaramanga
19	Chía	Km 2,5 vía Chía-Cajicá Centro Comercial Fontaner	Chía
20	Jardin Plaza	Carrera 98 N° 16 - 20 local 229, Centro Comercial Jardín Plaza	Cali
21	Primavera	Calle 15 N°42 - 01 Loc 101 - 201 -301, Centro Comercial Primavera	Villavicencio
22	Plaza Central	Avenida Calle 13,entre las Carrera, 62 #11-2 y la Carrera 65 #11-48 Centro Comercial Plaza Central	Bogotá
23	Diverplaza	Dirección Trasversal 99 # 70 A - 89, Centro Comercial Diverplaza	Bogotá
24	Parque Colina Campestre	Carrera 58D #145-51; (Avenida Boyacá), Centro Comercial La Colina	Bogotá
25	Crate & Barrel *	Carrera 58D #145-51; (Avenida Boyacá), Centro Comercial La Colina	Bogotá

Department Stores in 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

* Crate & Barrel is a chain of stores, based in the U.S., specializing in housewares, furniture and home accessories, renowned for its designs, quality and functionality.

Home Improvement Stores in 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	HCo Rancagua	Av. Nueva Einstein N° 297, Rancagua	Rancagua
13	HCo 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	HCo Maipu	Av. Pajaritos N° 4444, Maipú, Santiago	Santiago
16	HCo El Trébol	Autopista N° 9200, Hualpén	Hualpén
17	HCo La Serena	Av. Fco. de Aguirre N° 02, La Serena	La Serena
18	Imperial Mapocho	Calle Mapocho N° 5906, Quinta Normal, Santiago	Santiago
19	HCo 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	HCo San Miguel	Av. José Miguel Carrera N° 5505-5514, San Miguel, Santiago	Santiago
23	HCo La Reina	Av. Jorge Alessandri N° 1347, La Reina, Santiago	Santiago
24	Co Vallenar	Merced N° 501, Vallenar	Vallenar
25	HCo Ñuble	Av. Vicuña Mackenna N° 1700, Ñuñoa, Santiago	Santiago
26	HCo Valdivia	Av. Ramón Picarte N° 3349, Valdivia	Valdivia
27	HCo Nueva La Florida	Av. José Pedro Alessandri N° 6402, Peñalolén, Santiago	Santiago
28	Imperial Valparaíso	Av. Independencia N° 3033, Valparaíso	Valparaíso
29	HCo Temuco	Av. Caupolicán N° 457, Temuco	Temuco
30	HCo Huechuraba	Av. Américo Vespucio N° 1737, Huechuraba, Santiago	Santiago
31	HCo Villarrica	Av. Saturnino Epuelf N° 1580, Villarrica	Villarrica
32	HCo Osorno	Av. René Soriano N° 2619, Osorno	Osorno
33	HCo Angol	Av. Bdo O' Higgins N° 1744, Angol	Angol
34	HCo Chillan	Av. Ecuador N° 599, Chillán	Chillán
35	HCo Curico	Av. Carlos Condell N° 1192, Curicó	Curico
36	HCo Coquimbo	Ruta 5 Norte N° 859, Coquimbo	Coquimbo
37	HCo Plaza Oeste	Av. Américo Vespucio N° 1501, Cerrillos, Santiago	Santiago
38	HCo La Calera	Prolongación JJ Pérez N° 12010, La Calera	La Calera
39	HCo Pto, Montt	Av. Presidente Ibañez N° 650, Puerto Montt	Puerto Montt
40	Co Fontova	Pedro Fontova N° 5810, Conchalí, Santiago	Santiago
41	HCo Plaza Vespucio	Av. Américo Vespucio N° 7310, La Florida, Santiago	Santiago
42	HCo San Felipe	Calle Tocornal 2810, San Felipe	San Felipe

Home Improvement Stores in Chile (continuation)

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

Home Improvement Stores in Peru

N°	Stores	Address	City
1	HCo San Miguel	Av. La Marina N° 2355 C.C. Open Plaza	Lima
2	HCo Megaplaza	Av. Industrial N° 3515 - 3517 Local A-08 CC. Mega Plaza - Independencia	Lima
3	HCo Atocongo	Av. Circunvalación N° 1801 - 1803 - 1805	Lima
4	HCo Javier Prado	Av. Javier Prado Este N° 1057	Lima
5	HCo Chiclayo	Calle Víctor Raul Haya De La Torre N° 150, Urb. Federico Villareal	Chiclayo
6	HCo Trujillo Open Plaza	Av. América Norte N° 1245. Ancla 2 Urb. Los Jardines	Trujillo
7	HCo Lima Centro	Av. Tacna N° 640	Lima
8	HCo Canta Callao	C.C. Canta Callao Open Plaza. Av. Japón (Ex Bertello) / Calle Las Begonias S/N Callao	Lima
9	HCo Trujillo	Av. Mansiche S/N – CC Mall Aventura Plaza	Trujillo
10	HCo Bellavista	Av. Oscar R. Benavides N° 3866	Lima
11	HCo Ica Minka	Av. San Martín N° 727 Interior 101 (LM)	Ica
12	HCo Angamos	Av. Nueva Tomás Marsano N° 961 ESQ. C/ ANGAMOS N° 961 ESQ. C/ ANGAMOS N° 1803 - AN 1	Lima
13	HCo Piura	Av. Andrés Avelino Cáceres 147 Urb. Miraflores Tienda Ancla 1 Secc. Sector, Distrito de Castilla	Piura
14	HCo Arequipa	C.C. Mall Aventura Plaza S.A., Local Comercial N° TH - 1 XX	Arequipa
15	HCo Jockey Plaza	Av. Prado. Javier Este N° 4010 Tda TD-3 Urb. El Fundo Monterrico Chico	Lima
16	HCo Chimbote	Av. Víctor Raul Haya De la Torre N° 4694 Interior A04 Mz. 1-A-1-A2 Parque Gran Chavín	Chimbote
17	HCo Santa Anita (Ate)	Av. Los Frutales Nro. 182 Fundo Monterrico Grande Oeste	Lima
18	HCo Cañete	Av. Mariscal Benavides Cdra 10	Lima
19	HCo Huacho	Esquina de la Av. 28 de Julio con Av. 9 de Octubre S/N	Lima
20	HCo San Juan Lurigancho	Av. Las Lomas, Las 601-649 MZ. L Lt. 11 - Urb- Zarate Industrial	Lima
21	HCo Pucallpa	Av. Centenario N° 2086 - Ancla 3 - Distrito de Yarinacocha	Pucallpa
22	HCo Sullana	Av. Carretera Sullana - Paita / Av. Las Dalías - Calle Los Médalos entre Urb. Jardín y Asoc. Pro Vivienda Mariano Santos	Sullana
23	HCo Villa El Salvador	Parque Ind. Parc. II Manz. C Lote 1 y 7	Lima
24	HCo Cajamarca OP	Av. Vía de Evitamiento (N) S/N cdra. 26 - Urb. Horacio Zevallos Gomez	Cajamarca
25	Maestro Chacarilla	Av. Caminos del Inca N° 100 MZ. A Lt. 12345 Urb. El Tambo de Monterrico	Lima
26	Maestro Surquillo	Av. Angamos Este N° 1353 - 1355 Esq. Con Av. República de Panamá - Jr. San Lorenzo N° 881	Lima
27	Maestro Pueblo Libre	Av. Universitaria Sur N° 2271 - Pueblo Libre	Lima
28	Maestro Chorrillos	Av. Paseo de la República, Prlg. N° S/N Departamento LM 04, Plaza Lima Sur	Lima
29	Maestro Ate	Av. La Molina 378	Lima
30	Maestro Arequipa	Av. Lambramani Esq. Av. Los Incas S/N Cercado	Arequipa
31	Maestro Naranjal	Avenida Mendiola. Alfredo N° 5118 - 5110 Mza. C Lte Acum. A, B Lot. Industrial Infantas. II Etapa	Lima
32	Maestro Callao	Av. Argentina N° 2842 - 2868 Callao (dirección tomada de ficha)	Lima
33	Maestro Colonial	Av. Colonial 751	Lima
34	Maestro Piura	Zona Industrial III Avenida Sanchez Cerro N° 0 MZ. V	Piura
35	Maestro Independencia	Av. Alfredo Mendiola N° 1400 Sector 6 - CC. Plaza Lima Norte	Lima
36	Maestro Chiclayo	Calle Hermanos Galindo Cdra. 03, Urbanización Patayca	Chiclayo
37	Maestro Trujillo	Av. América Sur N° 1451 - 1459, Calle Jose Galvez N° 955 Urb. Barrio Chicago	Trujillo
38	Maestro Huancayo	Av. Huancavelica N° 221 - 225 El Tambo - Huancayo	Huancayo
39	Maestro Ica	Av. Los Maestros N° 206 - 208	Ica
40	Maestro Cusco	Urbanización Versalles	Cusco
41	Maestro Arequipa 2	El pago de Chillapampa Predio las Rojas Costado de Grifo La Fonda	Arequipa

Home Improvement Stores in Peru (continuation)

N°	Stores	Address	City
42	Maestro San Luis	Av. Nicolás Ayllón Mz. A Lt. A Lt. 02 Ex Fundo El Pino Distrito de San Luis	Lima
43	Maestro Villa El Salvador	Parque Ind. Parc. II Manz. B Lote 1	Lima
44	Maestro Tacna	Cercado - Parcela - 03 Prolong. 2 de Mayo	Tacna
45	Maestro Cajamarca	Jr. San Luis S/N - BA Pueblo Libre	Cajamarca
46	Maestro Sullana	Av. Sanchez Cerro N° 100 Mz. A2 LT 01 - AH. Santa Teresita - Sullana	Sullana
47	Maestro Comas	Av. Chacra Cerro N° 121 Ex. Fundo Chacra Cerro - Comas	Lima
48	Maestro Puente Piedra	Calle 07 Mz. J Lt. 01 Urbanización Las Vegas	Lima
49	Maestro Huacho	Esq. Panam. Norte S/N - Av. Las Delicias Fundo Vista Alegre - Santa María	Huacho
50	Maestro Chinchá	Av. San Idelfonso - C.P Acequia Grande Cinco Esquina - Sunampe	Chinchá
51	Maestro Pucallpa	Jr. Salvador Allende N° 350	Pucallpa
52	Maestro Ventanilla	Calle Alonso de Molina Mz. I-13 Lotes 5,6,7,8,9 y Sub Lote 14-C Zona Industrial	Lima
53	Maestro San Juan de Miraflores	Av. Belisario Suarez N° 181 Zona Industrial	Lima
54	Maestro Barrios Altos	Jr. Luis Sotomayor 252	Lima
55	HCo Chiclayo 2	Av. Jose María Escriva de Balaguer N° 1415. Chiclayo	Chiclayo
56	HCo Sodimac Huancayo	Av. Ferrocarril 146-150 – 1° Piso Tienda Ancla 01 – Huancayo – Junin	Ciudad de Huancayo

Home Improvement Stores in Colombia

N°	Stores	Address	City
1	HCo Calle 80	Avenida Carrera 68 N° 80-77	Bogotá
2	HCo Sur	Avenida 68 37-37 Sur	Bogotá
3	HCo Norte	Carrera 45 N° 174B-45	Bogotá
4	HCo Medellín Industriales	Avenida Los Industriales N° 14-135	Medellín
5	HCo Cali Sur	Carrera 100 N° 16-251, Centro Comercial Jardín Plaza	Cali
6	HCo Barranquilla	Carrera 53 N° 99-160	Barranquilla
7	HCo Pereira	Avenida de las Américas N° 45-06	Pereira
8	HCo El Dorado	Calle 50 N° 82 -55	Bogotá
9	HCo Medellín San Juan	Calle 44 N° 65-100	Medellín
10	HCo Cali Norte	Avda 6A Nte. N° 35-00, Santa Monica del norte	Cali
11	HCo Suba	Carrera 104 148-07 Local 152	Bogotá
12	HCo Soacha	Cra 7 N° 32-35 Local 177, Centro Comercial Mercurio	Bogotá
13	HCo Ibagué	Carrera 5ª. N° 84-40.	Ibagué
14	HCo Cartagena	Avenida del Lago Calle 29B N° 22-127, Barrio Pie de la Popa - Centro Comercial Caribe Plaza	Cartagena
15	HCo Bello	Diagonal 51 34-16, Centro Comercial Puerta del Norte	Medellín
16	HCo Molinos Medellín	Calle 30A 82A-26 Centro Comercial Los Molinos, Local 1200	Medellín
17	HCo Cúcuta	Avenida Diagonal Santander N° 11-200	Cucuta
18	HCo Villavicencio	Carrera 48 N° 1-180, KM 2 Vía Acacias	Villavicencio
19	HCo Bucaramanga	en Carrera 21 N° 45 - 02 Barrio La Concordia	Bucaramanga
20	HCo Calima	Carrera 27 N° 21-75	Bogotá
21	HCo Montería	Calle 65 N° 10-19	Montería
22	HCo Neiva	Carrera 16 Calle 50 Esquina Sur Oriente	Neiva

Home Improvement Stores in Colombia (continuation)

N°	Stores	Address	City
23	HCo Manizales	Calle 67 con Carrera 18 y Carrera 19 entre Calle 70 y 71, Sector baja Suiza	Manizales
24	HCo Cedritos	Calle 152 9-08	Bogotá
25	HCo Envigado	Calle 37 Sur Cra 48, entre calles 34 sur y 32B sur	Medellín
26	HCo Valledupar	Transversal 19 N° 3-150	Valledupar
27	HCo Santa Marta	Cra 35 N° 29A-355 Lote B	Santa Marta
28	HCo Palmira	Calle 42 con Cra 39 esquina	Cali
29	HCo Barranquilla Centro	Carrera 46 Nro 48 – 50	Barranquilla
30	HCo Armenia	Carrera 6 3-180	Armenia
31	HCo Rionegro	Cra 43 N° 54 - 134	Rionegro
32	HCo Chia	Km 27 Vía Bogotá - Cajicá	Chia
33	HCo Tintal	Calle 10 B N° 86 – 50	Tintal
34	HCo Girardot	Diagonal 8 # 36 - 18	Girardot
35	HCo Yopal	Calle 24 N° 35-59	Yopal
36	HCo Cartagena 2	Calle 31 # 82 – 112 Lote 1.	Cartagena
37	HCo Tulúa	Carrera 40 # 37-229, Barrio el Retiro	Tulúa
38	HCo Barranquilla3	Calle 30 # 4B – 400 // Carrera 10 # 27B – 211	Barranquilla

Home Improvement Stores in Argentina

N°	Stores	Address	City
1	HCo San Martín	Av. San Martín N° 421	Buenos Aires
2	HCo Malvinas Argentinas	Presidente Arturo Illia 3770	Buenos Aires
3	HCo San Justo	Avenida Don Bosco N° 2680	Buenos Aires
4	HCo Villa Tesei	Av. Gobernador Vergara 1910	Buenos Aires
5	HCo Vicente Lopez	Av. Libertador 77	Buenos Aires
6	HCo Tortugas	Av. Olivos 4051	Buenos Aires
7	HCo Córdoba	Av. Colón 4800	Córdoba
8	HCo La Plata	Camino General Belgrano S/N entre calles 514 y 517	La Plata

Home Improvement Stores in 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 Suzano	R. João Batista Fitipaldi, 380	Suzano
13	Dicico Praia Grande	Av. Presidente Kennedy, 1876	Praia Grande
14	Dicico Pirituba	Av. Raimundo Pereira de MAgalhães, 11.980	Pirituba
15	Dicico Taubaté	Av. Charles Shneider, 850	Taubaté
16	Dicico Mogi	R. Professor Ismael Alves dos Santos, 455	Mogi das Cruzes
17	Dicico Tremembé	Av. Coronel Sezefredo Fagundes, 1855	Tucuruvi
18	Dicico V. Carvalho	Av. Santos Dumont, 458	Guarujá
19	Dicico Peruipe	Av. Padre Anchieta, 4741	Peruípe
20	Dicico Diadema	Av. Piraporinha, 50	Diadema
21	Dicico Bertioga	Av. Marginal, 10001	Bertioga
22	Dicico T. Vilela	Av. Senador Teotônio Vilela, 8030	Cidade Dutra
23	Dicico Enseada	Av. Dom Pedro I, 2520	Guarujá
24	Dicico Itanhaém	R. João Pedro Orsi, 117 a 120	Itanhaém
25	Dicico Mongaguá	R. Antonio Martins de Araújo, 100	Mongaguá
26	Dicico Cubatão	Av. Nove de Abril, 3.400	Cubatão
27	Dicico Atibaia	Av. Dr. Joviano Alvim, 1190	Atibaia
28	Dicico Bragança	Av. dos Imigrantes, 2400	Bragança Paulista
29	Dicico Guaratinguetá	Av. Juscelino Kubitschek de Oliveira, 880	Guaratinguetá
30	Dicico Jacareí	Praça Charles Gates, 90	Jacareí
31	Dicico Limeira	Via Anhanguera, Km 150	Limeira
32	Dicico Taboão	Rod. Régis Bittencourt, km 1	Taboão da Serra
33	Dicico M. Tito	Av. Marechal Tito, 5.768.	Itaim Paulista
34	Dicico Indaiatuba	R. Presidente Kennedy, 303	Indaiatuba
35	Dicico Mauá	Av. Governador Mário Covas Junior, 01	Mauá
36	Dicico Itu	Av. Nove de Julho, 897	Itu
37	Dicico Mogi Guaçu	Av. Mogi Mirim, 256.	Mogi Guaçu
38	Dicico Hortolândia	R. Luiz Camilo de Camargo, 332	Hortolândia
39	Dicico Rio Claro	Av. Visconde do Rio Claro, 1525	Rio Claro
40	Dicico Guarapiranga	Av. Guarapiranga, 881	Socorro

Home Improvement Stores in Brazil (continuation)

N°	Stores	Address	City
41	Dicico Santo André	R. Antonio Cardoso, 536	Santo André
42	Dicico Santa Bárbara	R. do Ósmio, 915	Santa Barbara D'Oeste
43	Dicico Arujá	Av. João Manoel, 115	Arujá
44	Dicico Fernão Dias	Rod. Fernão Dias, Km 87.	Guarulhos
45	Dicico Guarujá Balsa	R. Dr. Adhemar de Barros, 1531	Guarujá
46	Dicico Caraguatatuba	Av. Rio Branco, 450	Caraguatatuba
47	Dicico Poá	Rod. João Afonso de Souza Castellano, 141	Poá
48	Dicico São Carlos	Av. Getúlio Vargas, 157.	São Carlos
49	Dicico Guaianases	Est. Itaquera Guianazes, 2000	Guaianases
50	Dicico S.J.Campos	Av. Engenheiro Francisco José Longo, 1595	São José dos Campos
51	Dicico Jundiaí	Av. Antônio Frederico Ozanan, 6080	Jundiaí
52	Dicico Itatiba	Av. Nair Soares de Macedo Fatore - Ao lado do mercadão	0.00
53	Dicico Sumaré	Avenida José Mancine, 350	Sumaré
54	HCo Sodimac Tamboré	Alameda Araguaia 1801 - Barueri	Tamboré
55	HCo Sodimac Ribeirao Preto	Av. Fábio Barreto 263 - Subsetor Norte 1	Ribeirão Preto
56	HCo San Jose Los Campos	Av. Deputado Benedito Matarazzo, 5301	São José dos Campos

Home Improvement Stores in Uruguay

N°	Stores	Address	City
1	HCo Giannattasio	Arizona 865	Canelones
2	HCo Sayago	Camino Ariel 4620	Montevideo
3	HCo Maldonado	Ruta 39 esquina Perimetral Luis A. de Herrera	Maldonado

Supermarkets in 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
36	Llolleo	Av. Los Aromos N° 318 Llolleo, Comuna de San Antonio	Llolleo
37	Bío Bío	Avda. Los Carrera Poniente N° 301, Concepción	Biobío
38	Chillán	Ecuador N° 599	Chillán

Supermarkets in Chile (continuation)

N°	Stores	Address	City
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	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
58	Quillota Las Palmas	Av. Condell 1687 - local A3, Quillota	Quillota
59	Ciudad Empresarial	Av. Del Parque 4722. Local 22, Huechuraba	Santiago
60	Coquimbo	Av. Alessandri 1117, Coquimbo	Coquimbo
61	Quilicura	Av Libertador Bernardo Ohiggins 800, Local 1	Santiago

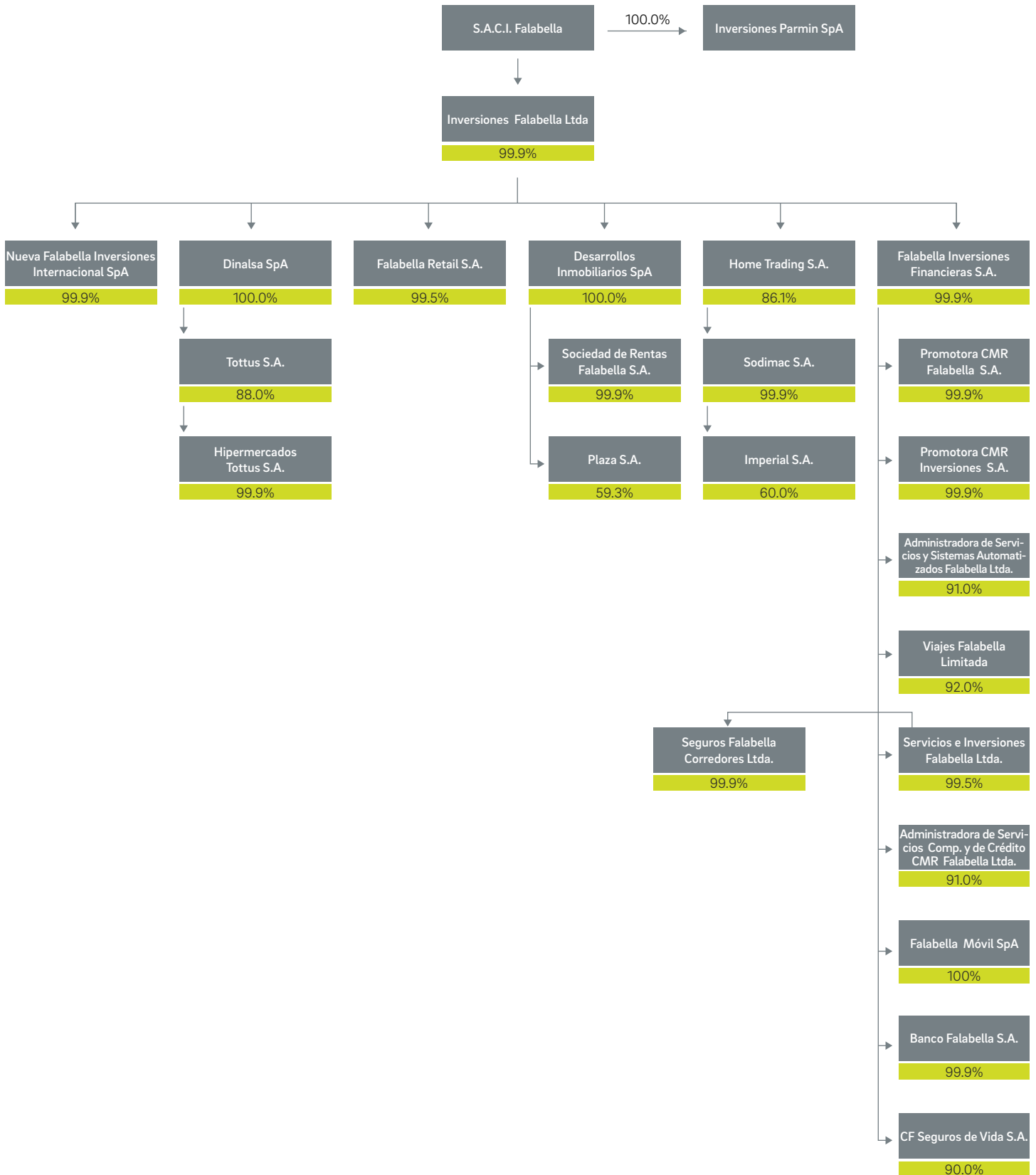
Supermarkets in Peru

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

Supermarkets in Peru (continuation)

N°	Stores	Address	City
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
34	Cañete	Av. Mariscal Benavides N° 1000 - San Vicente de Cañete - Cañete - Lima	Cañete
35	Av. Central	Av. Santa 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. Vía 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
53	HB Guardia Civil	Av. Guardia Civil Mza M Lote 13 - La Campiña - Chorrillos	Lima
54	Lima Sur	Av. Los Lirios Nro. 301 Urb. Entel Peru - San Juan de Miraflores	Lima
55	HB Chincha	Cal. Leopoldo Carrillo Nro. 0 - Chincha Alta - Ica	Chincha
56	Hbp1 Pisco	Calle Comercio 700 - Pisco	Ica
57	Hbp1 Barrios Altos	Jr. Huanuco 925 - Cercado de Lima	Lima
58	HT Piura Norte	Av. Sanchez Cerro N° 3264 - Interior 101, distrito de 26 de Octubre. Piura. Piura	Piura
59	Tottus Huancayo	Av. Ferrocarril esquina con Prolongación San Carlos S/N Sector 14	Huancayo
60	Villa el Salvador	Mza. D Lote, 3 - Zona Agropecuaria (Frente Mercado Unicachi) Villa El Salvador Lima Lima	Lima

Summary Corporate Structure



Financial Information on Subsidiaries and Associates

A. Direct Subsidiaries

INVERSIONES PARMIN SpA

INVERSIONES PARMIN SpA is a joint stock company constituted in accordance with Chilean law, whose subscribed and paid capital is \$222,934,223 Chilean pesos. S.A.C.I. Falabella owns all the issued share capital, and there have been no changes during 2016.

BUSINESS PURPOSE

Invest in any capacity in all kinds of tangible and intangible goods, fixed or movable assets; in transferable securities, bonds, debentures, promissory notes or other financial documents, and their use and management; participation in all kinds of civil and commercial companies, whether collectives, limited partnerships as partner or manager, corporations, or limited liability companies, irrespective of their purpose.

MANAGEMENT

S.A.C.I. Falabella.

Legal Representatives:

- Mr. Carlo Solari Donaggio
- Mr. Sandro Solari Donaggio
- Mr. Juan Carlos Cortés Solari

INVERSIONES PARMIN SpA.

	2016 ThCh\$	2015 ThCh\$
Total Assets	2,229,884	2,101,416
Total Liabilities	470,298	548,926
Total Equity	1,759,586	1,552,490
Net Income for the year	312,922	247,477
Changes in Equity	207,096	90,196
Net increase (decrease) in cash and cash equivalents	3	3

INVERSIONES FALABELLA LTDA.

INVERSIONES FALABELLA LTDA. is a limited liability company incorporated in accordance with Chilean law, whose subscribed and paid capital is \$903,894,822,234 Chilean pesos. S.A.C.I. Falabella owns approximately 99.98% of the share capital, the remainder is owned by Inversiones Parmin SpA. There were no changes to these participations during 2016.

BUSINESS PURPOSE

Invest in any class of shares, bonds, debentures, units or rights in companies in any capacity and securities and other fixed-income securities, to administer such assets, invest in all kinds of real estate and use and lease them to obtain income from such property. Therefore, the company may carry out all transactions, sign all contracts and generally perform anything that is appropriate or necessary in the opinion of its manager.

MANAGEMENT

S.A.C.I. Falabella.

Legal Representatives:

- Mr. Carlo Solari Donaggio
- Mr. Sandro Solari Donaggio
- Mr. Juan Carlos Cortés Solari

INVERSIONES FALABELLA LTDA.

	2016 ThCh\$	2015 ThCh\$
Total Assets	14,046,278,662	13,908,123,825
Total Liabilities	9,362,625,224	9,538,415,230
Total Equity	4,683,653,438	4,369,708,595
Profit for the year	649,771,994	568,151,266
Changes in Equity	313,944,843	(206,907,078)
Increase (decrease) in cash and cash equivalents	(87,316,412)	52,088,983

B. Associates

SODIMAC COLOMBIA S.A.

Sodimac Colombia S.A. is a company incorporated under the laws of Colombia, whose subscribed and paid capital is \$29,975,000,000 Colombian pesos. S.A.C.I. Falabella indirectly owns 49% of the issued share capital, and there have been no changes during 2016.

BUSINESS PURPOSE

Purchase, sell, distribute, manufacture, produce, import, export, transport and market products suitable for human use or consumption or for animal consumption, including all kinds of fish, pets and animals, goods, machinery, and services for construction, decoration, renovation, improvement, staffing or equipping the home, marketing agricultural consumables and seeds for planting, surveillance equipment and private security services, and all the services that are complementary to these activities.

BOARD OF DIRECTORS AND MANAGEMENT

Principal Directors:

- Mr. Carlos Enrique Moreno Mejía (Chairman)
- Mr. Alvaro 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

Chief Executive Officer:

- Mr. Miguel Pardo Brigard

SOCIEDAD DE FACILIDADES MULTIROTATIVAS S.A.P.I. DE C.V.

Sociedad de Facilidades Multirotativas S.A.P.I. de C.V. is a variable-capital private equity company constituted in accordance with the laws of Mexico, whose subscribed and paid capital is \$300,100,000 Mexican pesos. S.A.C.I. Falabella indirectly owns 50% of the issued share capital, and there have been no changes during 2016.

BUSINESS PURPOSE

Grant all kinds of loans and credits of any nature, documented according to applicable legislation, with or without guarantees, with or without interest, repayable in one or various installments, including issuing credit cards in accordance with contracts for current-account credit facilities.

BOARD OF DIRECTORS AND MANAGEMENT

Principal Directors:

- Mr. Carlo Solari Donaggio (Chairman)
- Mr. Sandro Solari Donaggio
- Mr. Gastón Bottazzini
- Mr. Ricardo Martín Bringas
- Mr. Alberto Martín Soberón
- Mr. Ismael Humberto Fayad Wolff

Alternate Directors:

- Mr. Juan Guillermo Espinosa Fuentes
- Mr. Jordi Gaju Nicolau
- Mr. Helder Mao de Ferro
- Mr. Jorge Benlloch Sanz
- Mr. Francisco Ramírez Díaz
- Mr. Rodrigo Jesús Benet Cordova

Director General:

- Mr. Ricardo Zimmerman

INVERSIONES COLOMBIA S.A.

	2016 ThCh\$	2015 ThCh\$
Total Assets	474,272,803	434,435,209
Total Liabilities	275,125,652	268,431,142
Total Equity	199,147,151	166,004,067
Profit for the year	34,748,804	35,031,024
Changes in Equity	33,143,084	14,210,024
S.A.C.I. Falabella participation	49%	49%
Asset participation	1.43%	1.27%

SOCIEDAD DE FACILIDADES MULTIROTATIVAS S.A.P.I DE C.V.

	2016 ThCh\$	2015 ThCh\$
Total Assets	9,735,528	
Total Liabilities	211,634	
Total Equity	9,523,894	
Profit for the year	(218,268)	
Changes in Equity		
S.A.C.I. Falabella participation	50%	
Asset participation	0.07%	

SOCIEDAD DISTRIBUIDORA DE MEJORAMIENTO DEL HOGAR Y CONSTRUCCIÓN S.A.P.I. DE C.V.

Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V. is a variable-capital private equity company constituted in accordance with the laws of Mexico, whose subscribed and paid capital is \$150,100,000 Mexican pesos. S.A.C.I. Falabella indirectly owns 50% of the issued share capital, and there have been no changes during 2016.

BUSINESS PURPOSE

Promote, organize, acquire, constitute, sell or manage commercial businesses, commercial or civil societies, trusts, or any other entity, whether or not it has legal personality, and according to the laws of any jurisdiction.

Develop and build stores that sell all kinds of goods and market services, both directly and indirectly, using the companies that the company constitutes, or which it invests in for such purposes, through the construction or improvement of any kind of buildings, being able to sell, without being limited to, anything related to hardware and tools, timber, electricity, lighting, plumbing, doors, windows, furniture, kitchen and table utensils, paints and coatings, bathrooms and kitchens, floors, and gardening.

BOARD OF DIRECTORS AND MANAGEMENT

Principal Directors:

- Mr. Ricardo Martin Bringas (Chairman)
- Mr. Alberto Martin Soberón
- Mr. Rodrigo Jesus Benet Cordova
- Mr. Carlo Solari Donaggio
- Mr. Sandro Solari Donaggio
- Mr. Enrique Gundermann Wylie

Alternate Directors:

- Mr. Jorge Benlloch Sanz
- Mr. Francisco Ramírez Díaz
- Mr. Ismael Humberto Fayad Wolff
- Mr. Jordi Gaju Nicolau
- Mr. Daniel Lazo Varas
- Mr. Sebastian Simonetti

Director General:

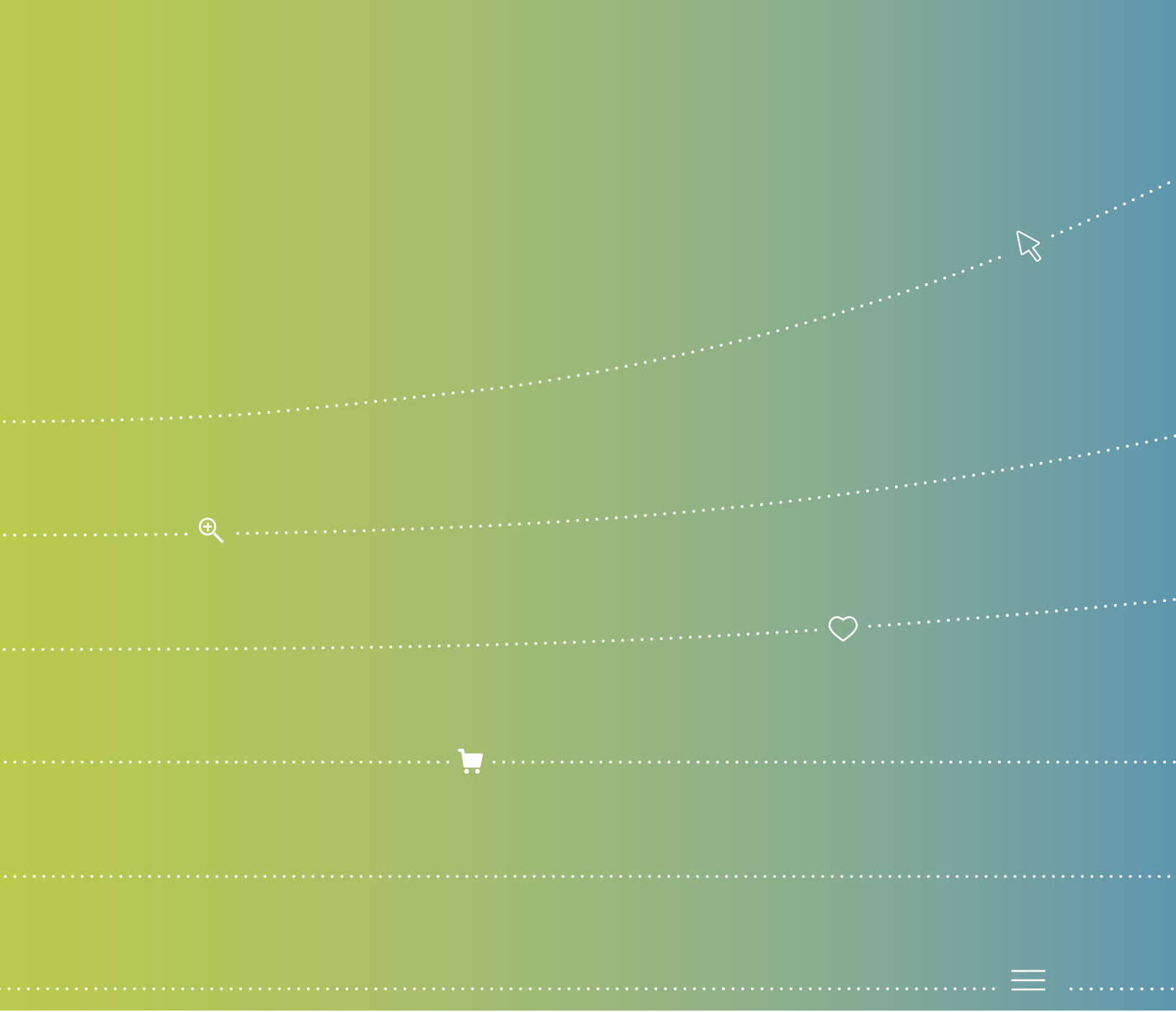
- Mr. Patricio Silva

SOCIEDAD DISTRIBUIDORA DE MEJORAMIENTO DEL HOGAR Y CONSTRUCCIÓN S.A.P.I. DE C.V.

	2016 ThCh\$	2015 ThCh\$
Total Assets	8,470,237	
Total Liabilities	3,900,562	
Total Equity	4,569,675	
Profit for the year	(312,968)	
Changes in Equity		
S.A.C.I. Falabella participation	50.0%	
Asset participation	0.03 %	



SUMMARY CONSOLIDATED FINANCIAL STATEMENTS



Statement of Financial Position

Statement of Comprehensive Income, by Function

Statement of Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flows

Analysis of Results

The Financial Statements are available to the public on the web sites of the reporting entity and of the Securities and Insurance Superintendence.

FINANCIAL STATEMENTS

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Assets			
Non-Banking Businesses (Presentation)			
Current assets			
Cash and cash equivalents	201,319,634	207,308,226	211,219,868
Other financial assets, current	27,732,890	23,604,836	10,591,044
Other non-financial assets, current	97,553,041	88,637,767	88,613,455
Trade and other receivables, current	1,798,336,795	1,681,913,169	1,469,813,782
Receivables due from related companies, current	6,135,088	5,099,194	14,382,645
Inventories	1,207,253,018	1,173,671,356	1,019,199,966
Current tax assets	75,906,443	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	3,414,236,909	3,234,856,207	2,863,387,103
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners	3,122,099	3,177,255	3,175,721
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners	3,122,099	3,177,255	3,175,721
Total current assets	3,417,359,008	3,238,033,462	2,866,562,824
Non-current assets			
Other financial assets, non-current	73,357,881	164,996,973	71,524,973
Other non-financial assets, non-current	57,510,726	36,599,317	32,688,857
Trade and other receivables, non-current	240,706,433	203,915,411	206,165,723
Investments accounted for using the equity method	109,179,061	184,148,339	163,334,299
Intangible assets other than goodwill	270,110,558	246,913,398	233,503,315
Goodwill	519,353,212	461,664,958	465,969,088
Property, plant and equipment	2,500,304,700	2,377,970,804	2,258,418,541
Investment properties	2,822,793,360	2,592,396,392	2,493,454,486
Deferred tax assets	131,418,254	91,930,367	68,168,041
Total non-current assets	6,724,734,185	6,360,535,959	5,993,227,323
Total assets - non-banking business	10,142,093,193	9,598,569,421	8,859,790,147
Assets Banking Businesses (Presentation)			
Cash and bank deposits	303,391,378	372,864,747	347,215,192
Transactions pending settlement	63,769,129	13,884,905	10,125,348
Instruments held for trading	81,622,210	110,154,548	55,864,410
Financial derivative contracts	9,870,857	8,744,053	14,503,691
Due from banks	-	-	29,977,748
Customer loans and receivables	2,621,812,969	2,471,067,255	2,180,384,460
Investment instruments held for sale	566,071,349	423,103,649	264,017,567
Investments in companies	3,063,456	2,801,387	1,910,151
Intangible assets	49,631,037	34,128,788	23,769,265
Property, plant and equipment	33,666,751	35,555,641	36,934,564
Current taxes	3,575,649	1,850,246	1,873,669
Deferred taxes	18,966,013	18,580,064	14,509,536
Other assets	27,743,273	21,088,331	16,184,783
Total assets - banking business	3,783,184,071	3,513,823,614	2,997,270,384
Total assets	13,925,277,264	13,112,393,035	11,857,060,531

The Financial Statements are available to the public on the web sites of the reporting entity and of the Securities and Insurance Superintendence.

FINANCIAL STATEMENTS

	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Net Liabilities and Shareholders' Equity			
Non-Banking Businesses (Presentation)			
Current liabilities			
Other financial liabilities, current	1,072,094,075	738,717,161	736,529,589
Trade and other payables, current	1,047,625,370	1,020,371,592	966,061,609
Accounts payable to related companies, current	6,486,465	3,240,430	9,894,036
Other current provisions	13,230,417	11,978,083	10,248,584
Current tax liabilities	37,282,432	44,919,936	25,734,030
Employee benefit provisions, current	130,056,422	121,651,114	110,578,122
Other non-financial liabilities, current	149,922,113	138,768,939	129,538,281
Total current liabilities	2,456,697,294	2,079,647,255	1,988,584,251
Non-current liabilities			
Other financial liabilities, non-current	2,674,994,491	2,700,830,781	2,316,360,511
Trade and other payables, non-current	1,231,300	1,262,231	1,208,738
Other provisions, non-current	12,875,808	15,174,089	17,548,571
Deferred tax liabilities	563,394,385	503,406,350	506,211,856
Employee benefit provisions, non-current	29,144,287	21,045,521	19,717,004
Other non-financial liabilities, non-current	41,461,450	40,266,934	32,183,682
Total non-current liabilities	3,323,101,721	3,281,985,906	2,893,230,362
Total liabilities - non-banking business	5,779,799,015	5,361,633,161	4,881,814,613
Banking Business Liabilities (Presentation)			
Deposits and other demand obligations	427,700,255	321,693,368	241,347,479
Transactions pending settlement	57,822,039	9,542,490	4,852,755
Deposits and other time deposits	2,016,697,359	1,988,206,540	1,671,548,562
Financial derivative contracts	9,348,660	8,166,601	8,637,377
Bank borrowings	116,723,248	89,884,439	66,923,264
Debt instruments issued	263,987,879	294,047,824	240,739,591
Other financial obligations	145,507,995	159,527,592	175,729,113
Current taxes	1,214,607	4,327,573	59,511
Provisions	2,342,153	6,396,024	5,491,575
Other liabilities	55,776,934	56,727,698	49,257,187
Total liabilities - banking business	3,097,121,129	2,938,520,149	2,464,586,414
Total liabilities	8,876,920,144	8,300,153,310	7,346,401,027
Net Equity			
Capital issued	533,409,643	533,409,643	533,409,643
Retained earnings	3,872,333,532	3,449,878,502	3,123,734,477
Share premium	93,482,329	93,482,329	93,482,329
Treasury shares	(35,125,632)	(8,632,349)	(3,495,432)
Other reserves	(283,783,440)	(131,932,183)	(92,000,283)
Equity attributable to owners of the parent company	4,180,316,432	3,936,205,942	3,655,130,734
Non-controlling interests	868,040,688	876,033,783	855,528,770
Total shareholder's equity	5,048,357,120	4,812,239,725	4,510,659,504
Total liabilities and equity	13,925,277,264	13,112,393,035	11,857,060,531

INCOME STATEMENT

	Jan-01-2016 Dec-31-2016	Jan-01-2015 Dec-31-2015
	ThCh\$	ThCh\$
Income Statement		
Non-Banking Businesses (Presentation)		
Operating revenue	7,898,301,784	7,753,209,572
Cost of sales	(5,180,719,944)	(5,098,131,631)
Gross margin	2,717,581,840	2,655,077,941
Distribution costs	(89,751,825)	(82,294,591)
Administrative expenses	(1,716,574,738)	(1,683,850,992)
Other expenses, by function	(135,229,377)	(142,275,799)
Other income (losses)	160,726,377	33,749,211
Financial income	15,268,092	33,868,899
Financial costs	(207,568,518)	(174,032,519)
Share of income (losses) of associates and joint ventures accounted for using the equity method	21,247,989	25,272,409
Exchange differences	3,637,364	(18,208,873)
Income from indexation units	(26,087,890)	(33,455,450)
Net income before tax	743,249,314	613,850,236
Income tax expense	(148,580,176)	(134,095,686)
Net income from non-banking businesses	594,669,138	479,754,550
Banking Business (Presentation)		
Interest and indexation income	526,664,491	485,319,456
Interest and indexation expense	(152,144,758)	(133,370,243)
Net interest and indexation income	374,519,733	351,949,213
Commission income	163,483,782	135,915,710
Commission expense	(40,135,723)	(33,607,581)
Net commission income	123,348,059	102,308,129
Net income (loss) on financial transactions	17,811,714	2,341,646
Net income (loss) on currency exchange	(5,777,584)	8,854,487
Other operating income (expenses)	(69,539)	2,147,794
Credit risk allowances	(146,481,242)	(114,698,003)
Total operating income, net of provisions	363,351,141	352,903,266
Remuneration and personnel costs	(96,051,131)	(90,919,630)
Administrative expenses	(125,483,985)	(112,366,201)
Depreciation and amortization	(16,810,784)	(15,638,353)
Other operating expenses	(11,740,051)	(10,548,992)
Total operating expenses	(250,085,951)	(229,473,176)
Net operating income	113,265,190	123,430,090
Income from investments in companies	508,395	531,214
Net income before tax	113,773,585	123,961,304
Income tax expense	(30,410,733)	(33,179,362)
Net income from non-banking businesses	83,362,852	90,781,942
Total net income	678,031,990	570,536,492
Net income attributable to		
Net income attributable to owners of the parent company	609,024,729	517,934,651
Net income attributable to non-controlling interests	69,007,261	52,601,841
Total net income	678,031,990	570,536,492
Earnings per share		
Basic earnings per share		
Basic earnings per share from continuing operations	0.2502	0.2128
Basic earnings per share	0.2502	0.2128
Diluted earnings per share		
Diluted earnings per share from continuing operations	0.2502	0.2128
Diluted earnings per share	0.2502	0.2128

STATEMENT OF COMPREHENSIVE INCOME

	Jan-01-2016 Dec-31-2016	Jan-01-2015 Dec-31-2015
	ThCh\$	ThCh\$
Total net income	678,031,990	570,536,492
Components of other comprehensive income that will not be reclassified to income for the year, before tax		
Actuarial income (loss) for defined benefit plans, before tax	(2,515,721)	(1,382,206)
Other comprehensive income that will not be reclassified to income for the year	(2,515,721)	(1,382,206)
Components of other comprehensive income that will be reclassified to income for the year, before tax		
Foreign currency conversion		
Income (losses) from foreign currency conversion, before tax	(59,857,202)	(53,895,585)
Other comprehensive income, before tax, on foreign currency conversion	(59,857,202)	(53,895,585)
Income (losses) from re-measurement of financial assets held for sale, before tax	1,927,800	(1,902,093)
Other comprehensive income, before tax, on financial instruments held for sale	1,927,800	(1,902,093)
Cash flow hedges		
Income (losses) on cash flow hedges, before tax	(38,402,208)	(4,308,957)
Other comprehensive income, before tax, on cash flow hedges	(38,402,208)	(4,308,957)
Other components of other comprehensive income that will be reclassified to income for the year, before tax	(96,331,610)	(60,106,635)
Income tax related to components of other comprehensive income		
Income tax related to defined benefits plans in other comprehensive income	698,872	331,343
Total income tax related to components of other comprehensive income that will not be reclassified to income for the year	698,872	331,343
Income tax related to components of other comprehensive income		
Income tax related to financial assets held for sale in other comprehensive income	(462,672)	427,971
Income tax related to cash flow hedges in other comprehensive income	8,800,182	1,367,151
Total income tax related to components of other comprehensive income	8,337,510	1,795,122
Total other comprehensive income (loss)	(89,810,949)	(59,362,376)
Total comprehensive income	588,221,041	511,174,116
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent company	525,124,565	472,818,154
Comprehensive income attributable to non-controlling interests	63,096,476	38,355,962
Total comprehensive income	588,221,041	511,174,116

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY DEC. 2016

	Capital issued	Share premium	Treasury shares	Foreign currency conversion reserves	Cash flow hedge reserves
Opening balance as of 01/01/2016	533,409,643	93,482,329	(8,632,349)	(91,174,709)	(4,370,303)
Changes in equity					
Comprehensive income					
Net income for the year	-	-	-	-	-
Other comprehensive income	-	-	-	(55,709,601)	(27,838,756)
Comprehensive income	-	-	-	(55,709,601)	(27,838,756)
Equity issued	-	-	-	-	-
Dividends	-	-	-	-	-
Increase (decrease) due to transfers and other changes	-	-	-	-	-
Increase (decrease) for transactions of treasury shares	-	-	(26,493,283)	-	-
Total changes in equity	-	-	(26,493,283)	(55,709,601)	(27,838,756)
Closing balance as of 12/31/2016	533,409,643	93,482,329	(35,125,632)	(146,884,310)	(32,209,059)

STATEMENT OF CHANGES IN EQUITY DEC. 2016t

	Capital issued	Share premium	Treasury shares	Foreign currency conversion reserves	Cash flow hedge reserves
Opening balance as of 01/01/2015	533,409,643	93,482,329	(3,495,432)	(51,454,926)	(1,498,691)
Changes in equity					
Comprehensive income					
Net income for the year	-	-	-	-	-
Other comprehensive income	-	-	-	(39,719,783)	(2,871,612)
Comprehensive income	-	-	-	(39,719,783)	(2,871,612)
Equity issued	-	-	-	-	-
Dividends	-	-	-	-	-
Increase (decrease) due to transfers and other changes	-	-	-	-	-
Increase (decrease) for transactions of treasury shares	-	-	(5,136,917)	-	-
Total changes in equity	-	-	(5,136,917)	(39,719,783)	(2,871,612)
Closing balance as of 12/31/2015	533,409,643	93,482,329	(8,632,349)	(91,174,709)	(4,370,303)

Actuarial gains or losses on defined benefits plan reserves	Gains or losses on re-measuring financial assets held for sale reserves	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent company	Non-controlling interests	Total shareholder's equity
(5,834,642)	(853,646)	(29,698,883)	(131,932,183)	3,449,878,502	3,936,205,942	876,033,783	4,812,239,725
-	-	-	-	609,024,729	609,024,729	69,007,261	678,031,990
(1,816,935)	1,465,128	-	(83,900,164)	-	(83,900,164)	(5,910,785)	(89,810,949)
(1,816,935)	1,465,128	-	(83,900,164)	609,024,729	525,124,565	63,096,476	588,221,041
-	-	-	-	-	-	11,081,793	11,081,793
-	-	-	-	(101,555,534)	(101,555,534)	(9,640,976)	(111,196,510)
-	-	(67,951,093)	(67,951,093)	(85,014,165)	(152,965,258)	(72,530,388)	(225,495,646)
-	-	-	-	-	(26,493,283)	-	(26,493,283)
(1,816,935)	1,465,128	(67,951,093)	(151,851,257)	422,455,030	244,110,490	(7,993,095)	236,117,395
(7,651,577)	611,482	(97,649,976)	(283,783,440)	3,872,333,532	4,180,316,432	868,040,688	5,048,357,120

Actuarial gains or losses on defined benefits plan reserves	Gains or losses on re-measuring financial assets held for sale reserves	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent company	Non-controlling interests	Total shareholder's equity
(4,783,662)	620,476	(34,883,480)	(92,000,283)	3,123,734,477	3,655,130,734	855,528,770	4,510,659,504
-	-	-	-	517,934,651	517,934,651	52,601,841	570,536,492
(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)	517,934,651	472,818,154	38,355,962	511,174,116
-	-	-	-	-	-	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)	326,144,025	281,075,208	20,505,013	301,580,221
(5,834,642)	(853,646)	(29,698,883)	(131,932,183)	3,449,878,502	3,936,205,942	876,033,783	4,812,239,725

STATEMENT OF CASH FLOWS

	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Cash flow statements		
Cash flows provided by (used in) operating activities		
Non-Banking Businesses (Presentation)		
Proceeds from operating activities		
Proceeds from sale of goods and services	9,075,155,232	8,876,519,998
Payments for operating activities		
Payments to suppliers for goods and services	(7,184,057,019)	(7,057,658,841)
Payments to and on behalf of employees	(964,755,853)	(937,622,406)
Income tax paid	(155,870,237)	(126,155,139)
Other cash payments	(211,879,345)	(205,913,143)
Subtotal net cash flow provided by operating activities from Non-Banking Businesses	558,592,778	549,170,469
Banking Businesses (Presentation)		
Consolidated net income for the year	83,362,852	90,781,942
Charges (credits) to income that do not involve cash movements		
Depreciation and amortization	16,810,784	15,638,353
Credit risk allowances	177,762,330	139,502,654
Net income from investments in companies with significant influence	(508,395)	(531,214)
Other charges that do not involve cash movements	30,410,733	22,754,684
Net change in interest, indexation and commissions accrued on assets and liabilities	1,922,505	(8,113,894)
Changes in assets and liabilities that affect operating cash flow		
Net decrease in amounts owed by banks	-	29,977,748
Increase in customer loans and receivables	(328,744,210)	(426,135,989)
Net (increase) decrease in instruments held for trading	17,632,999	(19,399,412)
Increase in deposits and other demand obligations	106,006,887	73,171,331
Increase in deposits and other time deposits.	32,652,239	321,176,561
Increase in obligations to banks	26,838,809	22,790,290
Other cash payments	(34,627,746)	(29,894,799)
Subtotal net cash flow provided by operating activities from Banking Businesses	129,519,787	231,718,255
Net cash flow provided by operating activities	688,112,565	780,888,724
Cash flow provided by (used in) investing activities		
Non-Banking Businesses (Presentation)		
Contributions to associates	-	(4,090,717)
Proceeds from sale of property, plant and equipment	53,875,552	4,289,281
Acquisitions of property, plant, and equipment	(316,211,151)	(329,915,643)
Acquisitions of intangible assets	(40,362,986)	(31,320,396)
Proceeds from other long-term assets	-	249,380
Acquisitions of other long-term assets	(138,983,678)	(148,799,729)
Dividends received	720,474	9,217,815
Interest received	11,145,597	11,698,121
Other cash proceeds	22,031,969	22,622,814
Subtotal net cash flow used in investing activities for Non-banking Businesses	(407,784,223)	(466,049,074)
Banking Businesses (Presentation)		
Net increase in investment instruments held for sale	(141,502,572)	(159,135,213)
Acquisition of property, plant and equipment	(30,982,299)	(26,394,009)
Contributions to associates	-	(819,263)
Dividends received	78,697	444,365
Other cash proceeds	555,554	2,066,323
Subtotal net cash flow used in investing activities for Banking Businesses	(171,850,620)	(183,837,797)
Net cash flow used in investing activities	(579,634,843)	(649,886,871)

STATEMENT OF CASH FLOWS (continuation)

	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Cash flow provided by (used in) financing activities		
Non-Banking Businesses (Presentation)		
Proceeds from issuing shares	11,081,793	3,831,268
Payments to acquire the entity's own shares	(26,493,283)	(5,136,917)
Proceeds from long-term loans	898,610,084	256,796,220
Proceeds from short-term loans	2,434,950,996	3,000,044,363
Total proceeds from loans	3,333,561,080	3,256,840,583
Loan repayments	(2,918,044,690)	(2,998,109,042)
Payment of financial lease liabilities	(18,031,378)	(24,997,036)
Dividends paid	(215,513,372)	(197,397,585)
Interest paid	(168,467,368)	(152,688,957)
Other cash proceeds (payments)	(126,887,026)	4,012,861
Subtotal net cash flows used in financing activities for Non-Banking Businesses	(128,794,244)	(113,644,825)
Banking Businesses (Presentation)		
Letters of credit redeemed	(7,839,670)	(10,429,838)
Issue (repayment) of bonds and other long-term borrowings	(30,059,945)	62,723,237
Other cash payments	(4,633,869)	(11,598,629)
Subtotal net cash flows used in financing activities for Banking Businesses	(42,533,484)	40,694,770
Cash flows provided by (used in) financing activities	(171,327,728)	(72,950,055)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in exchange rates	(62,850,006)	58,051,798
Effect of changes in exchange rates on cash and cash equivalents		
Effect of changes in exchange rates on cash and cash equivalents	(22,216,407)	(7,118,807)
Net increase (decrease) in cash and cash equivalents	(85,066,413)	50,932,991
Cash and cash equivalents, start of year	661,059,154	610,126,163
Cash and cash equivalents, end of year	575,992,741	661,059,154

Results Analysis

Consolidated revenue for 2016 was Ch\$ 8,588,381 million, an increase of 2.5% compared to the previous year, mainly explained by the 25 new stores opened during the year (eight stores were closed during the period), by the SSS growth in Chile and by loan book growth at CMR and Banco Falabella.

The consolidated loan portfolio was Ch\$ 4,520,781 million as of December 31, 2016, an increase of 8.8% compared to last year. This expansion was driven mainly by CMR Chile, Banco Falabella Chile and Banco Falabella Colombia, with increases of 13.5%, 9.2% and 19.5%, respectively (in local currency).

The gross margin for the period was 35.9%, while gross income was Ch\$ 3,080,933 million, which implied growth of 2.4%. The increase in gross profit is mainly due to business performance in Chile, Argentina and Brazil.

The operating result was Ch\$ 889,291 million, which implied growth of 2.2%. The increase in operating results is mainly due to the performance of Falabella Retail Chile, CMR Chile and Mallplaza, which were partially offset by decreases in operating results in international business units.

The consolidated EBITDA for 2016 grew by 3.4%, reaching Ch\$ 1,151,481 million, with an EBITDA margin of 13.4%. The net non-operating result was a loss of Ch\$ 32,269 million, including the effect of a non-recurring accounting gain of Ch\$ 139,818 million, generated by the dissolution of Aventura Plaza S.A. Consolidated net income was Ch\$ 609,024 million, an increase of 17.6% compared to 2015, with a net margin of 7.1%. Net income does not include the revaluation of investment properties, as the company has adopted the historical cost method.

In 2016 S.A.C.I. Falabella formally returns to IFRS, retroactive as of January 1, 2015, modifying (for comparative purposes only) the previously published Financial Statements of December 31, 2015. As a result, the company applies all of the IFRS standards retroactively to this date, including certain mandatory exclusions and optional exemptions as defined by IFRS 1. The foregoing implied that the Property, plant and equipment and Investment property accounts increased by \$510,100 million (MUS\$ 762) compared to December 2014. The impact on Equity, net of the increase in deferred taxes, was an increase of \$372,394 million (MUS\$ 556).

The Huancayo shopping center in Peru was inaugurated during 2016. Furthermore, 25 new stores were inaugurated across the region. Falabella Retail opened six department stores (four in Colombia and two in Peru), and the first Crate & Barrel store in Colombia. Sodimac opened six home improvement stores: three in Colombia, one in Peru, one in Brazil and one in Uruguay. Tottus opened twelve supermarkets: four in Chile and eight in Peru.

Definition Of Content And Guidelines

For the fourth year in a row, S.A.C.I. Falabella is providing its stakeholders a report within the framework of the Integrated Report, which compiles the results of the year based on a material analysis of the economic, social and environmental dimensions of the company.

The 2016 Annual Sustainability Report was prepared based on guidelines contained in the Global Reporting Initiative (GRI), selecting the "essential" option of the G4 manual, which includes a minimum of 34 indicators plus one indicator for each issue that has been defined as material.

The reported indicators were constructed by consolidating information provided by our subsidiaries. The indicators raised during 2016 are comparable with the information collected in 2015. In some indicators, the required level of disaggregation is omitted because that level of

detail is not available for all our subsidiaries. In the majority of the cases, the sustainability reports of each subsidiary, which comply with the GRI G4 standard, contain detailed information.

The G4 guidelines stress the importance 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. Therefore, 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 slightly changed with respect to the previous year.

Economy:

- Economic Performance
- Market Presence

Environment:

- Energy Efficiency
- Emissions Reduction
- Waste Management

Employment Conditions:

- Employment
- Occupational Health and Safety
- Training and Education
- Quality of Life
- Supplier Evaluation
- Constructive Relationship with Suppliers

Customers, products and Services Responsibility:

- Customer's Health and Safety
- Responsible Marketing and Communication
- Customer Privacy
- Transparency

Human Rights:

- No Discrimination
- No Child Employment or Forced Employment
- Employment Rights
- Security Practices
- Whistleblower Channels

Society:

- Elimination of Corruption
- Social Impact
- 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. Subsequently, 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.

GRI Index

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G4-56	10 The Company & its subsidiaries / 20 Key Indicators	

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Strategy and Analysis		
G4 - EC1	10 The Company & it's subsidiaries / 19 Operating Highlights - 98 Summary Consolidated Financial Statements	
G4-EN3	10 The Company & it's subsidiaries / 20 Key Indicators / 26 Environment	
G4-LA1	10 The Company & it's subsidiaries / 20 Key Indicators / 22 Employees	New hires and breakdown by age and gender omitted. Information included in each business unit's report.
G4-LA6	10 The Company & it's subsidiaries / 20 Key Indicators / 22 Employees	
G4-LA9	10 The Company & it's subsidiaries / 20 Key Indicators / 22 Employees	Breakdown by gender and category of employment omitted. Gender information included in each business unit's report.
G4-LA11	10 The Company & it's subsidiaries / 20 Key Indicators / 22 Employees	
G4-LA12	10 The Company & it's subsidiaries / 20 Key Indicators / 22 Employees - 48 Corporate Governance / 50 Board of Directors	
G4-HR1	10 The Company & it's subsidiaries / 20 Key Indicators / 24 Suppliers	
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G4-S05		No cases were registered.
G4-PR5	10 The Company & it's subsidiaries / 20 Key Indicators / 21 Customers	The consolidated resulted was omitted. Information will be included in each business unit's report.

Declaration of Responsibility



Declaration of Responsibility

The Directors of S.A.C.I. Falabella who sign this declaration, based on the information provided by the Company's Management, are responsible under oath regarding the veracity of the information contained in this Annual Report.

Mr. Carlo Solari Donaggio
Chilean ID: 9.585.749-3
Chairman

Mr. Juan Carlos Cortés Solari
Chilean ID: 7.017.522-3
Vice Chairman

Ms. María Cecilia Kortezi Solari
Chilean ID: 7.005.097-8
Director

Mr. Sergio Cardone Solari
Chilean ID: 5.082.229-K
Director

Ms. Paola Cúneo Guadrío
Chilean ID: 8.505.868-7
Director

Mr. Carlos Alberto Heller Solari
Chilean ID: 8.717.000-4
Director

Mr. José Luis del Río Gaudie
Chilean ID: 4.773.832-6
Director

Mr. Hernán Büchi Buc
Chilean ID: 5.718.666-6
Director

Ms. Carolina del Río Gaudie
Chilean ID: 6.888.500-0
Director

Mr. Sandro Solari Donaggio
Chilean ID: 9.585.729-9
Chief Executive Officer

Appendix I

SUBSIDIARIES

CHILEAN ID NUMBER	SUBSIDIARY NAME	OWNERSHIP PERCENTAGE					COUNTRY	FUNCTIONAL CURRENCY	Individually S.A.C.I. Falabella's share of total assets Dec 2016 (a) %
		12-31-16 DIRECT %	12-31-16 INDIRECTO %	12-31-16 TOTAL %	12-31-15 TOTAL %	12-31-14 TOTAL %			
76.020.391-2	INVERSIONES FALABELLA LTDA.	99.978	0.022	100.000	100.000	100.000	CHILE	CLP	63.816%
76.020.385-8	INVERSIONES PARMIN S.p.A.	100.000	-	100.000	100.000	100.000	CHILE	CLP	0.029%
Foreign	FALABELLA SUCURSAL URUGUAY S.A.	100.000	-	100.000	100.000	100.000	URUGUAY	CLP	0.093%
99.500.360-0	HOMETRADING S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	8.530%
99.593.960-6	DESARROLLOS INMOBILIARIOS S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	21.324%
Foreign	FALLBROOKS PROPERTIES LTD.	-	99.999	99.999	99.999	99.999	BRITISH VIRGIN ISLANDS	CLP	0.893%
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	5.160%
76.882.330-8	NUEVOS DESARROLLOS S.A. (EX-PLAZA ALAMEDA S.A.)	-	45.940	45.940	45.940	45.940	CHILE	CLP	6.644%
99.555.550-6	PLAZA ANTOFAGASTA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	0.907%
76.882.090-2	PLAZA CORDILLERA S.A.	-	45.940	45.940	45.940	45.940	CHILE	CLP	0.484%
96.653.660-8	PLAZA DEL TRÉBOL S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	5.920%
96.795.700-3	PLAZA LA SERENA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	1.089%
96.653.650-0	PLAZA OESTE S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	11.343%
76.017.019-4	PLAZA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	20.363%
76.034.238-6	PLAZA S.p.A	-	59.278	59.278	59.278	59.278	CHILE	CLP	(0.001%)
96.791.560-2	PLAZA TOBALABA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	1.190%
76.677.940-9	PLAZA VALPARAÍSO S.A.	-	45.940	45.940	45.940	45.940	CHILE	CLP	0.055%
96.538.230-5	PLAZA VESPUICIO S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	4.148%
76.099.956-3	SERVICIOS GENERALES CATEDRAL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
79.990.670-8	ADMINISTRADORA PLAZA VESPUICIO S.A.	-	59.252	59.252	59.252	59.252	CHILE	CLP	1.361%
76.883.720-1	DESARROLLOS E INVERSIONES INTERNACIONALES S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	2.089%
99.564.380-4	DESARROLLOS URBANOS S.A.	-	45.940	45.940	45.940	45.940	CHILE	CLP	1.079%
76.299.850-5	INVERSIONES PLAZA LTDA. (EX INV. ALCALÁ)	-	59.278	59.278	59.278	59.278	CHILE	CLP	0.184%
76.044.159-7	AUTOPLAZA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	0.079%
96.792.430-K	SODIMAC S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	4.157%
99.556.180-8	SODIMAC TRES S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.010%
96.678.300-1	SOC. ADM. DE TARJETAS DE CRÉDITOS COMERCIALES LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
79.530.610-2	COMERCIALIZADORA E IMPORTADORA IMPOMAC LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.093%
96.681.010-6	TRAINEEMAC S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.008%
76.054.094-3	INVERSIONES SODMIN S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.000%
76.054.151-6	TRAINEEMAC NUEVA S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.008%
78.582.500-4	HOMELET LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
96.520.050-9	HOMECENTER LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
76.821.330-5	IMPERIAL S.A.	-	60.000	60.000	60.000	60.000	CHILE	CLP	0.569%
79.553.230-7	SOC. DE CRÉDITOS COMERCIALES LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
96.665.150-4	SODILOG S.A.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
78.611.350-4	SERVICIOS DE COBRANZA CYSER LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
76.007.327-K	INVERSIONES VENSER DOS LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.00%
76.033.206-2	INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
76.033.208-9	INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
76.033.211-9	INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	-	-	100.000	100.000	CHILE	CLP	0.000%
76.222.370-8	SERVICIOS GENERALES BASCUÑÁN LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.010%
76.015.722-8	SERVICIOS GENERALES ALAMEDA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
76.644.120-3	APORTA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.001%
76.046.439-2	APYSER S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.102%
76.665.890-3	PRODUCTORA DE SERVICIOS GENERALES CALE S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.006%

CHILEAN ID NUMBER	SUBSIDIARY NAME	OWNERSHIP PERCENTAGE					COUNTRY	FUNCTIONAL CURRENCY	Individually S.A.C.I. Falabella's share of total assets Dec 2016 (a) %
		12-31-16	12-31-16	12-31-16	12-31-15	12-31-14			
		DIRECT %	INDIRECTO %	TOTAL %	TOTAL %	TOTAL %			
76.661.890-1	CERRILLOS LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.662.120-1	CERRO COLORADO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	(0.022%)
76.910.520-4	COLINA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
96.579.870-6	SERVICIOS GENERALES ECOCYCSA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.013%
76.033.452-9	EL BOSQUE LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.006%
76.014.726-5	ESTACIÓN CENTRAL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.005%
76.009.382-3	SERVICIOS GENERALES MANQUEHUE S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
76.811.460-9	SERVICIOS GENERALES MELIPILLA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
76.012.536-9	SERVICIOS GENERALES MULTIBRAND S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.006%
76.973.030-3	SERVICIOS GENERALES PUNTA ARENAS S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
76.033.294-1	SERVICIOS GENERALES SAN BERNARDO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
76.033.466-9	SAN FERNANDO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.004%
76.767.330-2	ANTOFAGASTA CENTRO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
76.553.390-2	FONTOVA LTDA.	-	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.557.960-0	LA CALERA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.005%
76.318.540-0	SERVICIOS GENERALES LA DEHESA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
76.662.280-1	LA FLORIDA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.429.990-6	NATANIEL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.013%
76.383.840-4	SERVICIOS GENERALES PRESERTEL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
76.035.886-K	PRESTADORA DE SERVICIOS TELEFÓNICOS S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
78.406.360-7	SERVICIOS GENERALES PROALTO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.017%
78.526.990-K	SERVICIOS GENERALES OESTE S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.016%
96.811.120-5	SERVICIOS GENERALES PASEO CENTRO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.008%
78.839.160-9	PRODUCTORA DE SERVICIOS GENERALES CHILLAN S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.005%
89.627.600-K	PRODUCTORA DE SERVICIOS GENERALES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.007%
78.334.680-K	SERVICIOS GENERALES PROSEÑOR S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.010%
77.565.820-7	PRODUCTORA DE SERVICIOS GENERALES ROSAS S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
78.636.190-7	SERVICIOS GENERALES PROSEVAL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.008%
76.662.220-8	PLAZA PUENTE ALTO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
76.429.790-3	PUENTE ALTO 37 LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.005%
76.291.110-8	SERVICIOS GENERALES PUENTE S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
76.583.290-K	PUERTO ANTOFAGASTA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
77.880.500-6	SERVICIOS GENERALES LOS ANGELES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
78.625.160-5	SERVICIOS GENERALES EL TREBOL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.008%
77.039.380-9	SERVICIOS GENERALES SEGECOP S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
77.462.160-1	SERVICIOS GENERALES CURICÓ S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
77.962.250-9	SERVICIOS GENERALES HUECHURABA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
77.423.730-5	SERVICIOS GENERALES IQUIQUE S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
77.598.800-2	SERVICIOS GENERALES PUERTO MONTT S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
78.991.740-K	SERVICIOS GENERALES ANTOFAGASTA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
78.151.550-7	SERVICIOS GENERALES SEGEPRO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
77.622.370-0	SERVICIOS GENERALES QUILPUE S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
79.731.890-6	SERVICIOS GENERALES QUINTA REGION S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.005%
78.150.440-8	SERVICIOS GENERALES SEXTA REGIÓN S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
78.665.660-5	SERVICIOS GENERALES OSORNO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
78.904.400-7	SERVICIOS GENERALES TALCA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
77.212.050-8	SERVICIOS GENERALES VALPARAÍSO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
77.152.390-0	SERVICIOS GENERALES TOBALABA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
78.738.460-9	TRANSPORTES Y DISTRIBUCIONES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.01%
78.919.640-0	TRANSPORTES Y DISTRIBUCIONES DEL SUR S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
78.745.900-5	TRASCIENDE LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.008%
78.015.390-3	SOCIEDAD COMERCIAL Y DE SERVICIOS VESPUCIO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.006%
77.166.470-9	SERVICIOS GENERALES SERENA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%

CHILEAN ID NUMBER	SUBSIDIARY NAME	OWNERSHIP PERCENTAGE					COUNTRY	FUNCTIONAL CURRENCY	Individually S.A.C.I. Falabella's share of total assets Dec 2016 (a)
		12-31-16	12-31-16	12-31-16	12-31-15	12-31-14			
		DIRECT	INDIRECTO	TOTAL	TOTAL	TOTAL			
		%	%	%	%	%		%	
76.042.509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.765%
76.046.445-7	CONFECCIONES INDUSTRIALES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.221%
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.223%
76.039.672-9	DINALSA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.399%
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.992%
78.722.910-7	TOTTUS S.A.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.898%
76.046.433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	14.596%
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	-	99.996	99.996	99.996	99.996	CHILE	CLP	8.897%
77.612.410-9	ADESSA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.587%
79.598.260-4	ADMINISTRADORA CMR FALABELLA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.620%
77.235.510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	1.089%
76.027.815-7	SERVICIOS Y ASISTENCIAS LIMITADA	-	-	100.000	100.000	100.000	CHILE	CLP	0.000%
76.027.825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.004%)
78.566.830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.03%
96.847.200-3	SERVICIOS E INVERSIONES FALABELLA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.274%
77.099.010-6	SEGUROS FALABELLA CORREDORES LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.036%
76.512.060-8	SOLUCIONES CREDITICIAS CMR LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.025%
78.997.060-2	VIAJES FALABELLA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.040%
77.261.280-K	FALABELLA RETAIL S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	3.578%
76.000.935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65.000	65.000	65.000	65.000	CHILE	CLP	0.070%
96.951.230-0	INMOBILIARIA MALL CALAMA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP	0.591%
77.132.070-8	SOUTH AMÉRICA TEXTILES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.000%
Foreign	SHEARVAN CORPORATE S.A.	-	100.000	100.000	100.000	100.000	BRITISH VIRGIN ISLANDS	USD	0.06%
77.072.750-2	COMERCIAL MONSE LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.113%
76.042.371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	24.420%
96.647.930-2	INVERSIONES INVERFAL PERÚ S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	23.643%
76.023.147-9	NUEVA INVERFIN S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	2.816%
76.007.317-2	INVERCOL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.002%)
Foreign	INVERSORA FALKEN S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	CLP	17.010%
Foreign	TEVER CORP.	-	100.000	100.000	100.000	100.000	URUGUAY	CLP	0.776%
Foreign	INVERSIONES FALABELLA ARGENTINA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS	0.314%
Foreign	FALABELLA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS	0.304%
Foreign	CMR ARGENTINA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS	0.279%
Foreign	VIAJES FALABELLA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS	0.023%
Foreign	CLAMIJU S.A.	-	-	-	-	99.999	ARGENTINA	ARS	0.000%
Foreign	CENTRO LOGÍSTICO APLICADO S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS	0.037%
Foreign	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	100.000	100.000	100.000	100.000	ARGENTINA	ARS	0.000%
Foreign	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	100.000	100.000	100.000	100.000	COLOMBIA	COP	3.638%
Foreign	FALABELLA COLOMBIA S.A.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP	1.081%
Foreign	AGENCIA DE SEGUROS FALABELLA LTDA.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP	0.076%
Foreign	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP	0.011%
Foreign	ABC DE SERVICIOS S.A.S.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP	0.159%
Foreign	FALABELLA PERÚ S.A.A.	-	99.758	99.758	94.183	94.183	PERU	PEN	18.290%
Foreign	SAGA FALABELLA S.A.	-	97.799	97.799	89.002	89.002	PERU	PEN	2.452%
Foreign	HIPERMERCADOS TOTTUS S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.992%
Foreign	SODIMAC PERÚ S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN	6.003%
Foreign	OPEN PLAZA S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	3.216%
Foreign	VIAJES FALABELLA S.A.	-	97.805	97.805	89.002	89.002	PERU	PEN	0.023%
Foreign	CORREDORA DE SEGUROS FALABELLAS.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.086%
Foreign	FALABELLA SERVICIOS GENERALES S.A.C.	-	97.799	97.799	94.089	94.089	PERU	PEN	0.036%
Foreign	FALACUATRO S.A.C.	-	97.799	97.799	94.188	94.188	PERU	PEN	0.004%

CHILEAN ID NUMBER	SUBSIDIARY NAME	OWNERSHIP PERCENTAGE					COUNTRY	FUNCTIONAL CURRENCY	Individually S.A.C.I. Falabella's share of total assets Dec 2016 (a)
		12-31-16	12-31-16	12-31-16	12-31-15	12-31-14			
		DIRECT %	INDIRECTO %	TOTAL %	TOTAL %	TOTAL %			
Foreign	INMOBILIARIA KAINOS S.A.C.	-	99.758	94.758	94.183	94.183	PERU	PEN	0.147%
Foreign	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.132%
Foreign	INVERSIONES INMOBILIARIAS BETA S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.173%
Foreign	INVERSIONES INMOBILIARIAS GAMMA S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.170%
76.075.082-4	SERVICIOS GENERALES HIPERPUENTE LTDA.	-	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.080.519-K	SERVICIOS GENERALES QUILLOTA LTDA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
96.509.660-4	BANCO FALABELLA S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	3.596%
Foreign	BANCO FALABELLA PERÚ S.A.	-	99.345	99.345	92.817	92.817	PERU	PEN	2.370%
Foreign	BANCO FALABELLA S.A. (COLOMBIA)	-	65.000	65.000	65.000	65.000	COLOMBIA	COP	1.384%
76.099.954-7	SERVICIOS GENERALES PADRE HURTADO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
Foreign	SALÓN MOTOR PLAZA S.A.	-	59.278	59.278	59.278	59.278	PERU	PEN	0.026%
76.011.659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.038%
76.112.525-7	SERVICIOS GENERALES PEÑALOLÉN LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.004%
76.112.533-8	SERVICIOS GENERALES SAN FELIPE LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.004%
76.112.537-0	SERVICIOS GENERALES VIÑA DEL MAR LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
76.112.543-5	SERVICIOS GENERALES TALCA DOS LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.004%
76.112.548-6	SERVICIOS GENERALES LLOLLEO LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.113.257-1	SERVICIOS GENERALES CORDILLERA SPA	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
Foreign	SERVICIOS INFORMÁTICOS FALABELLA S.A.C.	-	92.817	92.817	92.817	92.817	PERU	PEN	0.019%
76.141.045-8	INVERSIONES INVERFAL COLOMBIA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	1.631%
76.141.046-6	INVERSIONES INVERFAL ARGENTINA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(1.515%)
76.153.987-6	ADMYSER S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.063%
76.153.976-0	CAPYSER S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.010%
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	41.495	41.495	41.495	41.495	COLOMBIA	COP	0.21%
Foreign	MALL PLAZA COLOMBIA S.A.S.	-	59.278	59.278	59.278	59.278	COLOMBIA	COP	0.941%
Foreign	CENTRO COMERCIAL MANIZALES S.A.S.	-	47.424	47.424	47.424	47.424	COLOMBIA	COP	0.190%
76.142.721-0	GIFT CORP. S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
76.149.308-6	INVERSIONES BRASIL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	-0.930%
76.154.299-0	SERVICIOS GENERALES RANCAGUA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.003%
76.154.491-8	SERVICIOS GENERALES SANTA MARTA DE HUECHURABA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.159.664-0	INVERSIONES URUGUAY S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.322%)
76.159.684-5	INVERFAL URUGUAY S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.322%)
76.166.215-5	SERVICIOS GENERALES CALAMA CENTRO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
Foreign	COMPAÑÍA SAN JUAN S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.037%
76.166.208-2	SERVICIOS GENERALES CALAMA MALL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.00%
76.169.826-5	SERVICIOS GENERALES COSTANERA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.00%
76.308.853-7	NUEVA INVERFAL ARGENTINA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	1.056%
76.179.527-9	FALABELLA MÓVIL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.031%
76.167.965-1	SERVICIOS LOGISTICOS SODILOG LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.01%
76.201.304-5	RENTAS HOTELERAS S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.015%)
Foreign	CONTAC CENTER FALABELLA S.A.C.	-	99.345	99.345	92.818	92.818	PERU	PEN	0.036%
Foreign	OPEN PLAZA ORIENTE S.A.	-	99.758	99.758	94.184	94.184	PERU	PEN	0.00%
76.212.895-0	SERVICIOS GENERALES BIO-BIO MALL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.232.164-5	SERVICIOS GENERALES VICUÑA MACKENNA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.232.178-5	SERVICIOS GENERALES MP TOBALABA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.232.172-6	SERVICIOS GENERALES VITACURA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.232.689-2	SERVICIOS GENERALES MAIPÚ S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.004%
76.240.391-9	SERVICIOS GENERALES CHILLÁN LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.00%
76.233.398-8	SERVICIOS GENERALES MP LOS ANGELES LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
76.254.205-6	SERVICIOS GENERALES RANCAGUA CENTRO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%
96.824.450-7	INMOBILIARIA MALL LAS AMÉRICAS S.A.	-	42.890	42.890	42.890	42.890	CHILE	CLP	0.327%
76.318.636-9	SERVICIOS GENERALES MP EGAÑA LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.002%

CHILEAN ID NUMBER	SUBSIDIARY NAME	OWNERSHIP PERCENTAGE					COUNTRY	FUNCTIONAL CURRENCY	Individually S.A.C.I. Falabella's share of total assets Dec 2016 (a) %
		12-31-16	12-31-16	12-31-16	12-31-15	12-31-14			
		DIRECT %	INDIRECTO %	TOTAL %	TOTAL %	TOTAL %			
76.337.217-0	SERVICIOS GENERALES QUILPUE DOS LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.337.209-k	SERVICIOS GENERALES CON CON LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.362.983-k	SERVICIOS GENERALES MP COPIAPÓ LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.412.572-k	SERVICIOS GENERALES REÑACA LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.318.627-k	SERVICIOS GENERALES RECOLETA LIMITADA	-	-	88.000	88.000	88.000	CHILE	CLP	0.000%
76.349.709-7	SERVICIOS GENERALES OVALLE LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
Foreign	SHEARVAN COMMERCIAL (SHANGAI)	-	100.000	100.000	100.000	100.000	CHINA	CNY	0.020%
76.283.127-9	SERVICIOS GENERALES PLAZA EGAÑA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
Foreign	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.088%
Foreign	SODIMAC ORIENTE S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.062%
76.319.068-4	INVERSIONES DESREG S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.000%
76.319.054-4	DESREG S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.000%
Foreign	FALABELLA BRASIL LTDA.	-	100.000	100.000	100.000	100.000	BRAZIL	BRL	1.339%
Foreign	SODIMAC BRASIL LTDA.	-	100.000	100.000	100.000	100.000	BRAZIL	BRL	1.337%
Foreign	INVERSIONES FALABELLA URUGUAY S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	UYU	0.413%
Foreign	HOME CENTER SODIMAC S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	UYU	0.318%
Foreign	JOSMIR S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	UYU	0.033%
76.335.739-2	INVERSIONES MÉXICO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.011%)
76.335.749-k	INVERFAL MÉXICO S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.000%
76.282.188-5	INVERFAL BRASIL S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	(0.930%)
Foreign	SAGA FALABELLA IQUITOS S.A.C.	-	97.805	97.805	89.002	89.002	PERU	PEN	0.027%
Foreign	SAGA FALABELLA ORIENTE S.A.C.	-	97.805	97.805	89.002	89.002	PERU	PEN	0.085%
Foreign	CONSTRUDECOR S.A.	-	60.043	60.043	50.100	50.100	BRAZIL	BRL	1.039%
Foreign	CONSTRUDECOR SERVICIOS LTDA.	-	60.043	60.043	50.100	50.100	BRAZIL	BRL	0.005%
Foreign	CONSTRUDECOR PROPERTIES LTDA.	-	60.043	60.043	50.100	50.100	BRAZIL	BRL	0.000%
Foreign	SEGUROS FALABELLA PRODUCTORES S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS	0.000%
76.327.526-4	SERVICIOS GENERALES ATACAMA S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.003%
76.327.698-8	SERVICIOS GENERALES LIMARI S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
76.328.138-8	SERVICIOS GENERALES MP EL TRÉBOL DE TALCAHUANO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.00%
Foreign	LILLE INVESTIMENTOS	-	60.043	60.043	50.100	50.100	BRAZIL	BRL	0.206%
76.379.784-8	SERVICIOS LEGALES S.p.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.001%
76.377.255-1	SERVICIOS GENERALES WALKER MARTÍNEZ LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
Foreign	SHEARVAN PURCHASING INDIA	-	100.000	100.000	100.000	100.000	INDIA	INR	0.003%
76.434.317-4	PROMOTORA INVERSIONES S.A.	-	99.996	99.996	99.996	99.996	CHILE	CLP	0.11%
76.389.515-7	SERVICIOS GENERALES COLCHAGUA SPA	-	100.000	100.000	100.000	100.000	CHILE	CLP	0.002%
Foreign	MAESTRO PERÚ S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN	1.646%
Foreign	MAESTRO PERÚ AMAZONIA S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.038%
Foreign	INMOBILIARIA DOMEL S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	1.071%
Foreign	INDUSTRIAS DELTA S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN	0.099%
Foreign	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	38.531	38.531	38.531	38.531	COLOMBIA	COP	0.29%
76.414.847-9	SERVICIOS GENERALES CHAMISEROS LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP	0.001%
76.416.888-7	NUEVA INVERSIONES PLAZA S.A.	-	-	-	59.278	59.278	CHILE	CLP	0.000%
76.427.811-9	SERVICIOS DE INFRAESTRUCTURA FALABELLA S.p.A.	-	100.000	100.000	100.000	-	CHILE	CLP	(0.002%)
76.477.116-8	CF SEGUROS DE VIDA S.A.	-	90.000	90.000	90.000	-	CHILE	CLP	0.152%
Foreign	GESTIONES INTEGRALES DE SERVICIOS S.A.	-	97.203	97.203	100.000	-	PERU	PEN	0.022%
Foreign	AVENTURA PLAZA S.A.	-	82.560	82.560	-	-	PERU	PEN	2.839%
Foreign	GEMA NEGOCIOS S.A.C.	-	57.792	57.792	-	-	PERU	PEN	0.000%
Foreign	INVERFAL MEXICO S.A. DE C.V.	-	100.000	100.000	-	-	MEXICO	MXN	0.118%
76.582.813-9	NUEVA INVERFAL MEXICO S.p.A.	-	100.000	100.000	-	-	CHILE	CLP	(0.011%)
76.587.847-0	FALABELLA SERVICIOS PROFESIONALES DE TI S.p.A.	-	100.000	100.000	-	-	CHILE	CLP	0.000%

Appendix II

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 pages 20 to 28 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, and 360° Performance Evaluation.*
- 2. Suppliers: Number of active suppliers, Number of suppliers with ESG clauses in contracts, Number of suppliers audited under 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 February 2017 and was completed on April 6th, 2017. 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 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.*
- 2 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.

Corporate Citizenship Limited

London

April 6th, 2017



S.A.C.I. Falabella and Subsidiaries

Consolidated Financial Statements
December 31, 2016



ThCh\$ - Thousands of Chilean pesos



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

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

Independent Auditor's Report

(Translation of the report originally issued in Spanish)

Shareholders and Directors
S.A.C.I. Falabella

We have audited the accompanying consolidated financial statements of S.A.C.I. Falabella and its subsidiaries ("the Company"), which comprise the consolidated statement of financial position as of December 31, 2016, as of December 31, 2015 and as of January 1, 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the years ended as of December 31, 2016 and 2015, and the related notes to the 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 International Financial Reporting Standards. 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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of S.A.C.I. Falabella and its subsidiaries as of December 31, 2016, as of December 31, 2015 and as of January 1, 2015, and the results of their operations and their cash flows for the years ended as of December 31, 2016 and 2015, in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read 'M. Borowski', is written over the printed name.

Marek Borowski

EY Audit SpA

Santiago, February 28, 2017

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Consolidated Statement of Financial Position

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

As of December 31, 2016, December 31, 2015, and January 1, 2015

	Note	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Assets				
Non-Banking Businesses (Presentation)				
Current assets				
Cash and cash equivalents	4	201,319,634	207,308,226	211,219,868
Other financial assets, current	5	27,732,890	23,604,836	10,591,044
Other non-financial assets, current	6	97,553,041	88,637,767	88,613,455
Trade and other receivables, current	7	1,798,336,795	1,681,913,169	1,469,813,782
Receivables due from related companies, current	8	6,135,088	5,099,194	14,382,645
Inventories	9	1,207,253,018	1,173,671,356	1,019,199,966
Current tax assets	10	75,906,443	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		3,414,236,909	3,234,856,207	2,863,387,103
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners	2.16	3,122,099	3,177,255	3,175,721
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners		3,122,099	3,177,255	3,175,721
Total current assets		3,417,359,008	3,238,033,462	2,866,562,824
Non-current assets				
Other financial assets, non-current	5	73,357,881	164,996,973	71,524,973
Other non-financial assets, non-current	6	57,510,726	36,599,317	32,688,857
Trade and other receivables, non-current	7	240,706,433	203,915,411	206,165,723
Investments accounted for using the equity method	12	109,179,061	184,148,339	163,334,299
Intangible assets other than goodwill	13	270,110,558	246,913,398	233,503,315
Goodwill	14	519,353,212	461,664,958	465,969,088
Property, plant and equipment	15	2,500,304,700	2,377,970,804	2,258,418,541
Investment properties	16	2,822,793,360	2,592,396,392	2,493,454,486
Deferred tax assets	11	131,418,254	91,930,367	68,168,041
Total non-current assets		6,724,734,185	6,360,535,959	5,993,227,323
Total assets - non-banking business		10,142,093,193	9,598,569,421	8,859,790,147
Assets Banking Businesses (Presentation)				
Cash and bank deposits	4	303,391,378	372,864,747	347,215,192
Transactions pending settlement	4	63,769,129	13,884,905	10,125,348
Instruments held for trading	4	81,622,210	110,154,548	55,864,410
Financial derivative contracts		9,870,857	8,744,053	14,503,691
Due from banks		-	-	29,977,748
Customer loans and receivables	7	2,621,812,969	2,471,067,255	2,180,384,460
Investment instruments held for sale	41	566,071,349	423,103,649	264,017,567
Investments in companies	12	3,063,456	2,801,387	1,910,151
Intangible assets	13	49,631,037	34,128,788	23,769,265
Property, plant and equipment	15	33,666,751	35,555,641	36,934,564
Current taxes	10	3,575,649	1,850,246	1,873,669
Deferred taxes	11	18,966,013	18,580,064	14,509,536
Other assets	17	27,743,273	21,088,331	16,184,783
Total assets - banking business		3,783,184,071	3,513,823,614	2,997,270,384
Total assets		13,925,277,264	13,112,393,035	11,857,060,531

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)

As of December 31, 2016, December 31, 2015, and January 1, 2015

	Note	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Net Liabilities and Shareholders' Equity				
Non-Banking Businesses (Presentation)				
Current liabilities				
Other financial liabilities, current	18	1,072,094,075	738,717,161	736,529,589
Trade and other payables, current	19	1,047,625,370	1,020,371,592	966,061,609
Accounts payable to related companies, current	8	6,486,465	3,240,430	9,894,036
Other current provisions	20	13,230,417	11,978,083	10,248,584
Current tax liabilities	10	37,282,432	44,919,936	25,734,030
Employee benefit provisions, current	21	130,056,422	121,651,114	110,578,122
Other non-financial liabilities, current	22	149,922,113	138,768,939	129,538,281
Total current liabilities		2,456,697,294	2,079,647,255	1,988,584,251
Non-current liabilities				
Other financial liabilities, non-current	18	2,674,994,491	2,700,830,781	2,316,360,511
Trade and other payables, non-current	19	1,231,300	1,262,231	1,208,738
Other provisions, non-current	20	12,875,808	15,174,089	17,548,571
Deferred tax liabilities	11	563,394,385	503,406,350	506,211,856
Employee benefit provisions, non-current	21	29,144,287	21,045,521	19,717,004
Other non-financial liabilities, non-current	22	41,461,450	40,266,934	32,183,682
Total non-current liabilities		3,323,101,721	3,281,985,906	2,893,230,362
Total liabilities - non-banking business		5,779,799,015	5,361,633,161	4,881,814,613
Banking Business Liabilities (Presentation)				
Deposits and other demand obligations		427,700,255	321,693,368	241,347,479
Transactions pending settlement	4	57,822,039	9,542,490	4,852,755
Deposits and other time deposits	23	2,016,697,359	1,988,206,540	1,671,548,562
Financial derivative contracts		9,348,660	8,166,601	8,637,377
Bank borrowings	24	116,723,248	89,884,439	66,923,264
Debt instruments issued	25	263,987,879	294,047,824	240,739,591
Other financial obligations	25	145,507,995	159,527,592	175,729,113
Current taxes	10	1,214,607	4,327,573	59,511
Provisions	20	2,342,153	6,396,024	5,491,575
Other liabilities	26	55,776,934	56,727,698	49,257,187
Total liabilities - banking business		3,097,121,129	2,938,520,149	2,464,586,414
Total liabilities		8,876,920,144	8,300,153,310	7,346,401,027
Net Equity				
Capital issued	34	533,409,643	533,409,643	533,409,643
Retained earnings		3,872,333,532	3,449,878,502	3,123,734,477
Share premium	34	93,482,329	93,482,329	93,482,329
Treasury shares		(35,125,632)	(8,632,349)	(3,495,432)
Other reserves	34	(283,783,440)	(131,932,183)	(92,000,283)
Equity attributable to owners of the parent company		4,180,316,432	3,936,205,942	3,655,130,734
Non-controlling interests		868,040,688	876,033,783	855,528,770
Total shareholder's equity		5,048,357,120	4,812,239,725	4,510,659,504
Total liabilities and equity		13,925,277,264	13,112,393,035	11,857,060,531

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, 2016, and December 31, 2015.

	Note	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Income Statement			
Non-Banking Businesses (Presentation)			
Operating revenue	27	7,898,301,784	7,753,209,572
Cost of sales	28	(5,180,719,944)	(5,098,131,631)
Gross margin		2,717,581,840	2,655,077,941
Distribution costs		(89,751,825)	(82,294,591)
Administrative expenses	29	(1,716,574,738)	(1,683,850,992)
Other expenses, by function		(135,229,377)	(142,275,799)
Other income (losses)	31	160,726,377	33,749,211
Financial income		15,268,092	33,868,899
Financial costs	30	(207,568,518)	(174,032,519)
Share of income (losses) of associates and joint ventures accounted for using the equity method	12	21,247,989	25,272,409
Exchange differences		3,637,364	(18,208,873)
Income from indexation units	30	(26,087,890)	(33,455,450)
Net income before tax		743,249,314	613,850,236
Income tax expense	11	(148,580,176)	(134,095,686)
Net income from non-banking businesses		594,669,138	479,754,550
Banking Business (Presentation)			
Interest and indexation income.	27	526,664,491	485,319,456
Interest and indexation expense.	28	(152,144,758)	(133,370,243)
Net interest and indexation income		374,519,733	351,949,213
Commission income	27	163,483,782	135,915,710
Commission expense	28	(40,135,723)	(33,607,581)
Net commission income		123,348,059	102,308,129
Net income (loss) on financial transactions		17,811,714	2,341,646
Net income (loss) on currency exchange		(5,777,584)	8,854,487
Other operating income (expenses)		(69,539)	2,147,794
Credit risk allowances	28	(146,481,242)	(114,698,003)
Total operating income, net of provisions		363,351,141	352,903,266
Remuneration and personnel costs	29	(96,051,131)	(90,919,630)
Administrative expenses	29	(125,483,985)	(112,366,201)
Depreciation and amortization	29	(16,810,784)	(15,638,353)
Other operating expenses	29	(11,740,051)	(10,548,992)
Total operating expenses		(250,085,951)	(229,473,176)
Net operating income		113,265,190	123,430,090
Income from investments in companies	12	508,395	531,214
Net income before tax		113,773,585	123,961,304
Income tax expense	11	(30,410,733)	(33,179,362)
Net income from non-banking businesses		83,362,852	90,781,942
Total net income		678,031,990	570,536,492
Net income attributable to			
Net income attributable to owners of the parent company	32	609,024,729	517,934,651
Net income attributable to non-controlling interests		69,007,261	52,601,841
Total net income		678,031,990	570,536,492
Earnings per share			
Basic earnings per share			
Basic earnings per share from continuing operations	32	0.2502	0.2128
Basic earnings per share		0.2502	0.2128
Diluted earnings per share			
Diluted earnings per share from continuing operations	32	0.2502	0.2128
Diluted earnings per share		0.2502	0.2128

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, 2016, and December 31, 2015.

Comprehensive Income Statement	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Total net income	678,031,990	570,536,492
Components of other comprehensive income that will not be reclassified to income for the year, before tax		
Actuarial income (loss) for defined benefit plans, before tax	(2,515,721)	(1,382,206)
Other comprehensive income that will not be reclassified to income for the year	(2,515,721)	(1,382,206)
Components of other comprehensive income that will be reclassified to income for the year, before tax		
Foreign currency conversion		
Income (losses) from foreign currency conversion, before tax	(59,857,202)	(53,895,585)
Other comprehensive income, before tax, on foreign currency conversion	(59,857,202)	(53,895,585)
Income (losses) from re-measurement of financial assets held for sale, before tax	1,927,800	(1,902,093)
Other comprehensive income, before tax, on financial instruments held for sale	1,927,800	(1,902,093)
Cash flow hedges		
Income (losses) on cash flow hedges, before tax	(38,402,208)	(4,308,957)
Other comprehensive income, before tax, on cash flow hedges	(38,402,208)	(4,308,957)
Other components of other comprehensive income that will be reclassified to income for the year, before tax	(96,331,610)	(60,106,635)
Income tax related to components of other comprehensive income		
Income tax related to defined benefits plans in other comprehensive income	698,872	331,343
Total income tax related to components of other comprehensive income that will not be reclassified to income for the year	698,872	331,343
Income tax related to components of other comprehensive income		
Income tax related to financial assets held for sale in other comprehensive income	(462,672)	427,971
Income tax related to cash flow hedges in other comprehensive income	8,800,182	1,367,151
Total income tax related to components of other comprehensive income	8,337,510	1,795,122
Total other comprehensive income (loss)	(89,810,949)	(59,362,376)
Total comprehensive income	588,221,041	511,174,116
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent company	525,124,565	472,818,154
Comprehensive income attributable to non-controlling interests	63,096,476	38,355,962
Total comprehensive income	588,221,041	511,174,116

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

Statement of Changes in Net 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, 2016, was as follows:

	Capital issued	Share premium	Treasury shares (Note 21.d)	Foreign currency conversion reserves	Cash flow hedge reserves	Actuarial gains or losses on defined benefits plan reserves	Gains or losses on re-measuring financial assets held for sale reserves	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent company	Non-controlling interests	Total shareholder's equity
Opening balance as of 01/01/2016	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)	3,449,878,502	3,936,205,942	876,033,783	4,812,239,725
Changes in equity													
Comprehensive income													
Net income for the year	-	-	-	-	-	-	-	-	-	609,024,729	609,024,729	69,007,261	678,031,990
Other comprehensive income	-	-	-	(55,709,601)	(27,838,756)	(1,816,935)	1,465,128	-	(83,900,164)	-	(83,900,164)	(5,910,785)	(89,810,949)
Comprehensive income	-	-	-	(55,709,601)	(27,838,756)	(1,816,935)	1,465,128	-	(83,900,164)	609,024,729	525,124,565	63,096,476	588,221,041
Equity issued	-	-	-	-	-	-	-	-	-	-	-	11,081,793	11,081,793
Dividends	-	-	-	-	-	-	-	-	-	(101,555,534)	(101,555,534)	(9,640,976)	(111,196,510)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	(67,951,093)	(67,951,093)	(85,014,165)	(152,965,258)	(72,530,388)	(225,495,646)
Increase (decrease) for transactions of treasury shares	-	-	(26,493,283)	-	-	-	-	-	-	-	(26,493,283)	-	(26,493,283)
Total changes in equity	-	-	(26,493,283)	(55,709,601)	(27,838,756)	(1,816,935)	1,465,128	(67,951,093)	(151,851,257)	422,455,030	244,110,490	(7,993,095)	236,117,395
Closing balance as of 12/31/2016	533,409,643	93,482,329	(35,125,632)	(146,884,310)	(32,209,059)	(7,651,577)	611,482	(97,649,976)	(283,783,440)	3,872,333,532	4,180,316,432	868,040,688	5,048,357,120

b) The Statement of Changes in Net Equity for the year ended December 31, 2015, was as follows:

	Capital issued	Share premium	Treasury shares (Note 21.d)	Foreign currency conversion reserves	Cash flow hedge reserves	Actuarial gains or losses on defined benefits plan reserves	Gains or losses on re-measuring financial assets held for sale reserves	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent company	Non-controlling interests	Total shareholder's equity
Opening balance as of 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)	3,123,734,477	3,655,130,734	855,528,770	4,510,659,504
Changes in equity													
Comprehensive income													
Net income for the year	-	-	-	-	-	-	-	-	-	517,934,651	517,934,651	52,601,841	570,536,492
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)	517,934,651	472,818,154	38,355,962	511,174,116
Equity issued	-	-	-	-	-	-	-	-	-	-	-	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) for transactions of treasury shares	-	-	(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)	326,144,025	281,075,208	20,505,013	301,580,221
Closing balance as of 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)	3,449,878,502	3,936,205,942	876,033,783	4,812,239,725

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, 2016, and December 31, 2015

Cash Flow Statement - Direct Method	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Cash flow statements		
Cash flows provided by (used in) operating activities		
Non-Banking Businesses (Presentation)		
Proceeds from operating activities		
Proceeds from sale of goods and services	9,075,155,232	8,876,519,998
Payments for operating activities		
Payments to suppliers for goods and services	(7,184,057,019)	(7,057,658,841)
Payments to and on behalf of employees	(964,755,853)	(937,622,406)
Income tax paid	(155,870,237)	(126,155,139)
Other cash payments	(211,879,345)	(205,913,143)
Subtotal net cash flow provided by operating activities from Non-Banking Businesses	558,592,778	549,170,469
Banking Businesses (Presentation)		
Consolidated net income for the year	83,362,852	90,781,942
Charges (credits) to income that do not involve cash movements		
Depreciation and amortization	16,810,784	15,638,353
Credit risk allowances	177,762,330	139,502,654
Net income from investments in companies with significant influence	(508,395)	(531,214)
Other charges that do not involve cash movements	30,410,733	22,754,684
Net change in interest, indetention and commissions accrued on assets and liabilities	1,922,505	(8,113,894)
Changes in assets and liabilities that affect operating cash flow		
Net decrease in amounts owed by banks	-	29,977,748
Increase in customer loans and receivables	(328,744,210)	(426,135,989)
Net (increase) decrease in instruments held for trading	17,632,999	(19,399,412)
Increase in deposits and other demand obligations	106,006,887	73,171,331
Increase in deposits and other time deposits.	32,652,239	321,176,561
Increase in obligations to banks	26,838,809	22,790,290
Other cash payments	(34,627,746)	(29,894,799)
Subtotal net cash flow provided by operating activities from Banking Businesses	129,519,787	231,718,255
Net cash flow provided by operating activities	688,112,565	780,888,724
Cash flow provided by (used in) investing activities		
Non-Banking Businesses (Presentation)		
Contributions to associates	-	(4,090,717)
Proceeds from sale of property, plant and equipment	53,875,552	4,289,281
Acquisitions of property, plant, and equipment	(316,211,151)	(329,915,643)
Acquisitions of intangible assets	(40,362,986)	(31,320,396)
Proceeds from other long-term assets	-	249,380
Acquisitions of other long-term assets	(138,983,678)	(148,799,729)
Dividends received	720,474	9,217,815
Interest received	11,145,597	11,698,121
Other cash proceeds	22,031,969	22,622,814
Subtotal net cash flow used in investing activities for Non-banking Businesses	(407,784,223)	(466,049,074)
Banking Businesses (Presentation)		
Net increase in investment instruments held for sale	(141,502,572)	(159,135,213)
Acquisition of property, plant and equipment	(30,982,299)	(26,394,009)
Contributions to associates	-	(819,263)
Dividends received	78,697	444,365
Other cash proceeds	555,554	2,066,323
Subtotal net cash flow used in investing activities for Banking Businesses	(171,850,620)	(183,837,797)
Net cash flow used in investing activities	(579,634,843)	(649,886,871)

Consolidated Statement of Cash Flows

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



For the years ended December 31, 2016, and December 31, 2015.

Cash Flow Statement - Direct Method	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Cash flow provided by (used in) financing activities Non-Banking Businesses (Presentation)		
Proceeds from issuing shares	11,081,793	3,831,268
Payments to acquire the entity's own shares	(26,493,283)	(5,136,917)
Proceeds from long-term loans	898,610,084	256,796,220
Proceeds from short-term loans	2,434,950,996	3,000,044,363
Total proceeds from loans	3,333,561,080	3,256,840,583
Loan repayments	(2,918,044,690)	(2,998,109,042)
Payment of financial lease liabilities	(18,031,378)	(24,997,036)
Dividends paid	(215,513,372)	(197,397,585)
Interest paid	(168,467,368)	(152,688,957)
Other cash proceeds (payments)	(126,887,026)	4,012,861
Subtotal net cash flows used in financing activities for Non-Banking Businesses	(128,794,244)	(113,644,825)
Banking Businesses (Presentation)		
Letters of credit redeemed	(7,839,670)	(10,429,838)
Issue (repayment) of bonds and other long-term borrowings	(30,059,945)	62,723,237
Other cash payments	(4,633,869)	(11,598,629)
Subtotal net cash flows used in financing activities for Banking Businesses	(42,533,484)	40,694,770
Cash flows provided by (used in) financing activities	(171,327,728)	(72,950,055)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in exchange rates	(62,850,006)	58,051,798
Effect of changes in exchange rates on cash and cash equivalents		
Effect of changes in exchange rates on cash and cash equivalents	(22,216,407)	(7,118,807)
Net increase (decrease) in cash and cash equivalents	(85,066,413)	50,932,991
Cash and cash equivalents, start of year	661,059,154	610,126,163
Cash and cash equivalents, end of year	575,992,741	661,059,154

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



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 Chilean Superintendency of Securities and Insurance (“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:

Subsidiary name	Chilean ID number	Registration number
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	1092

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

The Company’s business is selling a wide range 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 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 a 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, 2016 and as of December 31, 2015, the Group has the following number of employees:

Country	Dec-31-2016	Dec-31-2015
Chile	51,211	51,195
Peru	31,395	29,699
Colombia	7,415	6,998
Argentina	5,428	5,620
Brazil	3,088	3,435
Uruguay	363	357
Total	98,900	97,304
Senior Executives	3,568	3,216



Note 2 - Summary of Significant Accounting Policies

2.1. Basis of preparation of the financial statements

These consolidated financial statements of S.A.C.I. Falabella and subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The consolidated statement of financial position, the consolidated statement of comprehensive income by function, the statement of changes in net equity and the consolidated statements of cash flow for the year ended December 31, 2015, were originally prepared in accordance with regulations issued by the Chilean Superintendency of Securities and Insurance (SVS). These are IFRS, and information requirements specified by the SVS, which include Circular No. 856 issued by the SVS on October 17, 2014. This Circular instructed controlled entities to register directly in equity the movements in deferred tax assets and liabilities that arose directly as a result of the increase in the corporate income tax rate introduced in Chile by Law 20,780 (Tax Reform Law in Chile). This instruction differs from IFRS, as it establishes that this effect should be recorded against net income for the year, changing the framework for the preparation and presentation of financial information adopted until that date (IFRS), which needs to be adopted in a comprehensive, explicit and unqualified manner.

The Company has adopted IFRS with effect from January 1, 2016, and has applied IFRS 1 "First-time Adoption of International Financial Reporting Standards." The adjustments under this adoption are detailed in Note 3 to these financial statements.

For the convenience of the reader, these consolidated 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 applying the Company's accounting policies. Subsection 2.28 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 criterion, separating the balances of the banking companies (Banking Business) from the remaining consolidated companies (Non-Banking Business). The banking companies in the Falabella Group which were separated were: Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia.

The consolidated financial statements of S.A.C.I. Falabella for 2015 were approved by its Board of Directors during a meeting held on March 1, 2016 and subsequently presented for the consideration of the General Shareholders' Meeting held on April 26, 2016, which approved them.

Certain items from the previous year's financial statements have been reclassified for the purpose of ensuring comparability with the current year's presentation. These reclassifications are not significant.

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

The accounting policies adopted in preparing the consolidated financial statements are consistent with those applied in preparing the consolidated financial statements for the year ended December 31, 2015.



Note 2 - Summary of Significant Accounting Policies (continued)

2.3. Presentation 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 presentation currency of the Group. Chilean pesos are rounded to the nearest thousands of 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 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 IAS 21.

2.4. Period Covered by the Financial Statements

The consolidated financial statements comprise the statements of financial position as of December 31, 2016 and December 31, 2015 and January 1, 2015 (See Note 3), the statements of comprehensive income, the statements of cash flow, and the statements of changes in net equity for the years ended December 31, 2016 and December 31, 2015.

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 the 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 be able to exercise authority over the investee's business, (b) an investor must be exposed, or have the rights to variable returns resulting from its involvement in the investee, and (c) an investor must have the ability to use its authority over the investee to influence the investor's returns. The non-controlling interest represents the portion of net assets and net income or losses that are not owned by 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 the 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 the minority shareholder's share of 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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

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.

Subsidiaries included in the consolidation were as follows:

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016 Direct %	Dec-31-2016 Indirect %	Dec-31-2016 Total %	Dec-31-2015 Total %	Jan-01-2015 Total %		
76,020,391-2	INVERSIONES FALABELLA LTDA.	99.978	0.022	100.000	100.000	100.000	CHILE	CLP
76,020,385-8	INVERSIONES PARMIN SpA.	100.000	-	100.000	100.000	100.000	CHILE	CLP
Foreign	FALABELLA SUCURSAL URUGUAY S.A.	100.000	-	100.000	100.000	100.000	URUGUAY	CLP
99,500,360-0	HOMETRADING S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
99,593,960-6	DESARROLLOS INMOBILIARIOS SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	FALLBROOKS PROPERTIES LTD.	-	99.999	99.999	99.999	99.999	BRITISH VIRGIN ISLANDS	CLP
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,882,330-8	NUEVOS DESARROLLOS S.A. (FORMERLY PLAZA ALAMEDA S.A.)	-	45.940	45.940	45.940	45.940	CHILE	CLP
99,555,550-6	PLAZA ANTOFAGASTA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,882,090-2	PLAZA CORDILLERA S.A.	-	45.940	45.940	45.940	45.940	CHILE	CLP
96,653,660-8	PLAZA DEL TRÉBOL S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,795,700-3	PLAZA LA SERENA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,653,650-0	PLAZA OESTE S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,017,019-4	PLAZA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,034,238-6	PLAZA SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,791,560-2	PLAZA TOBALABA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,677,940-9	PLAZA VALPARAISO S.A.	-	45.940	45.940	45.940	45.940	CHILE	CLP
96,538,230-5	PLAZA VESPUCCIO S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,099,956-3	SERVICIOS GENERALES CATEDRAL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
79,990,670-8	ADMINISTRADORA PLAZA VESPUCCIO S.A.	-	59.252	59.252	59.252	59.252	CHILE	CLP
76,883,720-1	DESARROLLOS E INVERSIONES INTERNACIONALES S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
99,564,380-4	DESARROLLOS URBANOS S.A.	-	45.940	45.940	45.940	45.940	CHILE	CLP
76,299,850-5	INVERSIONES PLAZA LTDA. (FORMERLY INV. ALCALÁ)	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,044,159-7	AUTOPLAZA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,792,430-K	SODIMAC S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
99,556,180-8	SODIMAC TRES S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
96,678,300-1	SOC. ADM. DE TARJETAS DE CRÉDITOS COMERCIALES LTDA.	-	-	-	100.000	100.000	CHILE	CLP
79,530,610-2	COMERCIALIZADORA E IMPORTADORA IMPOMAC LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
96,681,010-6	TRAINEEMAC S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,054,094-3	INVERSIONES SODMIN SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,054,151-6	TRAINEEMAC NUEVA S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,582,500-4	HOMELT LTDA.	-	-	-	100.000	100.000	CHILE	CLP
96,520,050-9	HOMECEMTER LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,821,330-5	IMPERIAL S.A.	-	60.000	60.000	60.000	60.000	CHILE	CLP
79,553,230-7	SOC. DE CRÉDITOS COMERCIALES LTDA.	-	-	-	100.000	100.000	CHILE	CLP
96,665,150-4	SODILOG S.A.	-	-	-	100.000	100.000	CHILE	CLP
78,611,350-4	SERVICIOS DE COBRANZA CYSER LTDA.	-	-	-	100.000	100.000	CHILE	CLP
76,007,327-K	INVERSIONES VENSER DOS LTDA.	-	-	-	100.000	100.000	CHILE	CLP

Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

Subsidiaries included in the consolidation were as follows (continued):

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016	Dec-31-2016	Dec-31-2016	Dec-31-2015	Jan-01-2015		
		Direct %	Indirect %	Total %	Total %	Total %		
76,033,206-2	INVERSIONES Y PRESTACIONES VENSER UNO LTDA.	-	-	-	100.000	100.000	CHILE	CLP
76,033,208-9	INVERSIONES Y PRESTACIONES VENSER DOS LTDA.	-	-	-	100.000	100.000	CHILE	CLP
76,033,211-9	INVERSIONES Y PRESTACIONES VENSER TRES LTDA.	-	-	-	100.000	100.000	CHILE	CLP
76,222,370-8	SERVICIOS GENERALES BASCUÑÁN LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,015,722-8	SERVICIOS GENERALES ALAMEDA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,644,120-3	APORTA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,046,439-2	APYSER SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,665,890-3	PRODUCTORA DE SERVICIOS GENERALES CALE SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,661,890-1	CERRILLOS LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,662,120-1	CERRO COLORADO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,910,520-4	COLINA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
96,579,870-6	SERVICIOS GENERALES ECOCYCSA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,033,452-9	EL BOSQUE LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,014,726-5	ESTACIÓN CENTRAL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,009,382-3	SERVICIOS GENERALES MANQUEHUE SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,811,460-9	SERVICIOS GENERALES MELIPILLA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,012,536-9	SERVICIOS GENERALES MULTIBRAND SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,973,030-3	SERVICIOS GENERALES PUNTA ARENAS SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,033,294-1	SERVICIOS GENERALES SAN BERNARDO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,033,466-9	SAN FERNANDO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,767,330-2	ANTOFAGASTA CENTRO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,553,390-2	FONTOVA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,557,960-0	LA CALERA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,318,540-0	SERVICIOS GENERALES LA DEHESA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,662,280-1	LA FLORIDA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,429,990-6	NATANIEL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,383,840-4	SERVICIOS GENERALES PRESETEL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,035,886-K	PRESTADORA DE SERVICIOS TELEFÓNICOS SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,406,360-7	SERVICIOS GENERALES PROALTO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,526,990-K	SERVICIOS GENERALES OESTE SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
96,811,120-5	SERVICIOS GENERALES PASEO CENTRO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,839,160-9	PRODUCTORA DE SERVICIOS GENERALES CHILLAN SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
89,627,600-K	PRODUCTORA DE SERVICIOS GENERALES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,334,680-K	SERVICIOS GENERALES PROSEÑOR SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,565,820-7	PRODUCTORA DE SERVICIOS GENERALES ROSAS SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,636,190-7	SERVICIOS GENERALES PROSEVAL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP

Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

Subsidiaries included in the consolidation were as follows (continued):

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016	Dec-31-2016	Dec-31-2016	Dec-31-2015	Jan-01-2015		
		Direct %	Indirect %	Total %	Total %	Total %		
76,662,220-8	PLAZA PUENTE ALTO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,429,790-3	PUENTE ALTO 37 LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,291,110-8	SERVICIOS GENERALES PUENTE SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,583,290-K	PUERTO ANTOFAGASTA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
77,880,500-6	SERVICIOS GENERALES LOS ANGELES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,625,160-5	SERVICIOS GENERALES EL TREBOL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,039,380-9	SERVICIOS GENERALES SEGECOP SpA.	-	-	100.000	100.000	100.000	CHILE	CLP
77,462,160-1	SERVICIOS GENERALES CURICÓ SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,962,250-9	SERVICIOS GENERALES HUECHURABA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,423,730-5	SERVICIOS GENERALES IQUIQUE SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,598,800-2	SERVICIOS GENERALES PUERTO MONTT SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,991,740-K	SERVICIOS GENERALES ANTOFAGASTA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,151,550-7	SERVICIOS GENERALES SEGEPRO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,622,370-0	SERVICIOS GENERALES QUILPUE SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
79,731,890-6	SERVICIOS GENERALES QUINTA REGION SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,150,440-8	SERVICIOS GENERALES SEXTA REGIÓN SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,665,660-5	SERVICIOS GENERALES OSORNO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,904,400-7	SERVICIOS GENERALES TALCA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,212,050-8	SERVICIOS GENERALES VALPARAÍSO SpA.	-	-	100.000	100.000	100.000	CHILE	CLP
77,152,390-0	SERVICIOS GENERALES TOBALABA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,738,460-9	TRANSPORTES Y DISTRIBUCIONES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,919,640-0	TRANSPORTES Y DISTRIBUCIONES DEL SUR SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,745,900-5	TRACIENDE LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,015,390-3	SOCIEDAD COMERCIAL Y DE SERVICIOS VESPUCCIO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,166,470-9	SERVICIOS GENERALES SERENA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,042,509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,046,445-7	CONFECCIONES INDUSTRIALES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
96,573,100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,039,672-9	DINALSA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,627,210-6	HIPERMERCADOS TOTTUS S.A.	-	88.000	88.000	88.000	88.000	CHILE	CLP
78,722,910-7	TOTTUS S.A.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,046,433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	-	99.996	99.996	99.996	99.996	CHILE	CLP
77,612,410-9	ADESSA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
79,598,260-4	ADMINISTRADORA CMR FALABELLA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,235,510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,027,815-7	SERVICIOS Y ASISTENCIAS LIMITADA	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,027,825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,566,830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP

Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

Subsidiaries included in the consolidation were as follows (continued):

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016	Dec-31-2016	Dec-31-2016	Dec-31-2015	Jan-01-2015		
		Direct %	Indirect %	Total %	Total %	Total %		
96,847,200-3	SERVICIOS E INVERSIONES FALABELLA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,099,010-6	SEGUROS FALABELLA CORREDORES LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,512,060-8	SOLUCIONES CREDITICIAS CMR LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
78,997,060-2	VIAJES FALABELLA LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
77,261,280-K	FALABELLA RETAIL S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,000,935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65.000	65.000	65.000	65.000	CHILE	CLP
96,951,230-0	INMOBILIARIA MALL CALAMA S.A.	-	59.278	59.278	59.278	59.278	CHILE	CLP
77,132,070-8	SOUTH AMÉRICA TEXTILES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	SHEARVAN CORPORATE S.A.	-	100.000	100.000	100.000	100.000	BRITISH VIRGIN ISLANDS	US\$
77,072,750-2	COMERCIAL MONSE LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,042,371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
96,647,930-2	INVERSIONES INVERFAL PERÚ SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,023,147-9	NUEVA INVERFIN SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,007,317-2	INVERCOL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	INVERSORA FALKEN S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	CLP
Foreign	TEVER CORP.	-	100.000	100.000	100.000	100.000	URUGUAY	CLP
Foreign	INVERSIONES FALABELLA ARGENTINA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	FALABELLA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	CMR ARGENTINA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	VIAJES FALABELLA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	CENTRO LOGÍSTICO APLICADO S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	CLAMIJU S.A.	-	-	-	-	99.999	ARGENTINA	ARS
Foreign	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	100.000	100.000	100.000	100.000	ARGENTINA	ARS
Foreign	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	100.000	100.000	100.000	100.000	COLOMBIA	COP
Foreign	FALABELLA COLOMBIA S.A.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP
Foreign	AGENCIA DE SEGUROS FALABELLA LTDA.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP
Foreign	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP
Foreign	ABC DE SERVICIOS S.A.S.	-	65.000	65.000	65.000	65.000	COLOMBIA	COP
Foreign	FALABELLA PERU S.A.A.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	SAGA FALABELLA S.A.	-	97.799	97.799	89.002	89.002	PERU	PEN
Foreign	HIPERMERCADOS TOTTUS S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	SODIMAC PERU S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	OPEN PLAZA S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	VIAJES FALABELLA S.A.	-	97.805	97.805	89.002	89.002	PERU	PEN
Foreign	CORREDORA DE SEGUROS FALABELLAS.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	FALABELLA SERVICIOS GENERALES S.A.C.	-	97.799	97.799	94.089	94.089	PERU	PEN
Foreign	FALACUATRO S.A.C.	-	97.799	97.799	94.188	94.188	PERU	PEN
Foreign	INMOBILIARIA KAINOS S.A.C.	-	99.758	94.758	94.183	94.183	PERU	PEN
Foreign	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	INVERSIONES INMOBILIARIAS BETA S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN

Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

Subsidiaries included in the consolidation were as follows (continued):

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016 Direct %	Dec-31-2016 Indirect %	Dec-31-2016 Total %	Dec-31-2015 Total %	Jan-01-2015 Total %		
Foreign	INVERSIONES INMOBILIARIAS GAMMA S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN
76,075,082-4	SERVICIOS GENERALES HIPERPUENTE LTDA.	-	-	88.000	88.000	88.000	CHILE	CLP
76,080,519-K	SERVICIOS GENERALES QUILLOTA LTDA	-	88.000	88.000	88.000	88.000	CHILE	CLP
96,509,660-4	BANCO FALABELLA S.A.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	BANCO FALABELLA PERÚ S.A.	-	99.345	99.345	92.817	92.817	PERU	PEN
Foreign	BANCO FALABELLA S.A. (COLOMBIA)	-	65.000	65.000	65.000	65.000	COLOMBIA	COP
76,099,954-7	SERVICIOS GENERALES PADRE HURTADO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
Foreign	SALÓN MOTOR PLAZA S.A.	-	59.278	59.278	59.278	59.278	PERU	PEN
76,011,659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,112,525-7	SERVICIOS GENERALES PEÑALOLÉN LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,112,533-8	SERVICIOS GENERALES SAN FELIPE LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,112,537-0	SERVICIOS GENERALES VIÑA DEL MAR LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,112,543-5	SERVICIOS GENERALES TALCA DOS LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,112,548-6	SERVICIOS GENERALES LLOLLEO LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,113,257-1	SERVICIOS GENERALES CORDILLERA SPA	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	SERVICIOS INFORMÁTICOS FALABELLA S.A.C.	-	92.817	92.817	92.817	92.817	PERU	PEN
76,141,045-8	INVERSIONES INVERFAL COLOMBIA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,141,046-6	INVERSIONES INVERFAL ARGENTINA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,153,987-6	ADMYSER SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,153,976-0	CAPYSER SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	41.495	41.495	41.495	41.495	COLOMBIA	COP
Foreign	MALL PLAZA COLOMBIA S.A.S.	-	59.278	59.278	59.278	59.278	COLOMBIA	COP
Foreign	CENTRO COMERCIAL MANIZALES S.A.S.	-	47.424	47.424	47.424	47.424	COLOMBIA	COP
76,142,721-0	GIFT CORP. SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,149,308-6	INVERSIONES BRASIL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,154,299-0	SERVICIOS GENERALES RANCAGUA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,154,491-8	SERVICIOS GENERALES SANTA MARTA DE HUECHURABA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,159,664-0	INVERSIONES URUGUAY SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,159,684-5	INVERFAL URUGUAY SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,166,215-5	SERVICIOS GENERALES CALAMA CENTRO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
Foreign	COMPAÑÍA SAN JUAN S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
76,166,208-2	SERVICIOS GENERALES CALAMA MALL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,169,826-5	SERVICIOS GENERALES COSTANERA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,308,853-7	NUEVA INVERFAL ARGENTINA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,179,527-9	FALABELLA MÓVIL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,167,965-1	SERVICIOS LOGÍSTICOS SODILOG LTDA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,201,304-5	RENTAS HOTELERAS SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	CONTAC CENTER FALABELLA S.A.C.	-	99.345	99.345	92.818	92.818	PERU	PEN



Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

Subsidiaries included in the consolidation were as follows (continued):

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016 Direct %	Dec-31-2016 Indirect %	Dec-31-2016 Total %	Dec-31-2015 Total %	Jan-01-2015 Total %		
Foreign	OPEN PLAZA ORIENTE S.A.	-	99.758	99.758	94.184	94.184	PERU	PEN
76,212,895-0	SERVICIOS GENERALES BIO-BIO MALL LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,232,164-5	SERVICIOS GENERALES VICUÑA MACKENNA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,232,178-5	SERVICIOS GENERALES MP TOBALABA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,232,172-6	SERVICIOS GENERALES VITACURA LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,232,689-2	SERVICIOS GENERALES MAIPÚ SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,240,391-9	SERVICIOS GENERALES CHILLÁN LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,233,398-8	SERVICIOS GENERALES MP LOS ANGELES LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,254,205-6	SERVICIOS GENERALES RANCAGUA CENTRO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
96,824,450-7	INMOBILIARIA MALL LAS AMÉRICAS S.A.	-	42.890	42.890	42.890	42.890	CHILE	CLP
76,318,636-9	SERVICIOS GENERALES MP EGAÑA LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,337,217-0	SERVICIOS GENERALES QUILPUE DOS LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,337,209-K	SERVICIOS GENERALES CON CON LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,362,983-K	SERVICIOS GENERALES MP COIPIAPÓ LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,412,572-K	SERVICIOS GENERALES REÑACA LIMITADA	-	-	88.000	88.000	88.000	CHILE	CLP
76,318,627-K	SERVICIOS GENERALES RECOLETA LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,349,709-7	SERVICIOS GENERALES OVALLE LIMITADA	-	88.000	88.000	88.000	88.000	CHILE	CLP
Foreign	SHEARVAN COMMERCIAL (SHANGAI)	-	100.000	100.000	100.000	100.000	CHINA	CNY
76,283,127-9	SERVICIOS GENERALES PLAZA EGAÑA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	SODIMAC ORIENTE S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
76,319,068-4	INVERSIONES DESREG SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,319,054-4	DESREG SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	FALABELLA BRASIL LTDA.	-	100.000	100.000	100.000	100.000	BRAZIL	BRL
Foreign	SODIMAC BRASIL LTDA.	-	100.000	100.000	100.000	100.000	BRAZIL	BRL
Foreign	INVERSIONES FALABELLA URUGUAY S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	UYU
Foreign	HOMECENTER SODIMAC S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	UYU
Foreign	JOSMIR S.A.	-	100.000	100.000	100.000	100.000	URUGUAY	UYU
76,335,739-2	INVERSIONES MÉXICO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,335,749-K	INVERFAL MÉXICO SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,282,188-5	INVERFAL BRASIL SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	SAGA FALABELLA IQUITOS S.A.C.	-	97.805	97.805	89.002	89.002	PERU	PEN
Foreign	SAGA FALABELLA ORIENTE S.A.C.	-	97.805	97.805	89.002	89.002	PERU	PEN
Foreign	CONSTRUDECOR S.A.	-	60.043	60.043	50.100	50.100	BRAZIL	BRL
Foreign	CONSTRUDECOR SERVICIOS LTDA.	-	60.043	60.043	50.100	50.100	BRAZIL	BRL
Foreign	CONSTRUDECOR PROPERTIES LTDA.	-	60.043	60.043	50.100	50.100	BRAZIL	BRL
Foreign	SEGUROS FALABELLA PRODUCTORES S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS

Note 2 - Summary of Significant Accounting Policies (continued)

2.5. Basis for Consolidation of the Financial Statements (continued)

Subsidiaries included in the consolidation were as follows (continued):

Chilean ID number	Subsidiary name	Ownership interest					Country of origin	Functional currency
		Dec-31-2016 Direct %	Dec-31-2016 Indirect %	Dec-31-2016 Total %	Dec-31-2015 Total %	Jan-01-2015 Total %		
76,327,526-4	SERVICIOS GENERALES ATACAMA SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,327,698-8	SERVICIOS GENERALES LIMARI SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,328,138-8	SERVICIOS GENERALES MP EL TRÉBOL DE TALCAHUANO LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
Foreign	LILLE INVESTIMENTOS	-	60.043	60.043	50.100	50.100	BRAZIL	BRL
76,379,784-8	SERVICIOS LEGALES SpA.	-	100.000	100.000	100.000	100.000	CHILE	CLP
76,377,255-1	SERVICIOS GENERALES WALKER MARTÍNEZ LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
Foreign	SHEARVAN PURCHASING INDIA	-	100.000	100.000	100.000	100.000	INDIA	INR
76,434,317-4	PROMOTORA INVERSIONES S.A.	-	99.996	99.996	99.996	99.996	CHILE	CLP
76,389,515-7	SERVICIOS GENERALES COLCHAGUA SPA	-	100.000	100.000	100.000	100.000	CHILE	CLP
Foreign	MAESTRO PERU S.A.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	MAESTRO PERÚ AMAZONIA S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	INMOBILIARIA DOMEL S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	INDUSTRIAS DELTA S.A.C.	-	99.758	99.758	94.183	94.183	PERU	PEN
Foreign	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	38.531	38.531	38.531	38.531	COLOMBIA	COP
76,414,847-9	SERVICIOS GENERALES CHAMISEROS LTDA.	-	88.000	88.000	88.000	88.000	CHILE	CLP
76,416,888-7	NUEVA INVERSIONES PLAZA S.A.	-	-	-	59.278	59.278	CHILE	CLP
76,427,811-9	SERVICIOS DE INFRAESTRUCTURA FALABELLA SpA.	-	100.000	100.000	100.000	-	CHILE	CLP
76,477,116-8	CF SEGUROS DE VIDA S.A.	-	90.000	90.000	90.000	-	CHILE	CLP
Foreign	GESTIONES INTEGRALES DE SERVICIOS S.A.	-	92.203	97.20	100.00	-	PERU	PEN
Foreign	AVENTURA PLAZA S.A.	-	82.560	82.560	-	-	PERU	PEN
Foreign	GEMA NEGOCIOS S.A.C.	-	57.792	57.792	-	-	PERU	PEN
Foreign	INVERFAL MEXICO S.A. DE C.V.	-	100.000	100.000	-	-	MEXICO	MXN
76,582,813-9	NUEVA INVERFAL MEXICO SpA.	-	100.000	100.000	-	-	MEXICO	MXN
76,587,847-0	FALABELLA SERVICIOS PROFESIONALES DE TI SpA	--	100.000	100.000	-	-	CHILE	CLP

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.



Note 2 - Summary of Significant Accounting Policies (continued)

2.6. Conversion of Foreign Subsidiaries

According to the terms of IAS 21, the assets and liabilities of foreign subsidiaries at the reporting date 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 for each month. Foreign currency differences arising from the conversion are recorded as "Other Reserves" as a separate component of equity. At the disposal of a foreign entity, the accumulated deferred amount recognized in equity specifically relating to this foreign business shall be recognized in the income statement. Any goodwill arising from the acquisition of a foreign business and any adjustment to fair value of the book values of assets and liabilities that arise from the acquisition is treated as an asset and liability of the foreign business in the functional currency of this entity and is converted to Chilean pesos at the exchange rate on the reporting date.

2.7. Foreign Currency Translation

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

The exchange rates of foreign currencies and the Unidad de Fomento (an inflation-indexed, Chilean monetary unit) as compared to the Chilean peso as of December 31, 2016 and 2015 and January 1, 2015 were as follows:

	Dec-31-2016	Dec-31-2015	Jan-01-2015
US dollar (USD)	669.47	710.16	606.75
Peruvian nuevo sol (PEN)	199.69	208.25	202.93
Argentine peso (ARS)	42.28	54.75	70.97
Uruguayan peso (UYU)	22.86	23.77	25.02
Euro (EUR)	705.60	774.61	738.05
Colombian peso (COP)	0.22	0.22	0.25
Brazilian real (BRL)	205.82	178.31	228.27
Indian rupee (INR)	9.86	10.70	9.57
Chinese yuan (CNY)	96.13	108.11	97.59
Unidad de Fomento (UF)	26,347.98	25,629.09	24,627.10
Mexican peso (MXN)	32.46	40.95	41.18

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 its 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.



Note 2 - Summary of Significant Accounting Policies (continued)

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 corresponds to specific asset financing or, when not available, the Company's average financing rate.

Costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency, and therefore an extension of the useful lives of assets, are capitalized as an increase in the cost of the corresponding assets. Regular maintenance, conservation and repair expenses are expensed in the year in which they are incurred. A property, plant and equipment item is written off at the time of its disposal or when no future financial 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.



Note 2 - Summary of Significant Accounting Policies (continued)

2.10. Property, Plant and Equipment (continued)

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

Category	Range
Land	-
General constructions	50 to 80 years
Exterior works	20 years
Furniture and fixtures	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 financial lives for 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 reporting 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 financial 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 property, plant and equipment, as described in Note 2.10.

The estimated financial useful lives for the main elements of investment properties were as follows:

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

The residual values of assets, their useful lives and depreciation methods are reviewed as of each reporting date and adjusted if applicable as a prospective change in estimate.



Note 2 - Summary of Significant Accounting Policies (continued)

2.12. Goodwill

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

Subsequently, goodwill represents the excess total compensation paid for the acquisition of an investment in a subsidiary or associate, over the fair value of the net identifiable assets at the date of acquisition.

After the initial recognition of goodwill, it is measured at cost less any accumulated impairment loss, as appropriate.

Goodwill related to the acquisition of subsidiaries is subject to annual impairment testing. For impairment testing purposes, goodwill is allocated to 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.

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

2.13. 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 the initial recognition of intangible assets with defined useful lives, they are recorded at cost less any accumulated amortization and any accumulated impairment loss, as appropriate. Intangible assets generated internally are software programs 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 or sell the intangible asset, disbursements attributable to the asset can be valued and it has been determined that the intangible asset will generate future financial benefits. Research costs are directly incorporated into income.

Useful lives of intangible assets are evaluated as finite or indefinite. Intangible assets with finite lives are amortized linearly during their estimated useful financial lives, and their impairment is evaluated each time there is an indication of impairment. The amortization term and method for intangible assets with finite lives are reviewed at each reporting date. Changes resulting from these evaluations are treated prospectively as changes in the accounting estimates.



Note 2 - Summary of Significant Accounting Policies (continued)

2.13. Intangible Assets (continued)

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 there is intention to use them in an indefinite manner, the Company has determined to allocate an indefinite useful life to specific trademarks acquired in business combinations. 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 to 6 years
Patents, registered trademarks and other rights	5 to 10 years
Software programs	4 to 10 years
Other intangible assets	5 to 10 years

2.14. Impairment of Non-Current Assets

The Company evaluates whether there are any indications that an asset might be impaired as of each reporting date. If such indications are detected, or impairment is identified as a result of annual impairment testing for 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 amount. The recoverable amount is the fair value of an asset less selling costs or value in use, whichever is greater.

2.15. Inventories

Inventory is recorded at cost or net realizable value, whichever is less. Cost includes the purchase price plus additional costs necessary to bring each product to its current location and condition, net of trade discounts and other 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 held for sale and discontinued operations

Non-current assets with a book value that will be recovered through a sales transaction and not through ongoing use are classified as held 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 in its current condition.

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

As of December 31, 2016 and 2015 and January 1, 2015, 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.



Note 2 - Summary of Significant Accounting Policies (continued)

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 Withdrawal 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 the income statement, loans and accounts receivable, investments held to maturity or investments held for sale. Where allowed and appropriate, this designation is re-evaluated as of each reporting date. When financial instruments are initially recognized, they are measured at fair value, and the costs or gains directly attributable to the transaction are recognized in the income statement. 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 the income statement, except for investments held for sale whose adjustment to market value is recognized as a separate component of equity, net of applicable deferred tax.

Financial assets are withdrawn 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, bank balances, short-term deposits with original maturity of three months or less, and other money-market securities easily convertible to cash, which are subject to insignificant risk of changes in value.

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

- Operating activities: The main source of ordinary revenue and expenses of businesses in subsidiaries, as well as activities that cannot be classified as investing or financing.
Movements in operating activities are determined using the direct method.
- Investing Activities: Those activities involving the acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Those activities that produce changes in the size and composition of net equity and financial liabilities.



Note 2 - Summary of Significant Accounting Policies (continued)

2.17. Financial Instruments (continued)

2.17.1. Financial Assets (continued)

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 held by the Company through a guaranteed 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

The Company assesses as of each reporting date 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 calculated upon initial recognition). The book value of the asset is reduced using 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 the amount of an impairment loss decreases in a subsequent period and the decrease can be objectively related to an event that occurred after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the income statement, 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 Withdrawal of Financial Liabilities

All obligations to the public and to 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 the income statement any higher or lower 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 transactions, which consist of obtaining advance bank financing for commercial checking accounts, with a financial cost at a market interest rate. Therefore, these transactions are presented in “interest-bearing loans” in the financial statements.

Financial liabilities are withdrawn in the accounting when the obligations specified in the contracts are settled, expired or waived.



Note 2 - Summary of Significant Accounting Policies (continued)

2.17. Financial Instruments (continued)

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, there is a legal right to receive or pay the net value and the Company intends to settle them on a net basis or to recover the assets and settle the liabilities in a simultaneous manner as of the reporting date.

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 financial 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 income over the term of the contract, using the straight-line method, as a function of the term of the lease agreement for the fixed portion. Lease payments that are contingent in nature are recognized as an expense for the period in which 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 such assets are deferred over the term of the lease.

2.19. Provisions

Provisions are recognized when the Company has a 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.



Note 2 - Summary of Significant Accounting Policies (continued)

2.20. Liabilities for technical reserves and claims payable

The subsidiary CF Seguros de Vida S.A. has recorded unexpired risk reserves, mathematical life reserves (technical reserves) and provisions for claims payable. The Company has also recorded assets equivalent to the participation of reinsurers in each of these technical reserves, as a result of the risks assumed.

Assets and liabilities are disclosed in "Other non-financial assets" and "Other non-financial liabilities" in the statement of financial position.

2.21. 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 "Trade and Other Accounts Payable, Current" 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.

2.22. Defined Employee Benefits Plans

The Company provides certain short-term benefits to its employees in addition to remuneration, 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 "Other Reserves" under equity.

2.23. Share-Based Compensation Plans

The Company has implemented certain compensation plans for its executives involve granting purchase options on shares in 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 Payments."

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.



Note 2 - Summary of Significant Accounting Policies (continued)

2.23. Share-based Compensation Plans (continued)

In addition, the Company has granted specific share based compensation plans for its executives. Unlike the foregoing plans, these are 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.

2.24. Revenue Recognition

Revenue is recognized to the extent that it is probable that financial 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 the 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 when the goods are physically delivered.

- Services provided (includes fees from bank services)

Revenue is recognized according to the degree of completion. 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.

2.25. 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 the conditions necessary for its sale. These costs mainly include acquisition costs net of discounts, non-recoverable import expenses and duties, insurance and transporting products to 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.

Costs at banking subsidiaries include interest and indexation expenses, commission expenses and credit risk provisions, which are presented on separate lines in the banking business section of the statement of comprehensive income.



Note 2 - Summary of Significant Accounting Policies (continued)

2.26. Income Tax

2.26.1. 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 equity is recognized in equity and not in the statement of income.

2.26.2. Deferred Tax

Deferred tax is calculated on the temporary differences as of each reporting date between the tax value of assets and liabilities and their book values for financial reporting purposes. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is likely that there will be taxable profits against which the deductible temporary differences and the carry-forward of unused tax credits and losses can be used.

The book value of deferred tax assets is reviewed as of the reporting date and reduced to the extent that it is no longer probable that there will not be sufficient taxable profits to absorb all or part of the deferred tax asset. Deferred taxes 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.

2.27. 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 2.24 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 for 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 revenue.

Deferred revenue from customer loyalty programs is recognized at the market value of the benefits provided to customers, adjusted by their historical maturity experience. Deferred revenue is presented under "Other Non-Financial Liabilities" in the statement of financial position.



Note 2 - Summary of Significant Accounting Policies (continued)

2.28. Estimates, Judgment and Key Assumptions

Key assumptions with respect to the future and other key sources of uncertainty in estimates as of the reporting date, 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

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 regularly reviews these assumptions and adjusts them on a prospective basis if a change is identified.

- Impairment of goodwill and intangible assets with indefinite useful lives

The Company conducts impairment testing on goodwill and intangible assets with indefinite useful lives on an annual basis. These tests require an estimate of the “value in use” of the cash generating units to which goodwill and intangible assets with indefinite useful lives are associated. The “value in use” estimate requires that Management estimate the 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 profits against which the losses can be used, and whether there are sufficient taxable temporary differences that can absorb them. Management use significant judgment to value deferred tax assets based on the probable timing of projected taxable profits.

- Employee benefits

The cost of employee benefits that qualify as defined benefit plans in accordance with IAS 19 “Employee Benefits” is calculated 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 an orderly transaction 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.



Note 2 - Summary of Significant Accounting Policies (continued)

2.28. Estimates, Judgment and Key Assumptions (continued)

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 16) and the market value of financial liabilities (Note 33). 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:** Inputs other than list prices that 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 allowances

The Company records allowances on its doubtful loans in accordance with the requirements of IAS 39. The allowances are based on the estimate of losses due to the inability of clients to meet their contractual payments on their loans. The estimate of losses 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, and its use. This provision is reviewed at each reporting date.

- 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 within a fixed period. 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 revenue, adjusted by the estimated rate of benefits lapsing as they expire. The estimated rate of benefits lapsing is determined using historical data of expired unused points.

Although these estimates have been performed using the best information available on the date these consolidated financial statements were issued, 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.



Note 2 - Summary of Significant Accounting Policies (continued)

2.29. New accounting pronouncements (IFRS and interpretations of the IFRS Interpretations Committee)

IFRS improvements, modifications and interpretations published during the period were as follows. At the date of these financial statements, these standards have not yet taken effect and the Company has not applied them early:

a) New accounting pronouncements:

	New Accounting Pronouncements	Mandatory effective date
IFRS 9	Financial Instruments: Classification and measurement	January 1, 2018
IFRS 15	Revenue from Contracts with Customers	January 1, 2018
IFRS 16	Leases	January 1, 2019
IFRIC 22	Transactions in Foreign Currency and Advance Payments	January 1, 2018

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 impairment accounting and a substantially reformed approach to hedge accounting. Companies can also apply early the accounting for gains and losses on changes in fair value related to their "own credit risk" for financial liabilities valued at fair value with changes in the statement of net income, without applying the other requirements of IFRS 9. This standard is effective from January 1, 2018 and early adoption is permitted.

The Company is evaluating the potential impact of this standard.

IFRS 15 "Revenue from Contracts with Customers"

This standard was issued in May 2014, and 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 revenue recognition between IFRS and US GAAP. This new standard reduces the inconsistencies and weaknesses of IAS 18 and provides a model which will facilitate the comparability of companies from various industries and regions. It provides a new model to recognize revenue and more detailed requirements for contracts with multiple components. Furthermore, it requires more detailed disclosures. This standard is effective from January 1, 2018 and early adoption is permitted.

The Company is evaluating the potential impact of this standard

IFRS 16 "Leases"

In January 2016, the IASB issued IFRS 16 "Leases". IFRS 16 defines a lease contract and specifies the accounting treatment of assets and liabilities arising from these contracts for both lessors and lessees. The new standard does not significantly differ from the previous standard, IAS 17 Leases, with regard to the accounting treatment for lessors. However, the new standard for lessees requires the recognition of assets and liabilities for the majority of lease contracts. IFRS 16 is mandatory for accounting periods beginning on January 1, 2019. Early adoption is permitted only if it is adopted together with IFRS 15 "Revenue from contracts with customers".

The Company is evaluating the potential impact of this standard.



Note 2 - Summary of Significant Accounting Policies (continued)

IFRIC 22 "Transactions in Foreign Currency and Advance Payments" -

This interpretation addresses how to select the transaction date in order to establish the exchange rate to use in the initial recognition of the related asset, expense or income (or portion thereof), or on the withdrawal of a non-monetary asset or liability that arises from the payment or collection of the consideration in advance in foreign currency. The transaction date is when an entity initially recognizes the non-monetary asset or liability that arises from the payment or collection of the consideration in advance. If there are various advance payments or receipts, the entity shall select a transaction date for each payment or collection of the consideration in advance.

This interpretation is applicable for accounting periods beginning on January 1, 2018. Early application is permitted. If an entity applies the interpretation to a prior period, it must disclose this circumstance.

The Company is evaluating the potential impact of this standard.

b) Improvements and Amendments

	Improvements and amendments	Mandatory effective date
IAS 7	Cash flow statements	January 1, 2017
IAS 12	Income tax	January 1, 2017
IAS 28	Investments in Associates and Joint Ventures	January 1, 2017
IAS 40	Investment properties	January 1, 2018
IFRS 10	Consolidated financial statements	January 1, 2017
IFRS 2	Share-based payments	January 1, 2018
IFRS 4	Insurance contracts	January 1, 2018
IFRS 12	Disclosure of interests in other companies	January 1, 2017

IAS 7 "Cash flow statements"

Amendments to IAS 7 *Cash Flow Statements* issued in January 2016 as part of the Disclosure Initiative project require that an entity to disclose information that enables users of financial statements to assess changes in the obligations arising from financing activities, including both the changes arising from cash flows and the changes that are not in cash. Amendments are mandatory for annual periods beginning on January 1, 2017. Early application is permitted.

The Company is evaluating the potential impact of this amendment.



Note 2 - Summary of Significant Accounting Policies (continued)

b) Improvements and Amendments (continued)

IAS 12 "Income Tax"

These modifications were issued by the IASB in January 2016 and clarify how to record deferred tax assets for debt instruments measured at fair value. This amendment is mandatory for annual periods beginning on January 1, 2017. Early application is permitted.

The Company is evaluating the potential impact of this amendment.

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. The amendments were issued in September 2014 and establish that when transactions involve a business (whether or not in a subsidiary) a gain or loss should 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. These amendments are mandatory for periods beginning on or after January 1, 2017. Early adoption is permitted.

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

IAS 40 "Investment Property"

The amendments clarify when an entity should reclassify assets, including assets under construction or the development of investment property, indicating that the reclassification should be carried out when the property meets, or fails to meet, the definition of investment property and there is evidence of a change in the property's use. A change in the intentions of Management to use a property does not provide evidence of a change in use. The amendments must be applied prospectively and are effective from January 1, 2018. Early adoption is permitted.

The Company is evaluating the potential impact of this amendment.

IFRS 2 "Share-based Payments"

The IASB issued amendments to IFRS 2 Share-based Payments, in June 2016. These amendments address the following areas: compliance conditions when the share-based payments are settled in cash, classification of share-based payment transactions, net of withholding tax, and accounting for amendments to contract terms that amend the classification of payments in cash or liquidated in shares.

This amendment is mandatory for annual periods beginning on January 1, 2018. When this amendment becomes effective, amending the financial statements for prior periods is not mandatory, but its retrospective adoption is permitted. Early adoption is permitted.

The Company is evaluating the potential impact of this amendment.



Note 2 - Summary of Significant Accounting Policies (continued)

b) Improvements and Amendments (continued)

IFRS 4 "Insurance Contracts"

The amendments address concerns arising from the implementation of new pronouncements included in IFRS 9, before implementing new insurance contracts. The amendments introduce the following two options for those entities that issue insurance contracts:

- a) An optional and temporary exemption from applying IFRS 9, which will be available to entities whose activities are predominantly connected with the insurance business. The exception will allow entities to continue to apply IAS 39 Financial Instruments, Recognition and Measurement, until January 1, 2021.
- b) The overlay approach, which is an option available to the entities adopting IFRS 9 and issue insurance contracts, to adjust the gains or losses for certain financial assets. The adjustment removes the volatility in the valuation of financial instruments that may arise from applying IFRS 9, allowing it to reclassify these effects to Other Comprehensive Income.

The Company is evaluating the potential impact of this amendment.

IFRS 12 "Disclosure of Interests in Other Entities"

The amendments clarify the requirements applicable to the participation of an entity in a subsidiary, a joint venture or an associate that is classified as held for sale. Amendments shall be effective as of January 1, 2017 and shall be applied retrospectively.

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

Note 3 – Transition to IFRS

The consolidated financial statements of Falabella Group were prepared in accordance with International Financial Reporting Standards (IFRS).

From January 1, 2010 through to September 30, 2014, the Company prepared its financial statements in accordance with IFRS, including additional information requirements issued by the SVS that do not contradict the IFRS. 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 corporate income 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.

This meant a change in the framework for preparing and presenting financial information used up to that date, since the previous framework (IFRS) had to be adopted wholly, explicitly and without reserve.



Note 3 – Transition to IFRS (continued)

Therefore, in 2016 this Circular no longer had an impact on the Company, so it re-adopted IFRS, by applying IFRS 1 "First-time Adoption of International Financial Reporting Standards" to determine its opening balances as of January 1, 2015, the date of transition to IFRS, and as a result it retrospectively applied all the IFRS at that date, including certain mandatory exceptions and optional exemptions defined by that standard. The IFRS adoption date for the Company is January 1, 2016.

In addition, the standard requires the presentation of reconciliations between equity and net income publicly reported in the previous financial statements and the opening balances reported at the transition date.

3.1. Exemptions from the Retroactive Application of IFRS

The Company has applied fair value as the attributable cost when retroactively applying under IFRS 1, so it has revalued certain items of property, plant and equipment and investment property to their fair value and has used these amounts as opening balances.

This revaluation was only applied to certain significant property at Chilean subsidiaries. The opening balances on items of property, plant and equipment and investment property that have not been revalued are their historical cost and accumulated depreciation.

3.2. Reconciliation between IFRS and previous standards

The reconciliations presented below demonstrate the impact of the transition to IFRS on equity and consolidated net income for the Group.

3.2.1. Reconciliation of equity under the previous standards and IFRS as of December 31, 2015 and January 1, 2015:

	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Equity according to previous standards	4,443,291,036	4,138,265,420
Adjustments		
Revaluation of property, plant and equipment and investment property (a)	505,396,380	510,100,477
Deferred taxes (b)	(136,447,691)	(137,706,393)
Total	368,948,689	372,394,084
Equity according to IFRS	4,812,239,725	4,510,659,504



Note 3 – Transition to IFRS (continued)

3.2. Reconciliation between IFRS and previous standards (continued)

3.2.2. Reconciliation between comprehensive income for the year under the previous standards and IFRS for the year ended December 31, 2015

	Dec-31-2015 ThCh\$
Comprehensive income according to previous standards	514,619,511
Adjustments:	
Revaluation of property, plant and equipment and investment property (a)	(4,704,097)
Deferred taxes (b)	1,258,702
Total	(3,445,395)
Comprehensive income according to IFRS	511,174,116

3.2.3. Explanation of the effects of the transition to IFRS

Explanations of the various concepts listed in the reconciliation are detailed below:

a) **Revaluation of property, plant and equipment and investment property at fair value as the attributable cost**

The Company has revalued certain items of property, plant and equipment and investment property to its fair value, and has used these amounts as opening balances in accordance with IFRS 1, as described in point 3.1 above. The opening balances of those items of property, plant and equipment and investment property at the subsidiaries that have not been revalued are their depreciated cost. The revaluation affected net income during 2015, specifically the depreciation expense and the derecognition of property.

b) **Deferred taxes**

The Company has recorded the tax effect relating to temporary differences caused by the adjustments on the transition to IFRS.



Note 4 - Cash and Cash Equivalents

Consolidated cash and cash equivalents were as follows:

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Total Consolidated Cash and Cash Equivalents	575,992,741	661,059,154	610,126,163
a) Cash and cash equivalents - Non-Banking Business	201,319,634	207,308,226	211,219,868
b) Cash and cash equivalents - Banking Business	374,673,107	453,750,928	398,906,295

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

Cash and cash equivalents	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Cash floats	46,300,464	42,210,914	38,558,049
Bank balances	99,891,179	99,663,101	107,623,263
Time deposits	34,919,168	60,819,013	54,667,043
Repurchase agreements	1,818,140	1,604,475	10,371,513
Mutual funds	18,390,683	3,010,723	-
Total	201,319,634	207,308,226	211,219,868

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

Currency	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Chilean peso	116,866,998	104,392,851	102,748,690
US dollar	21,317,468	58,479,460	15,217,674
Euros	659,349	1,061,374	2,220,715
Argentine peso	3,743,092	1,523,589	3,047,200
Peruvian nuevo sol	45,859,454	29,628,100	44,331,950
Colombian peso	8,813,557	8,724,483	33,671,323
Yuan	1,141,073	1,258,463	1,021,773
Indian rupee	106,646	63,119	64,618
Uruguayan peso	51,444	191,965	35,715
Mexican peso	215,175	-	-
Brazilian real	2,545,378	1,984,822	8,860,210
Total	201,319,634	207,308,226	211,219,868



Note 4 - Cash and Cash Equivalents (continued)

b) Information on Cash and Cash Equivalents by Currency - Banking Business

Cash and cash equivalents	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Cash floats	147,571,234	154,232,042	117,653,400
Bank balances	135,608,027	217,944,998	187,604,324
Time deposits	20,212,117	687,707	41,957,468
Cash and bank deposits	303,391,378	372,864,747	347,215,192
Highly liquid financial instruments ⁽¹⁾	65,334,639	76,543,766	46,418,510
Transactions with settlement in process, net ⁽²⁾	5,947,090	4,342,415	5,272,593
Total	374,673,107	453,750,928	398,906,295

Information on Cash and Cash Equivalents by Currency - Banking Business

Currency	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Chilean peso	187,203,944	255,569,745	143,252,756
US dollar	83,944,124	114,673,431	158,536,264
Peruvian nuevo sol	78,574,239	68,228,627	82,549,173
Colombian peso	24,950,800	15,279,125	14,568,102
Total	374,673,107	453,750,928	398,906,295

(1) Mainly deposits and funds managed by third parties maturing in less than 90 days. The difference produced by "Instruments held for trading" is Financial Instruments maturing in more than 90 days, of ThCh\$ 16,287,571 as of December 31, 2016, ThCh\$ 33,610,782 as of December 31, 2015 and ThCh\$ 9,445,900 as of January 1, 2015.

(2) Net difference between asset and liability transactions.



Note 5 - Other Current and Non-Current Financial Assets

This category includes the following current financial assets for the Non-Banking Business.

Other Current Financial Assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Held for Trading			
Derivative instruments (non-hedging)	1,861,686	5,832,270	2,369,483
Mutual funds	2,547,370	1,346,555	150,324
Funds with restriction	16,084,207	4,775,429	3,372,305
Investments in bank bonds	3,557,981	-	-
Other	-	346	346
Subtotal	24,051,244	11,954,600	5,892,458
Hedging assets	3,681,646	11,650,236	4,698,586
Total	27,732,890	23,604,836	10,591,044

Other Non-Current Financial Assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Hedging assets	68,431,082	164,821,000	71,342,907
Investments in bank bonds	4,750,480	-	-
Other	176,319	175,973	182,066
Total	73,357,881	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 a prior credit analysis. Those analyses are required by the Company's internal procedures.

The derivative instruments contracted by the Company contain valuation criteria that are observable in the market.

These instruments are swap contracts and currency, tax or inflation forward contracts. The Company uses valuation models to determine the market value of these derivatives. The valuation methodology includes price models that use present value calculations. These models require financial market data, which is obtained from information platforms with public and private access. The information required mainly includes spot and forward exchange rates and interest rate curves.



Note 6 - Other Current and Non-Current Non-Financial Assets

This category includes the following non-financial assets for the Non-Banking Business.

Other Current Non-Financial Assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Advertising contracts	8,410,849	2,335,561	2,138,629
Prepaid rent	10,534,659	11,090,918	8,782,063
VAT	52,517,678	57,821,494	60,225,732
Software maintenance contracts	3,746,500	3,004,945	3,182,266
Insurance policies	5,850,759	4,561,577	5,450,771
Guarantee deposits	2,215,765	1,229,857	1,879,633
Reinsurance share of technical reserves	8,274,318	-	-
Other	6,002,513	8,593,415	6,954,361
Total	97,553,041	88,637,767	88,613,455

Other Non-Current Non-financial Assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Guarantees	2,105,193	2,039,074	2,148,191
Prepaid rent	34,034,674	32,389,793	26,911,697
Recoverable taxes	2,910,583	646,443	1,883,854
Other rights receivable	2,040,276	1,395,224	1,298,799
Prepaid expenses	364,767	128,783	446,316
Advance payment to acquire land	7,889,000	-	-
Reinsurance share of technical reserves	8,166,233	-	-
Total	57,510,726	36,599,317	32,688,857



Note 7 - Trade and Other Accounts Receivable

The Company's net trade accounts receivable were as follows:

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
a) Non-Banking Business			
Trade and other receivables, current	1,798,336,795	1,681,913,169	1,469,813,782
Trade and other receivables, non-current	240,706,433	203,915,411	206,165,723
b) Banking Business			
Customer loans and receivables	2,621,812,969	2,471,067,255	2,180,384,460
Total	4,660,856,197	4,356,895,835	3,856,363,965

a) Current and Non-Current Trade and Other Accounts Receivable for the Non-Banking Business were as follows:

	Current			Non-Current		
	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Trade receivables	230,067,609	234,165,222	203,096,673	237,496	200,818	174,653
Allowance for doubtful accounts	(9,290,639)	(8,175,541)	(8,751,994)	-	-	-
Sub-total trade receivables, net	220,776,970	225,989,681	194,344,679	237,496	200,818	174,653
Notes receivable	89,597,220	77,998,824	96,191,058	2,514,146	2,125,389	1,897,893
Allowance for doubtful accounts	(6,852,626)	(6,448,974)	(6,363,459)	(81,313)	(139,525)	(104,582)
Sub-total notes receivable, net	82,744,594	71,549,850	89,827,599	2,432,833	1,985,864	1,793,311
Sundry debtors	72,743,231	98,163,803	73,732,465	6,014,619	3,230,513	2,947,119
Allowance for doubtful accounts	(3,245,107)	(3,334,380)	(2,741,332)	-	-	-
Sub-total sundry debtors, net	69,498,124	94,829,423	70,991,133	6,014,619	3,230,513	2,947,119
Financial receivables	1,484,554,686	1,338,637,951	1,159,349,873	233,960,883	200,040,028	202,841,903
Allowance for doubtful accounts	(59,237,579)	(49,093,736)	(44,699,502)	(1,939,398)	(1,541,812)	(1,591,263)
Sub-total financial receivables, net	1,425,317,107	1,289,544,215	1,114,650,371	232,021,485	198,498,216	201,250,640
Total Trade and Other Accounts Receivable	1,798,336,795	1,681,913,169	1,469,813,782	240,706,433	203,915,411	206,165,723

The financial retail business has no guarantees associated with its accounts receivable, except for car loans which have an associated pledge.

Renegotiations are part of the credit strategy and allow for debts to be rearranged, mainly for clients that are overdue due to a circumstantial event and who express a desire to pay, which is guaranteed through the requirement to pay on account prior to implementing the arrangement. As of December 31, 2016, the percentage of renegotiated loans was 5.46%, and as of December 31, 2015 it was 4.05% of total financial accounts receivable.



Note 7 - Trade and Other Accounts Receivable (continued)

b) Loans and accounts receivable for Banking Business clients was as follows:

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Customer loans and receivables	2,802,265,455	2,615,047,580	2,303,577,156
Allowance for doubtful accounts	(180,452,486)	(143,980,325)	(123,192,696)
Total customer loans and receivables	2,621,812,969	2,471,067,255	2,180,384,460

The main 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 for financial transactions.



Note 7 - Trade and Other Accounts Receivable (continued)

c) Current financial receivables and the corresponding provisions by category, within trade and other receivables for the Non-Banking Business were as follows:

Current financial receivables	Assets before provisions			Provisions			Total, net		
	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Consumer loans	-	2,139	95,875	-	(1,944)	(40,728)	-	195	55,147
Credit card debtors	1,484,554,686	1,338,635,812	1,159,253,998	(59,237,579)	(49,091,792)	(44,658,774)	1,425,317,107	1,289,544,020	1,114,595,224
Total current financial receivables	1,484,554,686	1,338,637,951	1,159,349,873	(59,237,579)	(49,093,736)	(44,699,502)	1,425,317,107	1,289,544,215	1,114,650,371

d) Non-current financial receivables and the corresponding provisions by category, within non-current trade and other receivables for the Non-Banking Business were as follows:

Financial receivables, non-current	Assets before provisions			Provisions			Total, net		
	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Credit card debtors	233,960,883	200,040,028	202,841,903	(1,939,398)	(1,541,812)	(1,591,263)	232,021,485	198,498,216	201,250,640
Total financial receivables, non-current	233,960,883	200,040,028	202,841,903	(1,939,398)	(1,541,812)	(1,591,263)	232,021,485	198,498,216	201,250,640

e) Loans and receivables and the corresponding provisions by category, within customer loans and receivables for the Banking Business were as follows:

Customer loans and receivables	Assets before provisions			Provisions			Total, net		
	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Commercial loans	123,681,539	138,095,332	153,277,214	(4,339,625)	(3,748,978)	(2,001,647)	119,341,914	134,346,354	151,275,567
Mortgage loans	433,003,484	417,275,791	399,608,090	(4,854,495)	(3,786,788)	(3,442,566)	428,148,989	413,489,003	396,165,524
Consumer loans	1,153,544,392	1,032,522,721	903,056,597	(80,619,464)	(66,411,527)	(61,069,126)	1,072,924,928	966,111,194	841,987,471
Credit card debtors	1,092,036,040	1,027,153,736	847,635,255	(90,638,902)	(70,033,032)	(56,679,357)	1,001,397,138	957,120,704	790,955,898
Total customer loans and receivables	2,802,265,455	2,615,047,580	2,303,577,156	(180,452,486)	(143,980,325)	(123,192,696)	2,621,812,969	2,471,067,255	2,180,384,460



Note 7 - Trade and Other Accounts Receivable (continued)

f) Maturity analysis

The maturity analysis at each period-end of current and non-current trade and other receivables before provisions for the Non-Banking Business was as follows:

	Total	Not yet due	<30 days	30-60 Days	Overdue 60-90 Days	90-120 Days	>120 days
Dec-31-2016	2,119,689,890	1,852,317,494	137,217,741	49,273,766	25,268,053	18,639,370	36,973,466
Dec-31-2015	1,954,562,548	1,698,606,356	143,402,843	45,254,191	21,221,800	14,613,156	31,464,202
Jan-01-2015	1,740,231,637	1,510,711,343	124,341,869	40,447,849	18,633,921	13,462,923	32,633,732

The maturity analysis at each period-end of customer loans and receivables before provisions for the Banking Business was as follows:

	Total	Not yet due	<30 days	30-60 Days	Overdue 60-90 Days	90-120 Days	>120 days
Dec-31-2016	2,802,265,455	2,587,652,309	23,917,336	28,233,738	35,218,503	101,415,886	25,827,683
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
Jan-01-2015	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. Differing scoring groups are used depending on the action plan for the portfolio. Furthermore, there are ongoing reviews of the entire client portfolio with respect to external behavior (returned checks and delinquency).



Note 7 - Trade and Other Accounts Receivable (continued)

g) Portfolio policies, provisions and write-offs

g.1) Financial receivables credit policies

The policies presented below are those that the Company considers most appropriate and were designed to secure sustainable development for the business. Therefore, they are flexible, so they can be amended as changes in the dynamics of the financial market occur.

The information presented below relates to the credit cards issued by Promotora CMR Falabella S.A. in Chile and 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 for goods and services at stores and affiliated businesses and automatic bill payment:

To finance 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, but with access to a wider network of businesses, as stores are affiliated through Transbank, Visa International or Mastercard International.

b. To draw cash advances:

The client can use their CMR Falabella card to draw 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. Certain limitations apply to these amounts depending on the places the cash is dispensed and on the risk models applied to clients.

The financing methods are as follows:

i) CMR Falabella Card Agreed Installments: The client chooses the number of repayment installments for each transaction, from 1 to 48 months. Purchase terms in months are related to the asset or the service acquired. For example, clothing, supermarket and fuel purchase terms do not exceed 12 months. The terms for goods classified as "durable" can be up to 48 months. Payment by credit installments for bills for basic services, insurance charges and automatic contributions to charitable institutions is not available, and the full amount must be paid within the month. There is also a deferred payment mode where the first installment is paid in the subsequent month or following months, which the client can request directly at the cashiers of enabled stores when they use their CMR Falabella card. The interest rate applied to this card is the current rate at the moment of purchase, which is available to the client on the CMR Falabella website and at all the CMR offices. That rate remains fixed throughout the agreed installment period.



Note 7 - Trade and Other Accounts Receivable (continued)

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

Likewise, for transactions in our own stores, the interest rate, number of installments, installment value 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.

- ii) CMR Falabella card, CMR Falabella Visa and CMR Falabella MasterCard revolving balance: 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 across 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 address, provide proof of minimum income (which can vary but is always higher than the minimum legal wage,) provide proof of years of employment, comply with the minimum credit score in an analysis of credit risk, and have no record of bounced checks or payment defaults.

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 using an evaluation structure and passes through various stages such as information verification, credit check, apply the "application score" model (mathematical model based on the available variables of card requesters, 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 is then given a CMR Falabella credit card and 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 between the stores where the CMR Falabella credit card will be used when granting credit.

Limits can be raised as 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 choose whether to accept it. The specific parameters for assigning and increasing limits are confidential Company information, but the Company tries to maintain a balance between the needs of clients and their ability to pay, which depends on their income and their payment performance in the financial market. The individual financial evaluation to determine an increase in each client's limit occurs via a "behavior score," a mathematical model based on client variables and essentially on an analysis of the client's behavior within the company and assigns a score, which is considered by the evaluator that grants the increase in limit.

In addition to the terms indicated, clients holding a CMR Falabella credit card may access the "super-advance" product, which is offered monthly to a portfolio of clients that have shown good internal and external credit behavior. Installments on this loan are charged against the limit assigned to purchases and are fully payable in the minimum monthly payment.



Note 7 - Trade and Other Accounts Receivable (continued)

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

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 various 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 client can choose to pay on the 5th, 10th, 15th, 20th, 25th or 30th day of the month. The locations equipped to receive account statement payment 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.

The cards remain operational as long as the client's payment of the account is not overdue. Transaction 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 inquire about his/her account or the modes of use and where clients can report the loss of their card. This 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 (6,500 Argentinean pesos net), comply with the minimum credit score in an analysis of credit risk, and have no record of bounced checks or payment defaults. Employment of at least one year is required.

Limits can be increased provided 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 experience, a zero account balance, has not refinanced within the last year, has not renegotiated within the last six months, and has no negative credit experiences 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 based on client variables and essentially on an analysis of the client's behavior within the company and assigns a score, which is considered by the evaluator that grants the increase in limit.

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

The cards remain operational as long as the client's payment of the account is not overdue. Transaction authorizations 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.



Note 7 - Trade and Other Accounts Receivable (continued)

g.1.2) Renegotiations

These are changes in the debt structure for accounts that are one day overdue and up to write-off (at six months overdue). Accounts six months overdue that are written-off cannot be renegotiated.

Renegotiations require compliance with the following conditions:

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

In order to perform a second renegotiation, an additional amount must be paid above what had been paid in the previous renegotiation.

There is no minimum period between such renegotiations, nor a maximum number, because the obligatory payments constitute a risk limitation.

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

g.1.3) Refinancing

Refinancing is a change in the structure of debt for accounts that are not overdue. They do not require an obligatory payment on account, and in order to carry out a second refinancing. A percentage of the previous transaction must be paid. There are no time limitations between refinancing nor a maximum number.

g.1.4) Provisions

The Company records provisions for doubtful accounts on loans based on the requirements of IAS 39. The provision is based on the estimate of losses due to the inability of clients to meet their contractual payments on their loans. The estimate of losses is calculated using historical payment and default statistics, adjusted for the circumstances of the market where the Company operates, if applicable.

Therefore, the Company uses fixed 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 significant. The Company calculates provisions on a moveable monthly basis, in order to monitor changes in market circumstances that would determine an advance adjustment to the factors used for calculating the provision by tranche.

The methodology for calculating provisions consists of applying certain factors to loans analyzed by days overdue. These factors are determined in accordance with historical write-offs and their subsequent recoveries.

In accordance with instructions issued by the Superintendency of Securities and Insurance, the Company has prepared a table which separately shows the average percent losses on the renegotiated and non-renegotiated portfolios, as follows:



Note 7 - Trade and Other Accounts Receivable (continued)

Promotora CMR

Overdue ranges	Portfolio Dec-31-2016 % average loss		Portfolio Dec-31-2015 % average loss		Portfolio Jan-01-2015 % average loss	
	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated
Not yet due	0.61%	3.33%	0.60%	3.46%	0.62%	3.77%
1 to 30 days	5.83%	9.08%	5.58%	9.29%	5.54%	9.95%
31 to 60 days	21.11%	16.65%	20.11%	16.80%	19.67%	17.87%
61 to 90 days	39.19%	28.00%	38.74%	28.35%	38.77%	30.04%
91 to 120 days	62.32%	45.38%	63.40%	46.27%	64.20%	48.82%
121 to 150 days	69.35%	53.25%	70.82%	54.38%	71.89%	56.96%
151 to 180 days	80.48%	68.24%	83.78%	71.52%	86.23%	75.36%

CMR Argentina

Overdue ranges	Portfolio Dec-31-2016 % average loss		Portfolio Dec-31-2015 % average loss		Portfolio Jan-01-2015 % average loss	
	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated	Non-Renegotiated	Renegotiated
Not yet due	0.37%	5.95%	0.35%	6.01%	0.34%	6.09%
1 to 30 days	2.41%	13.07%	2.28%	12.88%	2.17%	12.83%
31 to 60 days	17.23%	27.95%	16.72%	27.28%	16.14%	26.84%
61 to 90 days	39.95%	40.31%	39.72%	38.88%	38.83%	38.15%
91 to 120 days	67.40%	56.06%	70.27%	53.45%	69.64%	52.52%
121 to 150 days	91.38%	76.06%	93.61%	73.07%	93.29%	72.34%
151 to 180 days	98.24%	89.20%	97.87%	86.57%	97.38%	85.07%

The consolidated portfolio provision model calculates the provision factors separately, both for the renegotiated portfolio and for the non-renegotiated portfolio. The consolidated renegotiated portfolio represents 5.46% of the total portfolio as of December 2016, which corresponds to ThCh\$ 93,751,860.

g.1.5) Write-offs

Accounts receivable are written off 180 days after falling overdue. Various collection techniques are used to recover accounts written-off, which are entrusted to specialized collection companies, who use means such as telephone calls, reminder letters, collectors in the field, and judicial processes.

g.1.6) Provisions, write-offs and recoveries

Promotora CMR and Soluciones Crediticias

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Provision for non-renegotiated portfolio	46,493,147	40,393,934	36,135,310
Provision for renegotiated portfolio	11,450,001	7,508,312	6,725,502
Total write-offs in the year	101,766,663	85,669,931	73,816,571
Total recoveries in the year	36,333,854	32,893,176	32,081,270



Note 7 - Trade and Other Accounts Receivable (continued)

g.1.6) Provision, write-offs and recoveries (continued)

CMR Argentina

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Provision for non-renegotiated portfolio	2,816,181	2,372,531	2,803,991
Provision for renegotiated portfolio	417,648	360,771	625,962
Total write-offs in the year	5,393,225	6,147,579	5,311,095
Total recoveries in the year	1,969,619	1,947,329	1,532,735

g.1.7) Average ranges and terms

Average ranges and terms are as follows:

	Range of terms Months	Average term Chile Months	Average term Argentina Months
Purchases	1 to 36	2.9	4.5
Cash drawn	1 to 48	20.8	8.3
Renegotiations	1 to 48	25.7	19.2
Refinancing	1 to 48	26.1	-

g.1.8) Total refinanced amounts receivable

Promotora CMR

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Total refinanced amounts receivable	30,721,898	23,318,209	20,018,437
% refinanced debtors of non-renegotiated portfolio	2.08%	1.77%	1.71%
Number of refinanced debtors	21,133	18,379	17,595
% refinanced debtors of non-renegotiated debtors	0.87%	0.76%	0.76%

g.2) Portfolio stratification

g.2.1) Total portfolio stratification

As of December 31, 2016

Promotora CMR

Overdue range	Number of customers in non- renegotiated portfolio	Gross non- restructured portfolio ThCh\$	Number of customers in renegotiated portfolio	Gross renegotiated portfolio ThCh\$	Total gross portfolio ThCh\$
Not yet due	2,199,871	1,341,069,653	50,482	48,804,676	1,389,874,329
1 to 30 days	114,059	63,309,329	15,565	17,164,510	80,473,839
31 to 60 days	42,270	26,035,364	8,682	9,900,123	35,935,487
61 to 90 days	23,725	15,319,262	5,629	6,169,258	21,488,520
91 to 120 days	16,459	11,095,671	3,757	4,111,135	15,206,806
121 to 150 days	14,146	9,773,578	2,805	2,926,866	12,700,444
151 to 180 days	12,241	8,332,662	2,194	2,148,764	10,481,426
Total	2,422,771	1,474,935,519	89,114	91,225,332	1,566,160,851



Note 7 - Trade and Other Accounts Receivable (continued)

g.2) Portfolio stratification (continued)

g.2.1) Total portfolio stratification (continued)

CMR Argentina

Overdue ranges	Number of customers in non-renegotiated portfolio	Gross non-restructured portfolio ThCh\$	Number of customers in renegotiated portfolio	Gross renegotiated portfolio ThCh\$	Total gross portfolio ThCh\$
Not yet due	466,022	132,265,665	3,146	1,465,849	133,731,514
1 to 30 days	48,675	13,300,316	909	477,568	13,777,884
31 to 60 days	7,621	1,788,236	365	231,651	2,019,887
61 to 90 days	3,230	866,429	221	139,558	1,005,987
91 to 120 days	2,293	677,374	153	99,004	776,378
121 to 150 days	1,824	548,746	107	69,843	618,589
151 to 180 days	1,134	381,424	57	43,055	424,479
Total	530,799	149,828,190	4,958	2,526,528	152,354,718

G.2.2) Guaranteed portfolio stratification

CMR Argentina

Overdue ranges	Number of customers in non-renegotiated portfolio	Gross non-restructured portfolio ThCh\$	Number of customers in renegotiated portfolio	Gross renegotiated portfolio ThCh\$	Total portfolio ThCh\$
Not yet due	224,996	17,737,356	-	-	17,737,356
1 to 30 days	24,456	1,985,414	-	-	1,985,414
31 to 60 days	3,143	296,168	-	-	296,168
61 to 90 days	1,417	160,056	-	-	160,056
91 to 120 days	1,059	130,849	-	-	130,849
121 to 150 days	860	92,522	-	-	92,522
151 to 180 days	540	62,611	-	-	62,611
Total	256,471	20,464,976	-	-	20,464,976

G.3) Number of cards

Promotora CMR

	Dec-31-2016	Dec-31-2015	Jan-01-2015
Total number of cards issued to holders	3,098,701	3,225,329	3,096,094
Total number of cards with balance	2,511,885	2,480,153	2,383,074
Monthly average number of renegotiations	7,426	6,311	6,332

CMR Argentina

	Dec-31-2016	Dec-31-2015	Jan-01-2015
Total number of cards issued to holders	1,435,512	1,380,085	1,337,439
Total number of cards with balance	535,757	510,956	521,315
Monthly average number of renegotiations	418	594	937

Note 7 - Trade and Other Accounts Receivable (continued)

g.4) Risk indices

Promotora CMR

	% Provision/Non-Renegotiated Portfolio	% Provision/Renegotiated Portfolio	% Provision/Total Portfolio
Risk index - Dec-2016	3.15%	12.55%	3.70%

CMR Argentina

	% Provision/Non-Renegotiated Portfolio	% Provision/Renegotiated Portfolio	% Provision/Total
Risk index - Dec-2016	1.88%	16.53%	2.12%

Promotora CMR

	% Write-Off/Total Portfolio
Risk index - Dec-2016	6.5%

CMR Argentina

	% Write-Off/Total Portfolio
Risk index - Dec-2016	3.54%

g.5) Financial accounts receivable that are not overdue are with clients from various socioeconomic segments that are up-to-date with their payment obligations. This portfolio has over 99% expected recovery rate. Therefore, the associated risk is significantly low. The Company establishes an allowance for doubtful accounts for clients that are up-to-date, which represents the probability of statistical impairment on 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\$	
Opening balance as of January 1, 2016	17,958,895	139,525	49,093,736	1,541,812	68,733,968
Expense for the year	15,838,917	31,888	254,000,047	2,000,259	271,871,111
Increase for business combinations ⁽¹⁾	1,347,125	-	-	-	1,347,125
Amount used (less)	(4,098,352)	(90,100)	(243,057,638)	(1,586,035)	(248,832,125)
Reversal of unused amounts	(12,636,281)	-	-	-	(12,636,281)
Translation adjustment	978,068	-	(798,566)	(16,638)	162,864
Closing balance as of December 31, 2016	19,388,372	81,313	59,237,579	1,939,398	80,646,662
Opening balance as of January 1, 2015	17,856,785	104,582	44,699,502	1,591,263	64,252,132
Expense for the year	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)
Translation adjustment	(496,845)	-	(804,827)	(5,099)	(1,306,771)
Closing balance as of December 31, 2015	17,958,895	139,525	49,093,736	1,541,812	68,733,968

⁽¹⁾ Provision for impairment of accounts receivable incorporated by the separation of Aventura Plaza S.A. (Note 40).

**Note 7 - Trade and Other Accounts Receivable (continued)**

h) Changes in provision due to impairment (continued)

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

Changes in provision for impairment - Customer loans and accounts receivable	Group Impairment ThCh\$
Opening balance as of January 1, 2016	143,980,325
Expense for the year	182,714,099
Amount used (less)	(143,201,483)
Reversal of unused amounts	(408,980)
Translation adjustment	(2,631,475)
Closing balance as of December 31, 2016	180,452,486
Opening balance as of January 1, 2015	123,192,696
Expense for the year	141,552,206
Amount used (less)	(118,007,691)
Reversal of unused amounts	(419,133)
Translation adjustment	(2,337,753)
Closing balance as of December 31, 2015	143,980,325

The Company is not exposed to risks associated with credit concentrations. This is due to the fragmentation of the Falabella Group's client portfolio as of December 31, 2016 and December 31, 2015.

The Company has pledged specific financial assets as guarantees for its compliance with banking and non-banking obligations to the public, in such a manner that the Group's associated cash flows must only be used to liquidate these respective obligations. As of December, 31 2016 these were ThCh\$ 20,464,976 and as of December 31, 2015 these were ThCh\$ 24,628,537.



Note 8 - Accounts Receivable from and Payable to Related Entities

a) Accounts receivable

ID Number	Company name	Country	Relationship	Current			Currency
				Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	
Foreign	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	2,919,718	2,324,659	10,895,772	COP
96,837,630-6	BNP PARIBAS CARDIF SEGUROS DE VIDA S.A.	CHILE	MINORITY SHAREHOLDER	1,125,746	-	-	CLP
Foreign	OTHER COMPANIES	CHILE	RELATED DIRECTOR	729,196	397,789	404,973	CLP
77,693,700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	CHILE	RELATED DIRECTOR	633,922	2,617	10,748	CLP
76,074,938-9	DEPORTES SPARTA LIMITADA	CHILE	RELATED DIRECTOR	311,577	307,509	281,187	CLP
82,995,700-0	DERCOCENTER S.A.	CHILE	RELATED DIRECTOR	229,361	235,644	229,757	CLP
94,141,000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	76,800	164,221	98,395	CLP
79,952,350-7	RED TELEVISIVA MEGAVISION S.A.	CHILE	RELATED DIRECTOR	35,855	32,214	600	CLP
79,757,460-0	AGRICOLA ANCALI LIMITADA	CHILE	RELATED DIRECTOR	26,314	23,145	14,644	CLP
76,762,740-8	SOCIEDAD COMERCIALIZADORA DE REPUESTOS S.A.	CHILE	RELATED DIRECTOR	18,636	42,884	56,312	CLP
96,955,560-3	HALDEMAN MINING COMPANY S.A.	CHILE	RELATED DIRECTOR	14,019	2,859	19,221	CLP
76,177,760-2	MEGEVE CONSULTING S.A.	CHILE	RELATED DIRECTOR	8,355	16	6,067	CLP
93,061,000-3	INDUSTRIA AUTOMOTRIZ FRANCOMECAÁNICA S.A.	CHILE	RELATED DIRECTOR	3,128	7,880	5,083	CLP
96,545,450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	2,460	6,353	10,584	CLP
78,057,000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	1	11,439	151,958	CLP
Foreign	AVENTURA PLAZA S.A.	PERU	ASSOCIATE	-	1,539,661	2,197,344	PEN
96,831,560-9	THE ENGLISH FASHION SPA	CHILE	RELATED DIRECTOR	-	304	-	CLP
TOTAL				6,135,088	5,099,194	14,382,645	

As of December 31, 2016 and 2015, the Company has evaluated the recoverability of accounts receivable from related companies. As a result of this evaluation, no probability of non-compliance has been identified and therefore no allowance for doubtful accounts has been recorded.

b) Accounts payable

ID Number	Company name	Country	Relationship	Current			Currency
				Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	
96,837,630-6	BNP PARIBAS CARDIF SEGUROS DE VIDA S.A.	CHILE	MINORITY SHAREHOLDER	3,296,209	-	-	CLP
Foreign	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	994,367	958,101	31,519	COP
76,074,938-9	DEPORTES SPARTA LIMITADA	CHILE	RELATED DIRECTOR	990,675	15,716	636,241	CLP
94,141,000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	667,168	1,016,066	1,195,810	CLP
Foreign	OTHER COMPANIES	CHILE	RELATED DIRECTOR	176,427	152,021	241,404	CLP
77,693,700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	CHILE	RELATED DIRECTOR	159,865	169,510	174,024	CLP
95,946,000-0	SOC INMOBILIARIA SAN BERNARDO LIMITADA	CHILE	RELATED DIRECTOR	143,933	139,518	143,471	CLP
78,057,000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	57,817	67,080	119,541	CLP
Foreign	BORCHESTER HOLDINGS LIMITED	COLOMBIA	ASSOCIATE	4	4	6,484,007	COP
Foreign	AVENTURA PLAZA S.A.	PERU	ASSOCIATE	-	491,007	847,794	PEN
96,545,450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	-	223,244	12,407	CLP
96,831,560-9	THE ENGLISH FASHION SPA	CHILE	RELATED DIRECTOR	-	8,163	7,426	CLP
96,812,780-2	FRIOPAC S.A.	CHILE	RELATED DIRECTOR	-	-	392	CLP
TOTAL				6,486,465	3,240,430	9,894,036	

Note 8 - Accounts Receivable from and Payable to Related Entities (continued)

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) The effects of transactions with non-consolidated related entities for the year ended December 31, 2016 and 2015 were as follows:

ID Number	Company name	Relationship	Country of Origin	Transaction	Dec-31-2016		Dec-31-2015	
					Amount ThCh\$	Effect on income ThCh\$	Amount ThCh\$	Effect on income ThCh\$
						(Charge)/Credit		(Charge)/Credit
99,594,430-8	ALTO S.A.	RELATED DIRECTOR	CHILE	LEGAL SERVICES	517,650	(517,650)	417,749	(417,749)
Foreign	AVENTURA PLAZA S.A.	ASSOCIATE	PERU	PRODUCT SALES	596,516	485,013	990,295	943,620
Foreign	AVENTURA PLAZA S.A.	ASSOCIATE	PERU	RENT AND COMMON EXPENSES	4,525,411	(3,792,987)	9,203,593	(7,826,082)
96,938,840-5	BLUE EXPRESS S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	462,073	(355,289)	638,207	(532,865)
96,837,630-6	BNP PARIBAS CARDIF SEGUROS DE VIDA S.A.	MINORITY SHAREHOLDER	CHILE	COMMISSIONS RECEIVED	19,915,689	19,915,689	-	-
96,550,660-8	CONSTRUCTORA SANTA MARIA S.A.	COMMON SHAREHOLDERS	CHILE	PRODUCT SALES	581,172	471,737	65,832	55,321
76,074,938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	2,701,688	-	3,068,689	-
76,074,938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	RENTAL INCOME	2,467,647	2,074,631	2,177,685	1,825,821
94,141,000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	13,024,748	-	11,550,577	-
94,141,000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	381,182	333,320	343,271	297,764
94,141,000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	40,194	32,557	14,148	11,889
94,141,000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	TRANSPORT SERVICE	106,578	51,971	439,191	304,044
94,141,000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	17,270	14,512	112,600	94,621
82,995,700-0	DERCOCENTER S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	2,121,436	1,782,718	1,876,827	1,609,127
96,545,450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	20,838	17,289	47,888	42,996
96,545,450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	MACHINERY/EQUIPMENT MAINTENANCE	5,436,913	(4,735,218)	4,490,317	(3,773,277)
96,955,560-3	HALDEMAN MINING COMPANY S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	803	650	93	79
77,693,700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	2,646,013	(1,845,239)	2,059,774	(1,819,710)
77,693,970-6	INVERSIONES E INMOBILIARIA SAN FRANCISCO DEL MONTE LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,089,635	(1,014,693)	856,771	(784,930)
78,391,700-9	INVERSIONES E INMOBILIARIA SANTA CLARA LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	2,189,857	(1,840,216)	4,033,866	(3,389,803)
76,255,416-K	MEGASPORTS SPA	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	1,769,320	(1,433,149)	1,346,363	(1,131,397)
79,952,350-7	RED TELEVISIVA MEGAVISION S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	763,833	(618,705)	678,267	(569,972)
76,762,740-8	SOCIEDAD COMERCIALIZADORA DE REPUESTOS S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	213,859	179,714	202,103	169,834
77,072,500-3	SOCIEDAD DE RENTAS COMERCIALES S.A.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	3,005,402	(2,796,447)	2,385,703	(2,072,866)
95,946,000-0	SOCIEDAD INMOBILIARIA SAN BERNARDO LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,796,657	(1,771,289)	1,438,075	(1,398,097)
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	PRODUCT SALES	2,176,885	2,176,885	1,074,166	1,074,166
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	OTHERS	1,402,135	1,402,135	1,401,530	1,401,530
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	COMPUTING SERVICES	871,247	871,247	1,826,480	1,826,480
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	RENTAL INCOME	628,739	528,352	685,554	576,096
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	RENT AND COMMON EXPENSES	306,453	(306,453)	128,626	(128,626)
78,057,000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	83,321	69,494	45,019	37,831
78,057,000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	2,508,614	(2,067,150)	2,312,765	(1,936,878)
96,831,560-9	THE ENGLISH FASHION SPA	RELATED DIRECTOR	CHILE	PURCHASE OF PRODUCTS	105,629	-	39,323	-



Note 8 - Accounts Receivable from and Payable to Related Entities (continued)

d) Key management personnel:

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

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$
Management remuneration	4,559,015	3,359,800
Directors remuneration	391,817	365,179
Stock options	252,790	442,733

Note 9 - Inventory

Inventory was as follows:

Description	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Raw materials	3,223,656	3,657,039	3,085,407
Products for sale	1,057,887,248	1,014,086,214	891,376,868
Work in progress	1,705,289	1,626,557	1,661,978
Materials and packaging	6,791,063	6,747,044	5,160,510
Goods in transit	137,645,762	147,554,502	117,915,203
Total inventory	1,207,253,018	1,173,671,356	1,019,199,966

During the year ended December 31 2016, the Company moved ThCh\$ 4,943,556,427 from inventory to cost of sales (ThCh\$ 4,880,746,184 for the year ended December 31, 2015).

Furthermore, provisions for shortages, disposals and obsolescence of ThCh\$ 31,335,144 were recognized in income as of December 31, 2016 (ThCh\$ 35,207,618 as of December 31, 2015).

The company has no inventory provided in guarantee to be disclosed as of December 31, 2016 and 2015.



Note 10 - Current Tax Assets and Liabilities

Current tax assets, Non-Banking Business

Current tax assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
P.P.M. Prepaid monthly tax installments (income tax net balance)	30,150,159	17,599,511	15,912,581
Employee training tax credit	6,379,066	4,301,304	4,341,405
Credit for absorbed profits	4,449,440	4,875,309	7,755,764
Recoverable taxes	31,393,149	24,039,806	20,024,626
Other recoverable taxes	3,534,629	3,805,729	1,531,967
Total	75,906,443	54,621,659	49,566,343

Current tax assets - Banking Business

Current tax assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
P.P.M. Prepaid monthly tax installments (income tax net balance)	3,575,649	1,850,246	1,873,669
Total	3,575,649	1,850,246	1,873,669

Current tax liabilities - Banking Business

Current tax liabilities	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Current income tax provision net of prepaid monthly tax installments	23,952,656	38,640,650	21,810,503
Provision for 35% tax on disallowable expenditure	394,942	490,445	104,021
Prepaid monthly tax installments payable	9,556,864	4,774,751	3,226,258
Stamp tax	2,450,978	511,809	478,690
Other taxes payable	926,992	502,281	114,558
Total	37,282,432	44,919,936	25,734,030

Current tax liabilities - Banking Business

Current tax liabilities	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Current income tax provision net of prepaid monthly tax installments	1,214,607	4,327,573	59,511
Total	1,214,607	4,327,573	59,511

Note 11 - Current and Deferred Income Tax

a) Income tax expense/income as of December 31, 2016 and 2015 for Non-Banking Business and Banking Business were as follows:

Non-Banking Business

	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Income tax		
Current tax expense (tax provision)	171,802,679	159,877,322
Tax expense adjustment (previous year)	737,021	343,909
Tax credit on tax losses	(6,576,205)	(39,058)
Total net current tax	165,963,495	160,182,173
Deferred tax expense (credit) arising from temporary differences	(15,849,232)	(13,819,517)
Tax expense (credit) on tax losses	(15,419,227)	(12,266,970)
Deferred tax expense arising from changes in the tax rate or new rates	13,885,140	-
Total net deferred tax	(17,383,319)	(26,086,487)
Total	148,580,176	134,095,686

Banking Business

	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Income tax		
Current tax expense (tax provision)	33,518,092	36,920,313
Tax expense adjustment (previous year)	155,894	146,912
Total net current tax	33,673,986	37,067,225
Deferred tax expense (credit) arising from temporary differences	(3,127,033)	(3,887,863)
Deferred tax expense (income) arising from changes in the tax rate or new rates	(136,220)	-
Total net deferred tax	(3,263,253)	(3,887,863)
Total	30,410,733	33,179,362



Note 11 - Current and Deferred Income Tax (continued)

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

The Tax Reform Law introduced a progressive increase in the Corporate Income Tax rate for the years 2014, 2015, 2016, 2017 and 2018 thereafter, changing the current 20% rate to 21%, 22.5%, 24%, 25.5% and 27%, respectively under the Partially Integrated System. Alternatively for the years 2014, 2015, 2016 and 2017 thereafter, the rate will increase to 21%, 22.5%, 24% and 25%, respectively, under the Attributed Income System.

Pursuant to Law No. 20,780, as the Company is publically traded, the Partially Integrated System is applicable.

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

As the Company is publically traded 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 collected 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. Therefore, the Company has applied the rates established under the Partially Integrated System.

In December 2014, Colombian Law No. 1,739 amended the income tax for equality rate ("CREE") as from 2016. The rate changed from 8% to 9% indefinitely. This tax levies taxable profits for the year. The same Law established a CREE surcharge of 5%, 6%, 8% and 9% for the years 2015, 2016, 2017 and 2018, respectively. During December 2016, Law N° 1,819 unified income tax and income tax equality (CREE) by setting a tax rate of 34% for 2017 and 33% for the following years. The CREE surcharge was eliminated, and an income tax surcharge of 6% and 4% was created for 2017 and 2018, respectively.

Peruvian Law No. 30,296 changed the income tax rate that after deducting the employees' interests will be 28% for 2015 and 2016, and 27% for 2017 and 2018, and 26% for 2019 and thereafter. In December 2016, Legislative Decree N° 1,261 amended the income tax rate to 29.5% starting from 2017.

Note 11 - Current and Deferred Income Tax (continued)

- b) The reconciliation of the income tax expense at the statutory rate compared to the effective rate as of December 31, 2016 and 2015 was as follows:

Non-Banking Business

Income before tax using the Chilean legal tax rate	Jan-01-2016 Dec-31-2016		Jan-01-2015 Dec-31-2015	
	ThCh\$	%	ThCh\$	%
INCOME BEFORE TAX AT THE CHILEAN LEGAL TAX RATE	178,379,835	24.00	138,116,303	22.50
Effect on tax of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	7,621,114	1.03	12,866,444	2.10
Effect on tax of non-taxable income	(40,642,010)	(5.47)	(8,282,699)	(1.35)
Effect on tax of disallowable expenditure	8,934,885	1.21	8,329,047	1.36
Effect on tax of tax losses used	(6,576,205)	(0.88)	(39,058)	(0.01)
Effect on tax of rate changes in other jurisdictions	13,885,140	1.87	-	-
Effect of tax provision for a prior year's shortfall	737,021	0.10	343,909	0.06
Net tax inflation adjustments	(9,215,203)	(1.24)	(8,359,488)	(1.36)
Other increases (decreases)	(4,544,401)	(0.61)	(8,878,772)	(1.45)
TOTAL ADJUSTMENTS TO THE LEGAL TAX RATE	(29,799,659)	(4.00)	(4,020,617)	(0.65)
INCOME TAX EXPENSE (CREDIT) FOR THE YEAR	148,580,176	20.00	134,095,686	21.85
EFFECTIVE TAX RATE		20.00		21.85

Banking Business

Income before tax using the Chilean legal tax rate	Jan-01-2016 Dec-31-2016		Jan-01-2015 Dec-31-2015	
	ThCh\$	%	ThCh\$	%
INCOME BEFORE TAX AT THE CHILEAN LEGAL TAX RATE	27,305,660	24.00	27,891,293	22.50
Effect on tax of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	4,147,944	3.65	5,554,700	4.48
Effect on tax of non-taxable income	(122,015)	(0.11)	(119,523)	(0.10)
Effect on tax of disallowable expenditure	781,831	0.69	2,347,509	1.89
Effect on tax of rate changes in other jurisdictions	(136,220)	(0.12)	-	-
Effect of tax provision for a prior year's shortfall	155,894	0.14	146,912	0.12
Net tax inflation adjustments	(1,582,069)	(1.39)	(1,806,297)	(1.46)
Other increases (decreases)	(140,292)	(0.12)	(835,232)	(0.67)
TOTAL ADJUSTMENTS TO THE LEGAL TAX RATE	3,105,073	2.74	5,288,069	4.26
INCOME TAX EXPENSE (CREDIT) FOR THE YEAR	30,410,733	26.74	33,179,362	26.76
EFFECTIVE TAX RATE		26.74		26.76

Note 11 - Current and Deferred Income Tax (continued)

c) Deferred tax balances by category were as follows:

Non-Banking Business

Statement of Financial Position	Dec-31-2016		Dec-31-2015		Jan-01-2015	
	Deferred Asset	Deferred Liability	Deferred Asset	Deferred Liability	Deferred Asset	Deferred Liability
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Leased assets	525,655	12,585,397	1,737,423	8,690,242	2,237,464	9,677,606
Intangible asset valuation difference	1,048,040	36,430,251	1,120,429	31,681,551	1,247,479	36,112,292
Property, plant and equipment valuation difference	-	516,409,960	-	473,289,066	-	473,240,286
Inventory valuation difference	6,425,300	-	8,035,770	-	6,300,861	-
Capitalized prepaid expenses	-	1,132,253	-	1,190,801	-	1,636,912
Employee termination benefits	6,085,643	-	4,952,531	-	4,279,116	-
Deferred income	9,420,139	-	8,750,767	-	8,309,456	-
Tax losses brought forward	50,265,698	-	34,741,833	-	22,318,791	-
Allowance for doubtful accounts	23,250,208	-	19,425,580	-	17,867,915	-
Obsolescence provision	4,879,866	-	4,239,427	-	3,451,599	-
Disposal provision	7,989,924	-	6,303,350	-	5,944,958	-
Vacation provision	9,597,951	-	9,379,637	-	7,454,321	-
Other provisions	21,133,314	-	17,409,422	-	9,670,916	-
Derivative instruments	207,921	-	164,878	-	28,110	-
Recoverable insurance claims	-	28,444	-	22,615	-	633,405
Other	-	6,219,485	-	12,862,755	-	5,854,300
Total	140,829,659	572,805,790	116,261,047	527,737,030	89,110,986	527,154,801
Net Balance		431,976,131		411,475,983		438,043,815

Banking Business

Statement of Financial Position	Dec-31-2016		Dec-31-2015		Jan-01-2015	
	Deferred Asset	Deferred Liability	Deferred Asset	Deferred Liability	Deferred Asset	Deferred Liability
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Intangible asset valuation difference	-	850,407	-	723,434	-	862,518
Property, plant and equipment valuation difference	-	11,460,237	-	8,783,094	-	9,795,640
Capitalized prepaid expenses	-	2,295,039	-	2,015,270	-	381,378
Allowance for doubtful accounts	19,549,689	-	17,170,867	-	16,132,440	-
Vacation provision	1,077,878	-	775,723	-	634,101	-
Other provisions	2,521,896	-	2,215,540	-	2,169,284	-
Estimated expenses provision	10,422,233	-	9,939,732	-	6,613,247	-
Total	33,571,696	14,605,683	30,101,862	11,521,798	25,549,072	11,039,536
Net Balance	18,966,013		18,580,064		14,509,536	



Note 11 - Current and Deferred Income Tax (continued)

d) Reconciliation the financial position statement and the deferred tax tables:

Non-Banking Business

Net balance according to the above tables	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Deferred tax assets	131,418,254	91,930,367	68,168,041
Deferred tax liabilities	563,394,385	503,406,350	506,211,856
Total	431,976,131	411,475,983	438,043,815

Banking Business

Net balance according to the above tables	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Deferred tax assets	18,966,013	18,580,064	14,509,536
Total	18,966,013	18,580,064	14,509,536

Note 12 - Investments in Associates

a) Investments in associates - Non-Banking Business

The Company's direct and indirect investments in Associates in the Non-Banking Business as of December 31, 2016 and 2015 and January 1, 2015, and income for the years ended December 31, 2016 and 2015 were as follows:

Company name	Country of origin	Functional currency	Dec-31-2016 Ownership Interest %	Dec-31-2015 Ownership Interest %	Jan-01-2015 Ownership Interest %	Dec-31-2016 Book Value ThCh\$	Dec-31-2015 Book Value ThCh\$	Jan-01-2015 Book Value ThCh\$	Dec-31-2016 Net income for the year ThCh\$	Dec-31-2015 Net income for the year ThCh\$
Sodimac Colombia S.A.	Colombia	COP	49.00%	49.00%	49.00%	101,839,050	85,598,939	79,216,520	17,026,914	17,165,202
Sociedad de Facilidades Multirotativas S.A.P.I de C.V.	Mexico	MXN	50.00%	-	-	4,761,947	-	-	(109,134)	-
Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V.	Mexico	MXN	50.00%	-	-	2,284,838	-	-	(156,484)	-
Aventura Plaza S.A. (1)	Peru	PEN	60.00%	60.00%	60.00%	-	98,254,302	83,822,215	4,471,455	8,091,231
Inmobiliaria Cervantes S.A.	Chile	Ch\$	33.70%	33.70%	33.70%	293,226	295,098	295,564	15,238	15,976
Total						109,179,061	184,148,339	163,334,299	21,247,989	25,272,409

- (1) The Company directly or indirectly has a 60% interest in Aventura Plaza S.A. (49% effective interest). Up until June 30, 2016, this company has been recorded using the equity method and not as a subsidiary, since the Company does not have control over its operating and financial activities by agreement between its shareholders.

A process to separate Aventura Plaza S.A. began in December 2015, as part of the restructuring of the real estate area of Falabella Peru S.A.A. (and its subsidiary Open Plaza S.A.). As indicated in note 40, the separation of this company was agreed on July 6, 2016. Aventura Plaza S.A. has been consolidated since that date.



Note 12 - Investments in Associates (continued)

b) Investments in Associates - Banking Business

The Company's direct and indirect investments in Associates in the Banking Business as of December 31, 2016 and 2015 and January 1, 2015, and income for the years ended December 31, 2016 and 2015 were as follows:

Company name	Country of origin	Functional currency	Dec-31-2016 Ownership Interest %	Dec-31-2015 Ownership Interest %	Jan-01-2015 Ownership Interest %	Dec-31-2016 Book Value ThCh\$	Dec-31-2015 Book Value ThCh\$	Jan-01-2015 Book Value ThCh\$	Dec-31-2016 Net income for the year ThCh\$	Dec-31-2015 Net income for the year ThCh\$
Unibanca S.A.	Peru	PEN	23.13%	23.13%	20.19%	3,063,456	2,801,387	1,910,151	508,395	531,214
Total						3,063,456	2,801,387	1,910,151	508,395	531,214

c) Summarized information on associates:

Summarized financial information on associates as of December 31, 2016 and 2015 and January 1, 2015, and income for the years ended December 31, 2016 and 2015 was as follows:

Associate	December 31, 2016					December 31, 2016	
	Total Assets Current	Total Assets Non-Current	Total Liabilities Current	Total Liabilities Non-Current	Goodwill	Revenue	Income for the year
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Sodimac Colombia S.A.	178,181,053	296,091,750	185,322,254	89,803,398	4,256,946	766,045,567	34,748,804
Sociedad de Facilidades Multirotativas S.A.P.I de C.V.	9,443,642	291,886	167,498	44,136	-	-	(218,268)
Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V.	4,927,548	3,542,689	649	3,899,913	-	-	(312,968)
Unibanca S.A.	1,864,362	12,037,393	1,520,994	1,520,994	551,266	6,856,845	2,197,705
Inmobiliaria Cervantes S.A.	5,162	462,629	36,310	-	147,817	60,841	45,216
Total	194,421,767	312,426,347	187,047,705	95,268,441	4,956,029	772,963,253	36,460,489

Associate	December 31, 2015					December 31, 2015	
	Total Assets Current	Total Assets Non-Current	Total Liabilities Current	Total Liabilities Non-Current	Goodwill	Revenue	Income for the year
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Sodimac Colombia S.A.	161,363,063	273,072,146	159,923,819	108,507,323	4,256,946	778,065,323	35,031,024
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

Note 12 - Investments in Associates (continued)

January 1, 2015					
Associate	Total Assets		Total Liabilities		Goodwill
	Current	Non-Current	Current	Non-Current	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Sodimac Colombia S.A.	184,072,598	278,797,528	183,156,085	127,919,998	4,837,439
Aventura Plaza S.A.	36,773,071	234,804,484	46,598,762	85,275,102	-
Unibanca S.A.	4,525,462	6,140,896	1,205,950	-	-
Inmobiliaria Cervantes S.A.	33,041	453,078	47,702	-	147,817
Total	225,404,172	520,195,986	231,008,499	213,195,100	4,985,256

d) Movements in investments in associates for the year ended December 31, 2016 were as follows:

Investments in associates	Non-Banking Business ThCh\$	Banking Business ThCh\$	Total Consolidated ThCh\$
Opening balances as of January 1, 2016	184,148,339	2,801,387	186,949,726
Share of profit	21,247,989	508,395	21,756,384
Dividends received	(720,474)	(78,697)	(799,171)
Investment contributions	7,693,171	-	7,693,171
Separation of Aventura Plaza S.A.	(99,353,855)	-	(99,353,855)
Conversion adjustment and other reserves	(3,836,109)	(167,629)	(4,003,738)
Total movement	(74,969,278)	262,069	(74,707,209)
Closing balance as of December 31, 2016			
Investments in associates using the equity method	109,179,061	3,063,456	112,242,517

e) Movements in investments in associates for the year ended December 31, 2015 were as follows:

Investments in associates	Non-Banking Business ThCh\$	Banking Business ThCh\$	Total Consolidated ThCh\$
Opening balances as of January 1, 2015	163,334,299	1,910,151	165,244,450
Share of profit	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 movement	20,814,040	891,236	21,705,276
Closing balance as of December 31, 2015			
Investments in associates using the equity method	184,148,339	2,801,387	186,949,726

There are no significant restrictions on dividend distributions and debt repayments by associates, due to regulatory issues or related to their debt commitments.



Note 13 - Intangible Assets other than Goodwill

Intangible Assets other than Goodwill - Non-Banking Business

a) Intangible assets in the Non-Banking Business were as follows:

Intangible Assets, net	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Intangible assets with defined useful lives, net	142,273,280	121,045,496	103,996,635
Intangible assets with indefinite useful lives	127,837,278	125,867,902	129,506,680
Total	270,110,558	246,913,398	233,503,315

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

Intangible Assets	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Internally developed software	108,708,220	82,378,268	63,985,978
Licenses and software programs	112,032,485	100,687,565	81,178,699
Patents, registered trademarks and other rights	21,069,383	21,291,557	20,794,336
Other identifiable intangible assets	26,894,517	21,755,175	23,945,201
Trademarks with indefinite useful lives	127,837,278	125,867,902	129,506,680
Subtotal	396,541,883	351,980,467	319,410,894
Accumulated amortization (less)	(126,431,325)	(105,067,069)	(85,907,579)
Net Total	270,110,558	246,913,398	233,503,315

A.2) Intangible assets with indefinite useful lives in the Non-Banking Business were as follows:

	Remaining amortization period	Dec-31-2016	Dec-31-2015	Jan-01-2015
		ThCh\$	ThCh\$	ThCh\$
Trademark Sodimac	Indefinite	110,641,102	110,641,102	110,641,102
Trademark Imperial	Indefinite	2,239,800	2,239,800	2,239,800
Trademark Dicico	Indefinite	14,956,376	12,987,000	16,625,778
Total		127,837,278	125,867,902	129,506,680



Note 13 - Intangible Assets other than Goodwill (continued)

a.3) Movements in Intangible Assets other than Goodwill in the Non-Banking Business as of December 31, 2016 were as follows:

Gross Assets	Internally developed software	Licenses and software programs	Patents, registered trademarks and other rights	Other identifiable intangible assets	Trademarks with indefinite useful lives	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2016	82,378,268	100,687,565	21,291,557	21,755,175	125,867,902	351,980,467
Internally developed additions	26,304,035	-	-	-	-	26,304,035
Purchased additions	-	16,574,496	433,008	2,069,080	-	19,076,584
Acquisitions through business combinations (1)	25,406	18,351	-	4,109,304	-	4,153,061
Withdrawals	-	(4,577,180)	(8,300)	(489,312)	-	(5,074,792)
Conversion adjustment	511	(670,747)	(646,882)	(549,730)	1,969,376	102,528
Closing balance as of Dec-31-2016	108,708,220	112,032,485	21,069,383	26,894,517	127,837,278	396,541,883

Amortization	Internally developed software	Licenses and software programs	Patents, registered trademarks and other rights	Other identifiable intangible assets	Trademarks with indefinite useful lives	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2016	27,998,378	65,339,488	4,437,596	7,291,607	-	105,067,069
Amortization for the year	10,005,959	12,284,635	1,921,948	2,685,882	-	26,898,424
Withdrawals	-	(4,543,116)	-	(145,944)	-	(4,689,060)
Conversion adjustment	72	(748,412)	(35,109)	(61,659)	-	(845,108)
Closing balance as of Dec-31-2016	38,004,409	72,332,595	6,324,435	9,769,886	-	126,431,325

Net Book Value as of Jan-1-2016	54,379,890	35,348,077	16,853,961	14,463,568	125,867,902	246,913,398
Net Book Value as of Dec-31-2016	70,703,811	39,699,890	14,744,948	17,124,631	127,837,278	270,110,558

(1) Intangible assets incorporated under the separation of Aventura Plaza S.A. (Note 40).

Note 13 - Intangible Assets other than Goodwill (continued)

a.4) Movements in Intangible Assets other than Goodwill in the Non-Banking Business as of December 31, 2015 are as follows:

Gross Assets	Internally developed software	Licenses and software programs	Patents, registered trademarks and other rights	Other identifiable intangible assets	Trademarks with indefinite useful lives	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2015	63,985,978	81,178,699	20,794,336	23,945,201	129,506,680	319,410,894
Internally developed additions	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)
Closing balance as of Dec-31-2015	82,378,268	100,687,565	21,291,557	21,755,175	125,867,902	351,980,467

Amortization	Internally developed software	Licenses and software programs	Patents, registered trademarks and other rights	Other identifiable intangible assets	Trademarks with indefinite useful lives	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2015	20,094,944	56,314,642	2,567,208	6,930,785	-	85,907,579
Amortization for the year	7,903,434	10,199,937	2,035,711	3,474,015	-	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)
Closing balance as of Dec-31-2015	27,998,378	65,339,488	4,437,596	7,291,607	-	105,067,069

Net Book Value as of Jan-1-2015	43,891,034	24,864,057	18,227,128	17,014,416	129,506,680	233,503,315
Net Book Value as of Dec-31-2015	54,379,890	35,348,077	16,853,961	14,463,568	125,867,902	246,913,398

b) Intangible assets - Banking Business:

b.1) Intangible Assets in the Banking Business were as follows:

Intangible assets	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Internally developed software	63,390,029	49,844,970	38,047,712
Licenses and software programs	26,152,927	17,822,565	15,227,785
Subtotal	89,542,956	67,667,535	53,275,497
Accumulated amortization (less)	(39,911,919)	(33,538,747)	(29,506,232)
Net Total	49,631,037	34,128,788	23,769,265

Note 13 - Intangible Assets other than Goodwill (continued)

b.2) Movements in Intangible Assets in the Banking Business as of December 31, 2016 were as follows:

Gross Assets	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Opening balance as of Jan-1-2016	49,844,970	17,822,565	67,667,535
Internally developed additions	14,241,608	-	14,241,608
Purchased additions	-	8,609,361	8,609,361
Conversion adjustment	(696,549)	(278,999)	(975,548)
Closing balance as of Dec-31-2016	63,390,029	26,152,927	89,542,956

Amortization	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Opening balance as of Jan-1-2016	27,530,855	6,007,892	33,538,747
Amortization for the year	4,683,792	2,210,913	6,894,705
Conversion adjustment	(361,765)	(159,768)	(521,533)
Closing balance as of Dec-31-2016	31,852,882	8,059,037	39,911,919

Net Book Value as of Jan-1-2016	22,314,115	11,814,673	34,128,788
Net Book Value as of Dec-31-2016	31,537,147	18,093,890	49,631,037

b.3) Movements in Intangible Assets in the Banking Business as of December 31, 2015 were as follows:

Gross Assets	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Opening balance as of Jan-1-2015	38,047,712	15,227,785	53,275,497
Internally developed additions	11,448,873	-	11,448,873
Purchased additions	-	5,683,270	5,683,270
Withdrawals	(980)	-	(980)
Conversion adjustment	349,365	(3,088,490)	(2,739,125)
Closing balance as of Dec-31-2015	49,844,970	17,822,565	67,667,535

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

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



Note 13 - Intangible Assets other than Goodwill (continued)

c) Other information regarding intangible assets:

- c.1) As of December 31, 2016 there are no identifiable intangible assets in use that are fully amortized.
- c.2) Amortization of intangibles are presented in the statement of income by function as follows:
- ThCh\$ 33,793,129 and ThCh\$ 29,947,009 under the category "Administrative expenses" as of December 31, 2016 and 2015 respectively, as presented in Note 29.
 - In addition ThCh\$ 110 was included in the category "Cost of sales" as of December 31, 2015.
- c.3) The Company performed annual impairment tests on intangible assets with indefinite useful lives, which did not result in adjustments to values recognized by the Company.

Note 14 - Goodwill

Goodwill in the Non-Banking Business was as follows:

Goodwill	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Sodimac S.A.	205,688,300	205,688,300	205,688,300
Imperial S.A.	13,836,495	13,836,495	13,836,495
Hipermercados Tottus S.A.	14,575,143	14,575,143	14,575,143
Inverfal S.A.	5,354,756	5,354,756	5,354,756
Plaza Oeste S.A.	10,770,845	10,770,845	10,770,845
Plaza Del Trébol S.A.	3,946,308	3,946,308	3,946,308
Clamiju S.A.	-	-	164,403
Plaza Tobalaba S.A.	1,558,544	1,558,544	1,558,544
Plaza La Serena S.A.	418,818	418,818	418,818
Mall Calama S.A.	357,778	357,778	357,778
Inmobiliaria Las Condes S.A.	3,457,846	3,457,846	3,457,846
Construdecor S.A.	35,082,718	30,393,545	38,909,397
Maestro Perú S.A.	164,265,119	171,306,580	166,930,455
Aventura Plaza S.A. (Note 40)	60,040,542	-	-
Total	519,353,212	461,664,958	465,969,088

Goodwill impairment is determined through evaluating the recoverable amount of the cash generating units (or group of cash generating units) related to the goodwill.

When the recoverable amount of the cash generating units (or groups of cash generating units) is less than the total book value of the cash generating units (or group of cash generating units) related to the goodwill, 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 performs annual goodwill impairment tests and these tests have not resulted in adjustments to the recognized values.

**Note 14 - Goodwill (continued)**

Goodwill by segments as of December 31, 2016 and 2015 and January 1, 2015 was as follows:

Segment	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Home improvement	418,872,632	421,224,920	425,364,647
Real estate	80,550,681	20,510,139	20,510,139
Supermarkets	14,575,143	14,575,143	14,575,143
Other businesses	5,354,756	5,354,756	5,354,756
Argentina	-	-	164,403
Total Goodwill by Segment	519,353,212	461,664,958	465,969,088

The Company performed goodwill impairment testing as of December 31, 2016, in accordance with 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 used in the December 2016 evaluation fluctuate between 6% and 9.7%.

The test results indicated that there were no impairment losses in the value of goodwill for S.A.C.I. Falabella.



Note 15 - Property, Plant and Equipment

a) Property, plant and equipment for the Non-Banking Business was as follows:

Description	Dec-31-2016			Dec-31-2015			Jan-01-2015		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Land	762,052,095	-	762,052,095	732,418,970	-	732,418,970	722,989,265	-	722,989,265
Buildings	828,959,565	(109,367,292)	719,592,273	792,250,165	(94,078,734)	698,171,431	736,003,020	(76,293,734)	659,709,286
Plant and equipment	332,043,819	(140,641,381)	191,402,438	290,011,476	(115,766,552)	174,244,924	244,317,820	(91,664,073)	152,653,747
IT equipment	104,019,401	(67,332,187)	36,687,214	98,360,640	(66,070,494)	32,290,146	84,372,979	(57,675,934)	26,697,045
Fixed installations and accessories	834,667,590	(352,295,329)	482,372,261	782,393,053	(299,727,453)	482,665,600	721,375,199	(246,504,163)	474,871,036
Motor vehicles	4,953,438	(3,529,761)	1,423,677	5,002,453	(3,353,215)	1,649,238	4,759,136	(2,902,613)	1,856,523
Leasehold improvements	155,375,072	(71,110,106)	84,264,966	134,504,741	(58,558,318)	75,946,423	118,910,316	(46,666,717)	72,243,599
Construction in progress	130,367,228	-	130,367,228	93,480,833	-	93,480,833	60,500,615	-	60,500,615
Other property, plant and equipment ⁽¹⁾	199,083,764	(106,941,216)	92,142,548	186,349,592	(99,246,353)	87,103,239	170,499,017	(83,601,592)	86,897,425
Total	3,351,521,972	(851,217,272)	2,500,304,700	3,114,771,923	(736,801,119)	2,377,970,804	2,863,727,367	(605,308,826)	2,258,418,541

(1) Primarily furniture and equipment

b) Property, plant and equipment in the Banking Business was as follows:

Description	Dec-31-2016			Dec-31-2015			Jan-01-2015		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
	ThCh\$	ThCh\$		ThCh\$	ThCh\$		ThCh\$	ThCh\$	
Plant and equipment	12,896,899	(6,211,915)	6,684,984	13,042,357	(6,052,740)	6,989,617	12,864,487	(4,923,940)	7,940,547
IT equipment	24,954,954	(17,009,342)	7,945,612	23,052,913	(14,717,453)	8,335,460	21,156,611	(13,034,743)	8,121,868
Furniture and accessories	9,309,435	(4,615,479)	4,693,956	8,739,733	(4,325,949)	4,413,784	8,157,487	(3,485,289)	4,672,198
Motor vehicles	111,751	(75,401)	36,350	113,031	(61,911)	51,120	106,281	(1,138)	105,143
Leasehold improvements	24,211,596	(12,267,906)	11,943,690	22,017,199	(9,149,187)	12,868,012	21,112,078	(6,869,615)	14,242,463
Construction in progress	692,027	-	692,027	1,464,469	-	1,464,469	276,660	-	276,660
Other property, plant and equipment ⁽¹⁾	10,069,521	(8,399,389)	1,670,132	8,883,340	(7,450,161)	1,433,179	7,990,426	(6,414,741)	1,575,685
Total	82,246,183	(48,579,432)	33,666,751	77,313,042	(41,757,401)	35,555,641	71,664,030	(34,729,466)	36,934,564

(1) Primarily furniture and equipment



Note 15 - Property, Plant and Equipment (continued)

c) Movements for the Non-Banking Business for the year ended December 31, 2016 were as follows:

Cost	Land	Buildings	Plant and equipment	IT equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2016	732,418,970	792,250,165	290,011,476	98,360,640	782,393,053	5,002,453	134,504,741	93,480,833	186,349,592	3,114,771,923
Additions	7,811,871	9,863,891	47,142,995	14,374,134	49,708,547	402,351	2,931,502	168,338,150	15,621,795	316,195,236
Acquisitions through business combinations ⁽¹⁾	41,090,150	17,750,922	22,608	405	2,334,815	5,800	-	29,661	198,714	61,433,075
Disposals	(11,356,762)	(13,780,493)	(4,167,176)	(258,625)	(4,754,684)	(407,686)	(87,807)	(1,358,146)	(1,689,993)	(37,861,372)
Withdrawals	-	(1,355,889)	(13,643,182)	(9,109,171)	(17,904,721)	(16,435)	(1,442,387)	-	(8,165,345)	(51,637,130)
Reclassification of concept and capitalization	-	34,159,135	16,221,587	2,042,946	37,478,334	(117,735)	20,382,647	(122,729,651)	12,562,737	-
Conversion adjustment	(7,912,134)	(9,928,166)	(3,544,489)	(1,390,928)	(14,587,754)	84,690	(913,624)	(7,393,619)	(5,793,736)	(51,379,760)
Closing balance as of Dec-31-2016	762,052,095	828,959,565	332,043,819	104,019,401	834,667,590	4,953,438	155,375,072	130,367,228	199,083,764	3,351,521,972

Depreciation	Land	Buildings	Plant and equipment	IT equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2016	-	94,078,734	115,766,552	66,070,494	299,727,453	3,353,215	58,558,318	-	99,246,353	736,801,119
Depreciation for the year	-	19,465,395	39,724,083	11,529,745	74,503,256	498,103	13,710,490	-	19,758,418	179,189,490
Disposals	-	(1,740,367)	(3,608,748)	(248,157)	(1,963,307)	(300,185)	-	-	(1,412,460)	(9,273,224)
Withdrawals	-	(316,064)	(9,606,631)	(9,061,002)	(14,778,021)	(16,224)	(923,589)	-	(7,375,011)	(42,076,542)
Conversion adjustment	-	(2,120,406)	(1,633,875)	(958,893)	(5,194,052)	(5,148)	(235,113)	-	(3,276,084)	(13,423,571)
Closing balance as of Dec-31-2016	-	109,367,292	140,641,381	67,332,187	352,295,329	3,529,761	71,110,106	-	106,941,216	851,217,272

Net balance as of Jan-1-2016	732,418,970	698,171,431	174,244,924	32,290,146	482,665,600	1,649,238	75,946,423	93,480,833	87,103,239	2,377,970,804
Net balance as of Dec-31-2016	762,052,095	719,592,273	191,402,438	36,687,214	482,372,261	1,423,677	84,264,966	130,367,228	92,142,548	2,500,304,700

(1) Property, plant and equipment incorporated under the separation of Aventura Plaza S.A. (Note 40).



Note 15 - Property, Plant and Equipment (continued)

d) Movements for the Non-Banking Business for the year ended December 31, 2015 were as follows:

Cost	Land	Buildings	Plant and equipment	IT equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2015	722,989,265	736,003,020	244,317,820	84,372,979	721,375,199	4,759,136	118,910,316	60,500,615	170,499,017	2,863,727,367
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)
Closing balance as of Dec-31-2015	732,418,970	792,250,165	290,011,476	98,360,640	782,393,053	5,002,453	134,504,741	93,480,833	186,349,592	3,114,771,923

Depreciation	Land	Buildings	Plant and equipment	IT equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of Jan-1-2015	-	76,293,734	91,664,073	57,675,934	246,504,163	2,902,613	46,666,717	-	83,601,592	605,308,826
Depreciation for the year	-	18,605,546	37,016,935	9,444,368	69,098,370	524,186	13,673,046	-	19,060,614	167,423,065
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)
Closing balance as of Dec-31-2015	-	94,078,734	115,766,552	66,070,494	299,727,453	3,353,215	58,558,318	-	99,246,353	736,801,119

Net balance as of Jan-1-2015	722,989,265	659,709,286	152,653,747	26,697,045	474,871,036	1,856,523	72,243,599	60,500,615	86,897,425	2,258,418,541
Net balance as of Dec-31-2015	732,418,970	698,171,431	174,244,924	32,290,146	482,665,600	1,649,238	75,946,423	93,480,833	87,103,239	2,377,970,804



Note 15 - Property, Plant and Equipment (continued)

e) Movements for the Banking Business for the year ended December 31, 2016 were as follows:

Cost	Plant and equipment ThCh\$	IT equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Opening balance as of Jan-1-2016	13,042,357	23,052,913	8,739,733	113,031	22,017,199	1,464,469	8,883,340	77,313,042
Additions	1,700,826	1,172,507	765	-	2,200,365	3,115,324	1,492,181	9,681,968
Disposals	(1,745,398)	-	-	-	-	-	(576,570)	(2,321,968)
Withdrawals	(360,823)	(327,405)	(354,686)	-	(6,014)	(18,176)	-	(1,067,104)
Reclassification of concept and capitalization	377,339	1,744,105	1,301,095	-	-	(3,829,960)	407,421	-
Conversion adjustment	(117,402)	(687,166)	(377,472)	(1,280)	46	(39,630)	(136,851)	(1,359,755)
Closing balance as of Dec-31-2016	12,896,899	24,954,954	9,309,435	111,751	24,211,596	692,027	10,069,521	82,246,183

Depreciation	Plant and equipment ThCh\$	IT equipment ThCh\$	Fixed installations and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Opening balance as of Jan-1-2016	6,052,740	14,717,453	4,325,949	61,911	9,149,187	-	7,450,161	41,757,401
Depreciation for the year	1,406,010	2,984,644	753,397	14,062	3,120,018	-	1,637,948	9,916,079
Disposals	(978,234)	-	-	-	-	-	(576,570)	(1,554,804)
Withdrawals	(200,020)	(245,565)	(278,290)	-	(1,321)	-	(17,213)	(742,409)
Conversion adjustment	(68,581)	(447,190)	(185,577)	(572)	22	-	(94,937)	(796,835)
Closing balance as of Dec-31-2016	6,211,915	17,009,342	4,615,479	75,401	12,267,906	-	8,399,389	48,579,432

Net balance as of Jan-1-2016	6,989,617	8,335,460	4,413,784	51,120	12,868,012	1,464,469	1,433,179	35,555,641
Net balance as of Dec-31-2016	6,684,984	7,945,612	4,693,956	36,350	11,943,690	692,027	1,670,132	33,666,751



Note 15 - Property, Plant and Equipment (continued)

f) Movements in the Banking Business for the year ended December 31, 2015 were as follows:

Cost	Plant and equipment	IT equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening 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)
Closing 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 and equipment	IT equipment	Fixed installations and accessories	Motor vehicles	Leasehold improvements	Construction in progress	Other property, plant and equipment	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening 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)
Closing 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

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 year ended December 31, 2016 and 2015 was ThCh\$ 189,105,569 and ThCh\$ 176,727,396 respectively. These values are presented in the Income Statement, by function, as follows:

- ThCh\$ 185,196,042 and ThCh\$ 172,491,234 under the category "Administrative expenses" as of December 31, 2016 and 2015 respectively, as presented in Note 29.
- Additionally, ThCh\$ 3,909,527 and ThCh\$ 4,236,162 were charged under Cost of Sales as of December 31, 2016 and 2015, respectively, for depreciation on leased machinery.



Note 15 - Property, Plant and Equipment (continued)

g) During the year ended December 31, 2016, the Company capitalized interest of ThCh\$ 2,410,731. The average interest rate for capitalization was 5.25% and during the year ended December 31, 2015, the Company capitalized interest of ThCh\$ 1,854,592, when the average interest rate for capitalization was 4.70%

As of December 31, 2016, the Company had contractual commitments to suppliers to acquire Property, Plant and Equipment totaling ThCh\$ 57,802,697.

The group has assets provided in guarantee totaling ThCh\$ 101,110,670 as of December 31, 2016, which form part of Property, Plant and Equipment.

The Group has entered into financial leases to develop its business Assets under financial leases included as part of Property, Plant and Equipment in the Non-Banking Business were as follows:

Assets under Financial Leases	Dec-31-2016			Dec-31-2015			Jan-01-2015		
	Gross	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Buildings	90,823,505	(11,560,181)	79,263,324	90,573,119	(10,538,698)	80,034,421	98,555,848	(8,886,888)	89,668,960
Plant and equipment	17,394,121	(8,343,051)	9,051,070	19,055,681	(7,503,045)	11,552,636	20,381,454	(5,991,223)	14,390,231
IT equipment	1,772,239	(1,772,239)	-	2,208,181	(2,021,562)	186,619	3,012,171	(2,668,632)	343,539
Fixed installations and accessories	70,360,773	(34,825,123)	35,535,650	78,822,174	(32,896,867)	45,925,307	79,402,270	(34,770,480)	44,631,790
Other property, plant and equipment	8,426,145	(7,738,426)	687,719	9,115,209	(7,643,817)	1,471,392	19,231,903	(13,949,882)	5,282,021
Total	188,776,783	(64,239,020)	124,537,763	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 with financial lease contracts and their present value, disclosed in the statement of financial position as Other Financial Liabilities (Note 18):

Description	Dec-31-2016			Dec-31-2015			Jan-01-2015		
	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$	Minimum payments ThCh\$	Interest ThCh\$	Present value ThCh\$
Up to one year	19,956,849	(4,050,845)	15,906,004	23,131,070	(5,254,862)	17,876,208	25,835,949	(4,795,656)	21,040,293
From one to three years	49,378,462	(9,790,786)	39,587,676	63,863,497	(13,375,880)	50,487,617	67,274,625	(9,940,495)	57,334,130
Over five years	16,562,872	(2,040,219)	14,522,653	23,958,441	(3,492,437)	20,466,004	26,367,896	(4,165,804)	22,202,092
Total	85,898,183	(15,881,850)	70,016,333	110,953,008	(22,123,179)	88,829,829	119,478,470	(18,901,955)	100,576,515



Note 15 - Property, Plant and Equipment (continued)

h) The Company has also carried out sale-and-leaseback transactions. These transactions were as follows:

Purchaser	Seller	Assets involved	Nominal value	Contract term	Purchase price
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	FACILITIES / PLANT & EQUIPMENT	2,103,766	6/1/2017	2,103,766
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	BUILDING	2,637,978	10/5/2017	2,637,978
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	FACILITIES / PLANT & EQUIPMENT	7,237,962	10/5/2017	7,237,962
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	FACILITIES / PLANT & EQUIPMENT	9,628,111	2/27/2018	9,628,111
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	BUILDING	1,242,435	2/27/2018	1,242,435
BANCO SANTANDER CENTRAL HISPANO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	BUILDING	976,764	2/27/2018	976,764
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	BUILDING	2,934,779	1/1/2019	2,934,779
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	BUILDING	3,525,763	2/1/2020	3,525,763
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	BUILDING	2,440,944	12/1/2021	2,440,944
SCOTIABANK (PERU)	OPEN PLAZA S.A.C.	BUILDINGS AND FACILITIES	5,943,966	5/9/2028	5,943,966
Total			38,672,468		38,672,468

There are no significant clauses in these lease contracts, since they have normal terms for such contracts.

Sale-and-leaseback transactions have 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. Minimum lease payment obligations under non-cancelable operating lease contracts as of December 31, 2016 and 2015 were as follows:

	Dec-31-2016 Minimum Payments ThCh\$	Dec-31-2015 Minimum Payments ThCh\$
Up to one year	121,792,754	95,282,987
From one to five years	396,575,398	310,280,914
Over five years	1,082,100,512	859,924,734
Total	1,600,468,664	1,265,488,635



Note 15 - Property, Plant and Equipment (continued)

The Company does not have individually significant operating lease contracts or contracts that impose restrictions on dividend distributions, requiring other lease contracts or requiring borrowing.

Lease installments and operating subleases recognized as expenses in each year were as follows:

Item	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Minimum third party lease expense	129,475,812	108,434,835
Variable third party lease expense	26,489,616	23,649,197
Total	155,965,428	132,084,032

j) Group as lessor - Operating lease

The Company leases its Investment Properties as part of its business. As of December 31, 2016 and 2015, the Company had the following rights receivable under non-cancellable leases:

Term	Dec-31-2016 Minimum payments receivable ThCh\$	Dec-31-2015 Minimum payments receivable ThCh\$
Up to one year	163,985,498	148,938,582
From one to five years	349,586,687	335,892,205
Over five years	376,096,717	371,944,265
Total	889,668,902	856,775,052

The Company leases stores to third parties under operating leases that form part of its "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 was as follows:

Leases charged to third parties	Jan-01-2016 Dec-31-2016 ThCh\$	Jan-01-2015 Dec-31-2015 ThCh\$
Fixed income	215,728,291	193,087,672
Variable income	15,136,492	14,253,372
Total	230,864,783	207,341,044

Leasing income of ThCh\$ 230,864,783 as of December 31, 2016 and ThCh\$ 207,341,044 as of December 31, 2015 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.



Note 16 - Investment Property

a) Movements during the year ended December 31, 2016 are as follows:

Cost	ThCh\$
Opening balance as of Jan-1-2016	2,644,823,896
Additions	140,725,867
Acquisitions through business combinations (1)	134,848,997
Withdrawals	(1,301,239)
Translation adjustment	(5,146,972)
Closing balance as of Dec-31-2016	2,913,950,549

Depreciation	ThCh\$
Opening balance as of Jan-1-2016	52,427,504
Depreciation for the year	39,291,327
Withdrawals	(290,558)
Translation adjustment	(271,084)
Closing balance as of Dec-31-2016	91,157,189

Net balance as of Jan-1-2016	2,592,396,392
Net balance as of Dec-31-2016	2,822,793,360

b) Movements during the year ended December 31, 2015 are as follows:

Cost	ThCh\$
Opening balance as of Jan-1-2015	2,509,837,654
Additions	158,857,805
Withdrawals	(19,553,076)
Reclassification from property, plant & equipment to investment properties	1,246,178
Translation adjustment	(5,564,665)
Closing balance as of Dec-31-2015	2,644,823,896

Depreciation	ThCh\$
Opening balance as of Jan-1-2015	16,383,168
Depreciation for the year	37,122,668
Withdrawals	(992,183)
Translation adjustment	(86,149)
Closing balance as of Dec-31-2015	52,427,504

Net balance as of Jan-1-2015	2,493,454,486
Net balance as of Dec-31-2015	2,592,396,392

(1) Investment Property incorporated for the separation of Aventura Plaza S.A. (Note 40).



Note 16 - Investment Property (continued)

Note 28.1.c) includes a breakdown of the Costs of Investment Properties, including the depreciation of these assets.

Investment properties include shopping centers, works in progress and land available for 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 2016 and January to December 2015 are recorded in the cost of sales line in the income statement by function.

During the period January through December 2016, the Company capitalized interest of ThCh\$ 12,519,625. The average interest rate for capitalized interest was 4.26%. During the period January through December, 2015, the Company capitalized interest of ThCh\$ 10,287,986. The average interest rate for capitalized interest was 3.98%.

The estimated market value of investment properties as of December 31, 2016 and 2015 and January 1, 2015 was ThCh\$ 3,083,199,528, ThCh\$ 2,784,622,197 and ThCh\$ 2,554,397,091, respectively.

As of December 31, 2016, the contractual obligations for purchasing, constructing, repairing, maintaining and developing Investment Properties were ThCh\$ 14,922,208.

Investment Properties that do not generate revenue as of December 31, 2016 and 2015 and January 1, 2015 only comprise unused land of ThCh\$ 86,694,175, ThCh\$ 88,846,319 and ThCh\$ 98,668,833, respectively. There are no maintenance expenses associated with these properties, nor are there any restrictions on real estate investment sales, collecting income from them or resources obtained from their disposal by other means.



Note 16 - Investment Property (continued)

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

		Fair value as of Dec-31-2016		
	Dec-31-2016	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	3,083,199,528	-	3,083,199,528	-
Total	3,083,199,528	-	3,083,199,528	-

		Fair value as of Dec-31-2015		
	Dec-31-2015	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	2,784,622,197	-	2,784,622,197	-
Total	2,784,622,197	-	2,784,622,197	-

		Fair value as of Jan-01-2015		
	Jan-01-2015	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	2,554,397,091	-	2,554,397,091	-
Total	2,554,397,091	-	2,554,397,091	-

Note 17 - Other Banking Business Assets

The following Banking Business Assets are classified in this category:

Other Assets	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Advances to suppliers	3,218	1,268	46,045
Guarantee deposits	9,331,483	464,070	405,234
Accrued commissions receivable	969,198	3,949,006	3,860,088
Deferred expenses	1,297,548	765,666	786,246
Receivable items, remote channels	-	1,947,188	1,575,949
Accounts and invoices receivable (1)	13,599,776	11,755,696	7,247,955
Investment in auxiliary company	239,935	228,912	228,429
Assets acquired at auction	436	156,942	629,428
Software maintenance contracts	243,559	286,303	116,611
Others (2)	2,058,120	1,533,280	1,288,798
Total	27,743,273	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 branches, and others.

(2) Primarily license for use of Redbanc, subscriptions, advertising contracts, balances due to card theft and cloning under investigation, stationary and other.



Note 18 - Other Current and Non-Current Financial Liabilities

a) Other current and non-current financial liabilities for the Non-banking Business are as follows:

Other financial liabilities	Dec-31-2016		Dec-31-2015		Jan-01-2015	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Bank loans	882,103,425	767,579,447	628,448,974	850,427,039	673,675,359	568,679,955
Bonds payable	155,440,583	1,791,425,692	77,662,914	1,748,674,229	35,457,212	1,663,451,417
Finance lease obligations	15,906,004	54,110,329	17,876,208	70,953,621	21,040,293	79,536,222
Other financial liabilities	18,644,063	61,879,023	14,729,065	30,775,892	6,356,725	4,692,917
	1,072,094,075	2,674,994,491	738,717,161	2,700,830,781	736,529,589	2,316,360,511

Dec-31-2016

b) Bank loans as of December 31, 2016 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,006,000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	UF	236,483	-	-	236,483	32,419,540	-	32,419,540	Six monthly	2.28	32,419,540	2.25
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,018,000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	278,826	-	24,900,000	25,178,826	-	-	-	At Maturity	4.12	24,900,000	4.21
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,018,000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	98,133	20,000,000	-	20,098,133	-	-	-	At Maturity	3.84	19,919,999	3.84
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,023,000-9	BANCO ITAÚ (CHILE)	CHILE	CLP	637,103	-	-	637,103	24,799,999	-	24,799,999	At Maturity	5.12	24,799,999	5.12
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	3,116	-	-	3,116	24,899,999	-	24,899,999	At Maturity	4.12	24,899,999	4.29
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	142,715	3,021,606	1,726,632	4,890,953	7,338,187	-	7,338,187	Six monthly	4.57	12,229,140	4.57
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	281,964	-	-	281,964	24,936,094	-	24,936,094	At Maturity	4.06	25,257,979	4.27
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	185,043	-	19,919,999	20,105,042	-	-	-	At Maturity	4.15	20,105,042	4.24
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	17,032,110	-	-	17,032,110	-	-	-	At Maturity	3.76	17,032,110	3.76
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	150,823	-	19,919,999	20,070,822	-	-	-	At Maturity	4.44	19,919,999	4.37
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	49,830,240	-	-	49,830,240	-	-	-	At Maturity	3.72	49,830,240	3.72
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	99,053	20,000,000	-	20,099,053	-	-	-	At Maturity	3.88	20,099,053	3.88
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	82,080	20,000,000	-	20,082,080	-	-	-	At Maturity	3.89	20,082,080	3.89



Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2016 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	156,247	-	20,023,315	20,179,562	-	-	-	At Maturity	3.70	19,500,000	3.70
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	112,813	-	-	112,813	20,000,000	-	20,000,000	At Maturity	4.28	20,000,000	4.28
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	223,833	-	24,945,550	25,169,383	-	-	-	At Maturity	4.08	25,000,000	4.08
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	17,660,737	-	17,660,737	-	-	-	At Maturity	4.38	17,650,000	4.38
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	-	20,176,417	20,176,417	-	-	-	At Maturity	4.35	20,000,000	4.35
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	223,285	-	24,945,203	25,168,488	-	-	-	At Maturity	4.07	25,000,000	4.07
77,261,280-K	FALABELLA RETAIL S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	1,934	-	-	1,934	-	-	-	At Maturity	3.96	1,934	3.96
77,261,280-K	FALABELLA RETAIL S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	42	-	-	42	-	-	-	At Maturity	3.96	42	3.96
77,261,280-K	FALABELLA RETAIL S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	4,971,457	3,227,505	-	8,198,962	-	-	-	At Maturity	17.11	8,198,962	17.11
78,627,210-6	HIPERMERCADOS TOTUS S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	-	375,960	-	375,960	-	-	-	At Maturity	1.42	375,648	1.42
78,627,210-6	HIPERMERCADOS TOTUS S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	EUR	-	40,249	-	40,249	-	-	-	At Maturity	1.42	40,230	1.42
78,627,210-6	HIPERMERCADOS TOTUS S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	53	-	-	53	-	-	-	At Maturity	4.20	53	4.20
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97,008,000-7	BANCO CITIBANK (CHILE)	CHILE	UF	-	-	3,044,064	3,044,064	12,095,343	1,518,258	13,613,601	Six monthly	3.94	16,720,833	3.64
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97,023,000-9	BANCO CORPBANCA (CHILE)	CHILE	CLP	-	-	14,437,007	14,437,007	24,941,359	-	24,941,359	Annual	7.27	37,500,000	7.10
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	367,264	-	367,264	24,106,855	-	24,106,855	At Maturity	5.13	24,131,850	5.10
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	UF	-	4,993	-	4,993	11,047,359	-	11,047,359	At Maturity	4.07	11,066,152	3.98
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	4,991,705	-	4,373,364	9,365,069	21,870,590	-	21,870,590	Six monthly	4.69	30,624,432	4.68
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	-	462,807	-	462,807	28,197,945	-	28,197,945	At Maturity	5.05	28,198,030	5.05
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,006,000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	UF	-	-	50,519	50,519	30,248,388	-	30,248,388	At Maturity	4.01	30,300,177	3.84
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	UF	-	53,231,726	-	53,231,726	-	-	-	At Maturity	3.92	52,695,960	3.73
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	1,127,758	7,556,547	8,684,305	37,987,362	-	37,987,362	Six monthly	7.19	45,673,700	7.05
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	-	11,551,207	11,551,207	16,517,563	-	16,517,563	Six monthly	5.23	27,909,911	5.13
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	UF	-	-	136,058	136,058	25,118,399	-	25,118,399	At Maturity	2.60	25,118,400	2.60
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	5,173,938	-	-	5,173,938	-	-	-	At Maturity	3.80	5,160,864	3.80
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	5,210,178	-	-	5,210,178	-	-	-	At Maturity	4.52	5,197,946	3.80
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	2,616,265	-	-	2,616,265	-	-	-	At Maturity	5.25	2,610,592	3.80



Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2016 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current	
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	2,638,775	-	-	-	2,638,775	-	-	-	At Maturity	4.52	2,632,580	3.80
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	2,635,964	-	-	-	2,635,964	-	-	-	At Maturity	4.52	2,629,776	3.80
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	4,003,456	-	-	-	4,003,456	-	-	-	At Maturity	4.99	4,000,000	3.80
96,824,450-7	INMOBILIARIA MALL LAS AMERICAS S.A.	CHILE	97,006,000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	UF	-	155,012	1,214,376	1,369,388	8,664,703	-	8,664,703	Six monthly	4.45	9,968,259	4.10	
96,573,100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	-	723,572	-	723,572	-	-	-	At Maturity	1.44	717,126	1.41	
96,792,430-K	SODIMAC S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	EUR	176,639	92,798	-	269,437	-	-	-	At Maturity	0.21	276,406	0.21	
96,792,430-K	SODIMAC S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	8,549,651	4,491,601	-	13,041,252	-	-	-	At Maturity	0.91	12,953,287	1.01	
96,792,430-K	SODIMAC S.A.	CHILE	97,006,000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	CLP	257	-	-	257	-	-	-	At Maturity	0.33	257	0.33	
96,792,430-K	SODIMAC S.A.	CHILE	97,023,000-9	BANCO ITAU (CHILE)	CHILE	US\$	609,669	320,293	-	929,962	-	-	-	At Maturity	1.02	919,852	1.02	
96,792,430-K	SODIMAC S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	865,936	454,924	-	1,320,860	-	-	-	At Maturity	1.03	1,317,587	1.07	
76,821,330-5	IMPERIAL S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	280,352	-	-	280,352	-	-	-	At Maturity	2.01	280,110	1.09	
76,821,330-5	IMPERIAL S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	1,402,738	-	1,402,738	6,643,743	-	6,643,743	Six monthly	7.02	8,185,079	6.79	
76,821,330-5	IMPERIAL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	-	53,625	-	53,625	8,741,501	1,249,730	9,991,231	Six monthly	5.96	10,197,167	5.85	
76,821,330-5	IMPERIAL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	US\$	723,121	-	-	723,121	-	-	-	At Maturity	2.01	722,480	1.08	
76,821,330-5	IMPERIAL S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	1,251,512	-	-	1,251,512	-	-	-	Monthly	3.96	1,250,000	3.96	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	164,679	-	-	164,679	-	-	-	Monthly	24.89	164,679	24.89	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	64,474	-	-	64,474	8,439,793	-	8,439,793	At Maturity	29.42	8,504,267	29.42	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	17,662	-	-	17,662	-	-	-	Monthly	24.89	17,662	24.89	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO DEUTSCHE (ARGENTINA)	ARGENTINA	ARS	28,408	-	-	28,408	-	-	-	Monthly	24.89	28,408	24.89	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	1,907	-	-	1,907	-	-	-	Monthly	24.89	1,907	24.89	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	27,542	1,163,958	2,174,187	3,365,687	-	-	-	Three monthly	37.39	3,365,687	33.06	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	477,119	-	-	477,119	-	-	-	Monthly	24.89	477,119	24.89	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	134,087	262,275	526,928	923,290	-	-	-	Monthly	32.92	923,290	28.80	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	22,208	-	3,372,535	3,394,743	-	-	-	At Maturity	29.29	3,394,743	29.29	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	180	-	-	180	-	-	-	Monthly	24.89	180	24.89	
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	1,651,306	-	-	1,651,306	-	-	-	Monthly	24.89	1,651,306	24.89	



Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2016 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	22,494	-	8,827,670	8,850,164	1,687,191	-	1,687,191	At Maturity	29.00	10,537,355	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	61,926	-	5,073,599	5,135,525	-	-	-	Monthly	25.00	5,135,525	25.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	45,060	-	-	45,060	8,444,943	-	8,444,943	At Maturity	29.00	8,490,003	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE LA CIUDAD DE BUENOS AIRES	ARGENTINA	ARS	189,138	279,816	1,258,844	1,727,798	699,906	-	699,906	Monthly	33.00	2,427,704	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	13,377	421,342	-	434,719	-	-	-	At Maturity	41.00	434,719	37.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	200,909	394,311	592,788	1,188,008	-	-	-	At Maturity	34.00	1,188,008	30.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	12,435,415	-	-	12,435,415	-	-	-	Monthly	26.00	12,435,415	26.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	285,857	-	281,748	567,605	-	-	-	Four monthly	37.00	567,605	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	1,118,581	-	-	1,118,581	-	-	-	Monthly	28.00	1,118,581	28.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	6,263	1,259,981	-	1,266,244	-	-	-	At Maturity	33.00	1,266,244	32.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	39,730	2,534,732	-	2,574,462	-	-	-	At Maturity	31.00	2,574,462	31.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	44,162	4,228,000	-	4,272,162	-	-	-	At Maturity	32.00	4,272,162	32.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	134,030	262,404	525,132	921,566	-	-	-	Monthly	33.00	921,566	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	180,140	277,216	1,246,695	1,704,051	1,662,396	972,091	2,634,487	Monthly	33.00	4,338,538	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	6,908,647	-	-	6,908,647	-	-	-	At Maturity	27.00	6,908,647	27.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	51,399	-	2,004,913	2,056,312	-	-	-	Monthly	27.00	2,056,312	25.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	12,965,592	-	-	12,965,592	-	-	-	Monthly	27.00	12,965,592	26.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	US\$	10,354	-	6,807,081	6,817,435	-	-	-	Monthly	25.00	6,817,434	25.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	205,274	-	-	205,274	-	-	-	Monthly	27.50	205,274	27.50
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	64,473	-	-	64,473	8,439,793	-	8,439,793	At Maturity	33.35	8,504,266	29.90
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	62	-	-	62	-	-	-	Monthly	29.00	62	29.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	534,848	-	-	534,848	-	-	-	Monthly	27.00	534,848	27.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	410,633	-	-	410,633	-	-	-	Monthly	28.50	410,633	28.50
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	177	-	-	177	-	-	-	Monthly	29.00	177	23.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO MACRO (ARGENTINA)	ARGENTINA	ARS	2,282,531	-	-	2,282,531	-	-	-	Monthly	27.00	2,282,531	27.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	3,026,784	-	-	3,026,784	-	-	-	Monthly	27.00	3,026,784	27.00



Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2016 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years	Total Non-Current				
Foreign	AVENTURA PLAZA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	-	-	-	20,965,203	20,965,203	Monthly	8.81	20,965,203	8.81
Foreign	AVENTURA PLAZA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	92,777	281,765	748,707	1,123,249	7,218,725	5,074,699	12,293,424	Monthly	8.08	13,628,855	7.37
Foreign	AVENTURA PLAZA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	9,987,518	9,987,518	-	-	-	At Maturity	6.94	9,984,500	5.59
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	291,322	845,629	147,224	1,284,175	49,641,964	-	49,641,964	Six monthly	7.12	49,922,500	6.85
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	60,959	-	2,175,097	2,236,056	27,598,713	-	27,598,713	Three monthly	7.27	29,953,500	6.88
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO DE TOKIO-MITSUBISHI UFJ, LTD (JAPÓN)	JAPAN	US\$	176,335	398,178	-	574,513	33,353,241	-	33,353,241	Three monthly	2.62	33,837,471	2.36
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO INTERNACIONAL DEL PERU	PERU	PEN	490,324	1,298,773	3,573,953	5,363,050	22,856,543	-	22,856,543	Monthly	7.08	29,535,118	6.82
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	146,655	426,447	9,305	582,407	29,913,509	-	29,913,509	Six monthly	5.84	29,953,500	5.75
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	160,230	190,132	-	350,362	29,893,316	-	29,893,316	Three monthly	6.52	29,953,500	6.35
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	10,012,883	-	10,012,883	-	-	-	At Maturity	4.35	9,984,500	4.35
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	2,002,577	-	2,002,577	-	-	-	At Maturity	4.35	1,996,900	4.35
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	4,005,153	-	4,005,153	-	-	-	At Maturity	4.35	3,993,800	4.35
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	17,622,674	-	17,622,674	-	-	-	At Maturity	4.35	17,572,720	4.35
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	31,391	63,244	227,045	321,680	-	-	-	Monthly	6.32	332,707	6.13
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	94,175	189,726	889,628	1,173,529	3,208,804	-	3,208,804	Monthly	6.05	4,883,305	5.87
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	38,456	77,120	358,830	474,406	2,165,850	-	2,165,850	Monthly	7.17	3,140,084	6.93
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	2,418,993	-	-	2,418,993	-	-	-	At Maturity	4.83	2,396,280	4.83
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	7,448,182	-	-	7,448,182	-	-	-	At Maturity	4.86	7,388,530	4.86
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	20,902,031	-	-	20,902,031	-	-	-	At Maturity	4.39	20,767,760	4.39
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	1,999,832	-	1,999,832	-	-	-	At Maturity	4.50	1,996,900	4.50
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	10,999,076	-	10,999,076	-	-	-	At Maturity	4.50	10,982,950	4.50
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	9,999,160	-	9,999,160	-	-	-	At Maturity	4.50	9,984,500	4.50
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	999,513	-	999,513	-	-	-	Monthly	4.28	998,450	4.27
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	2,202,834	-	-	2,202,834	-	-	-	Monthly	4.35	2,196,590	4.27
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	2,565,721	2,565,721	3,204,508	-	3,204,508	Monthly	7.57	5,779,378	7.15
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	560,781	560,781	700,404	-	700,404	Monthly	7.57	1,263,190	7.15



Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2016 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years	Total Non-Current					
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	681,060	-	-	-	681,060	-	-	-	Monthly	4.50	680,144	4.41
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	44,056,686	-	-	44,056,686	-	-	-	Monthly	4.35	43,931,800	4.35
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	4,005,153	-	-	4,005,153	-	-	-	Monthly	4.35	3,993,800	4.35
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	5,001,414	-	-	5,001,414	-	-	-	Monthly	4.50	4,992,250	4.50
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	25,197,863	-	-	25,197,863	-	-	-	Monthly	4.50	25,160,940	4.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	4,405,669	-	-	4,405,669	-	-	-	At Maturity	4.35	4,393,180	4.35
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	7,402,092	-	-	7,402,092	-	-	-	At Maturity	4.50	7,388,530	4.50
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	31,840,969	-	-	31,840,969	-	-	-	At Maturity	4.35	31,750,710	4.27
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	25,987	51,031	156,550	233,568	-	-	-	Monthly	6.32	233,328	6.14	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	63,680	122,486	570,476	756,642	603,385	-	603,385	Monthly	7.25	1,361,639	7.02	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	58,682	109,834	509,603	678,119	4,496,707	-	4,496,707	Monthly	6.60	5,192,785	6.41	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	118,662	202,930	941,533	1,263,125	8,456,572	-	8,456,572	Monthly	6.60	9,743,773	6.41	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	80,921	135,273	629,583	845,777	3,723,044	-	3,723,044	Monthly	7.17	4,586,075	6.94	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	8,587,695	-	-	8,587,695	-	-	-	At Maturity	4.39	8,586,670	4.30	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	13,598,858	-	-	13,598,858	-	-	-	At Maturity	4.50	13,578,920	4.41
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	7,999,328	-	-	7,999,328	-	-	-	At Maturity	4.50	7,987,600	4.41
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS (COLOMBIA)	COLOMBIA	COP	118,410	-	-	118,410	10,912,000	-	10,912,000	At Maturity	9.35	11,030,410	9.04	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO BOGOTA (COLOMBIA)	COLOMBIA	COP	102,889	-	-	102,889	26,714,813	-	26,714,813	At Maturity	10.38	26,817,702	10.00	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	18,746	-	-	18,746	3,265,995	-	3,265,995	At Maturity	10.08	3,284,741	9.84	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO POPULAR (COLOMBIA)	COLOMBIA	COP	52,814	-	-	52,814	11,000,000	-	11,000,000	At Maturity	11.25	11,052,815	10.80	
Foreign	CENTRO COMERCIAL MANIZALES S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	2,476	-	-	2,476	-	6,791,576	6,791,576	At Maturity	13.42	6,794,052	13.42	
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	145,651	-	2,090,000	2,235,651	10,923,919	11,709,095	22,633,014	At Maturity	10.38	24,868,665	9.94	
Foreign	CENTRO COMERCIAL BARRANQUILLA S.A.S.	COLOMBIA	Foreign	BANCO DAVIVIENDA (COLOMBIA)	COLOMBIA	COP	24,116	-	-	24,116	-	3,102,000	3,102,000	At Maturity	14.05	3,126,116	14.05	
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	-	-	-	3,547,206	-	3,547,206	At Maturity	16.50	3,429,000	16.50	
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	-	1,216,624	1,216,624	-	-	-	At Maturity	16.50	434,340	16.50	
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	1,143,710	-	-	1,143,710	-	-	-	At Maturity	12.00	1,143,000	12.00	



Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2016 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years	Total Non-Current				
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	114,371	-	114,371	-	-	-	At Maturity	12.00	114,300	12.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	1,777	-	406,947	408,724	2,848,626	-	2,848,626	At Maturity	6.75	3,234,690	6.75
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	-	279,155	-	279,155	-	-	-	At Maturity	13.90	274,320	13.90
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	-	-	3,071,842	3,071,842	-	-	-	At Maturity	16.75	2,628,900	16.75
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	3,202,388	-	-	3,202,388	-	-	-	At Maturity	12.00	3,200,400	12.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	1,997,171	-	-	1,997,171	-	-	-	At Maturity	12.50	1,977,390	12.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	354,902	-	-	354,902	-	-	-	At Maturity	18.00	354,902	18.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	US\$	102,560	-	-	102,560	-	-	-	At Maturity	18.00	102,560	18.00
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO CITIBANK (BRAZIL)	BRAZIL	US\$	-	-	11,849,301	11,849,301	-	-	-	At Maturity	13.21	13,172,480	11.75
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO CITIBANK (BRAZIL)	BRAZIL	US\$	-	-	11,689,583	11,689,583	-	-	-	At Maturity	13.30	12,349,200	12.76
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO HSBC (BRAZIL)	BRAZIL	US\$	-	-	7,901,139	7,901,139	-	-	-	At Maturity	13.19	8,232,800	11.70
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU (BRAZIL)	BRAZIL	US\$	-	-	14,150,342	14,150,342	-	-	-	At Maturity	14.94	13,378,300	14.94
Foreign	SHEARVAN CORPORATE S.A.	I.V. BRITISH	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	-	88,359	-	88,359	-	-	-	At Maturity	1.39	88,359	1.39
Total Bank Loans							209,741,160	364,322,556	308,039,709	882,103,425	716,196,795	51,382,652	767,579,447				

In the above tables, when the nominal rate is equal to the effective rate, it means that there were no costs or revenue 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. are assigned liabilities to banking entities falling due at Promotora CMR Falabella S.A. Due to these assignments, Promotora CMR Falabella S.A. becomes a debtor to the banking entities being assigned the liabilities. The underlying documents delivered to the bank are simple liabilities owed by Promotora CMR, for goods sold and services provided by another company to Promotora CMR clients, who paid using the CMR card. The liabilities acquired by the banks are verified in sale voucher settlements. As of December 31, 2016, there were no liabilities assigned to banks for confirming, and as of December 31, 2015, they amounted to ThCh\$ 95,413,259.

The risk associated with these transactions is similar to that of bank loans. 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.



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

c) Obligations to the Public (Bonds payable) as of December 31, 2016 are as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years	Total Non-Current				
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	CLP	519,023	-	-	519,023	-	94,470,242	94,470,242	At Maturity	6.63	94,588,500	6.50
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	US\$	5,111,998	-	-	5,111,998	-	330,440,277	330,440,277	At Maturity	3.98	334,735,000	3.75
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	US\$	-	-	2,189,682	2,189,682	-	265,377,172	265,377,172	At Maturity	4.50	267,788,000	4.38
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	328,557	-	-	328,557	-	89,498,103	89,498,103	At Maturity	4.38	92,217,930	4.00
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	-	-	100,047	100,047	53,253,406	-	53,253,406	At Maturity	2.24	52,695,960	2.30
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	-	-	219,886	219,886	-	76,623,604	76,623,604	At Maturity	3.26	79,043,940	3.10
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	CLP	273,437	-	-	273,437	47,535,699	15,848,891	63,384,590	At Maturity	5.10	63,000,000	5.15
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	138,944	-	-	138,944	-	51,572,203	51,572,203	At Maturity	3.00	52,695,960	3.15
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	CLP	386,098	-	-	386,098	-	78,377,862	78,377,862	At Maturity	5.04	78,000,000	4.84
90,749,000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	234,015	-	-	234,015	-	74,658,981	74,658,981	At Maturity	3.16	79,043,940	3.11
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Sundry Creditors	CLP	14,993,197	-	-	14,993,197	-	-	-	At Maturity	4.14	15,000,000	4.14
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Sundry Creditors	CLP	-	14,936,033	-	14,936,033	-	-	-	At Maturity	4.06	15,000,000	4.06
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Sundry Creditors	CLP	-	10,932,202	-	10,932,202	-	-	-	At Maturity	4.08	11,000,000	4.08
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Sundry Creditors	CLP	-	10,903,747	-	10,903,747	-	-	-	At Maturity	4.20	11,000,000	4.20
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Sundry Creditors	CLP	-	10,888,302	-	10,888,302	-	-	-	At Maturity	4.21	11,000,000	4.21
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Sundry Creditors	CLP	-	-	14,827,496	14,827,496	-	-	-	At Maturity	4.20	15,000,000	4.20
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	600,769	600,769	17,191,462	60,431,687	77,623,149	Six monthly	4.72	79,043,940	4.50
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	576,568	576,568	-	77,424,229	77,424,229	At Maturity	4.00	79,043,940	3.85
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	383,887	383,887	-	51,667,627	51,667,627	At Maturity	3.99	52,695,960	3.85
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	311,563	311,563	-	62,521,498	62,521,498	At Maturity	3.90	65,869,950	3.50
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	8,816,534	8,816,534	8,759,973	-	8,759,973	Six monthly	3.74	17,565,320	3.50
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	1,139,755	-	1,139,755	-	79,110,025	79,110,025	At Maturity	3.76	79,043,940	3.80
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	5,471,455	4,961,157	10,432,612	29,705,595	-	29,705,595	Six monthly	3.34	39,521,970	3.50
76,017,019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	265,007	265,007	-	78,439,568	78,439,568	At Maturity	3.92	79,043,940	3.90
96,792,430-K	SODIMAC S.A.	CHILE	Sundry Creditors	UF	-	-	26,695,689	26,695,689	-	-	-	At Maturity	3.83	26,422,009	3.40
96,792,430-K	SODIMAC S.A.	CHILE	Sundry Creditors	UF	-	-	126,507	126,507	-	38,761,463	38,761,463	Six monthly	3.98	39,642,723	3.70



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

c) Obligations to the Public (Bonds payable) as of December 31, 2016 are as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	1,371,189	1,727,273	525,258	3,623,720	-	-	-	Monthly	29.33	3,838,598	26.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	15,290	9,116	-	24,406	-	-	-	Monthly	26.00	77,695	26.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	3,133,271	3,006,211	123,561	6,263,043	-	-	-	Monthly	31.51	6,506,738	25.00
Foreign	FALABELLA PERU S.A.A.	PERU	Sundry Creditors	PEN	132,912	158,638	-	291,550	-	19,522,051	19,522,051	Three monthly	8.33	19,569,620	8.06
Foreign	FALABELLA PERU S.A.A.	PERU	Sundry Creditors	PEN	157,178	25,351	-	182,529	-	25,895,128	25,895,128	Three monthly	7.42	25,959,700	7.19
Foreign	FALABELLA PERU S.A.A.	PERU	Sundry Creditors	PEN	75,698	100,116	-	175,814	-	14,364,019	14,364,019	Three monthly	6.53	14,377,680	6.25
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	362,021	1,069,573	1,431,594	711,990	-	711,990	Three monthly	6.50	1,426,357	6.34
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	315,094	-	747,105	1,062,199	-	-	-	Three monthly	7.28	2,496,125	7.09
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	337,202	896,568	1,233,770	3,195,040	599,070	3,794,110	Three monthly	5.94	6,589,770	5.81
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	387,007	-	1,067,434	1,454,441	4,791,797	598,460	5,390,257	Three monthly	5.12	6,489,925	5.00
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	371,111	1,067,434	1,438,545	1,068,104	-	1,068,104	Three monthly	7.83	2,139,536	7.56
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	233,654	598,037	831,691	3,992,750	1,496,624	5,489,374	Three monthly	5.52	4,592,870	5.41
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	23,497	54,155	167,607	245,259	1,070,395	6,379,501	7,449,896	Three monthly	7.61	7,728,086	7.40
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	29,366	67,685	209,467	306,518	1,337,769	7,973,876	9,311,645	Three monthly	7.61	9,660,107	7.40
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	27,771	64,495	207,130	299,396	1,340,047	7,978,939	9,318,986	Three monthly	7.61	9,660,107	7.40
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	23,438	54,038	167,077	244,553	1,067,502	6,373,063	7,440,565	Three monthly	7.61	7,728,086	7.40
Total Obligations to the Public					27,676,980	60,842,560	66,921,043	155,440,583	175,021,529	1,616,404,163	1,791,425,692				

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 18 – Other Current and Non-Current Financial Liabilities (continued)

d) Financial lease obligations as of December 31, 2016 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current	
77.612.410-9	ADESSA LTDA.	CHILE	77.164.280-2	TANNER LEASING LIMITADA	VENDOR	CHILE	CLP	1,939,174	-	-	1,939,174	2,444,095	-	2,444,095	Monthly	3.26	4,110,871	3.26
77.612.410-9	ADESSA LTDA.	CHILE	77.164.280-2	TANNER LEASING LIMITADA	VENDOR	CHILE	CLP	-	469,875	-	469,875	697,710	-	697,710	Monthly	5.15	1,162,500	5.15
77.612.410-9	ADESSA LTDA.	CHILE	92.040.000-0	IBM S.A.		CHILE	US\$	9,584	5,451	24,531	39,566	44,509	-	44,509	Monthly	1.19	74,813	1.19
77.612.410-9	ADESSA LTDA.	CHILE	92.040.000-0	IBM S.A.		CHILE	US\$	74,936	-	73,186	148,122	148,991	-	148,991	Monthly	1.19	291,044	1.19
77.612.410-9	ADESSA LTDA.	CHILE	92.040.000-0	IBM S.A.		CHILE	CLP	26,946	54,027	81,378	162,351	-	-	-	Monthly	1.19	162,351	1.19
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)		PERU	PEN	-	-	73,885	73,885	-	-	-	Monthly	6.79	73,843	6.59
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)		PERU	PEN	-	-	673,436	673,436	7,364,937	-	7,364,937	Monthly	7.55	8,111,383	7.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)		PERU	PEN	-	-	1,284,323	1,284,323	6,215,779	2,971,638	9,187,417	Monthly	8.70	10,690,017	8.37
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)		PERU	PEN	-	-	440,649	440,649	2,022,788	1,357,213	3,380,001	Monthly	8.60	3,843,393	8.28
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)		PERU	PEN	-	-	551,281	551,281	1,115,673	-	1,115,673	Monthly	8.50	1,659,570	8.19
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SANTANDER (PERU)		PERU	PEN	-	-	1,202,821	1,202,821	5,768,577	3,344,885	9,113,462	Monthly	7.60	10,351,262	7.35
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SANTANDER (PERU)		PERU	PEN	-	-	67,010	67,010	71,933	-	71,933	Monthly	7.26	139,644	7.26
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	-	649,647	649,647	-	-	-	Monthly	6.94	652,587	6.73
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	-	876,152	876,152	8,020,148	-	8,020,148	Monthly	6.48	8,962,406	6.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	-	252,443	252,443	1,141,291	2,749,804	3,891,095	Monthly	7.13	4,247,458	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	-	156,024	156,024	704,443	1,690,628	2,395,071	Monthly	7.13	2,605,719	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	-	162,094	162,094	732,777	1,765,194	2,497,971	Monthly	7.13	2,726,293	6.90
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	AVENTURA PLAZA S.A.		PERU	PEN	1,633	3,265	14,694	19,592	78,370	643,291	721,661	Monthly	10.45	741,254	10.45
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)		PERU	PEN	34,312	69,287	-	103,599	-	-	-	Monthly	7.75	104,934	7.75
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)		PERU	PEN	68,603	-	219,830	288,433	-	-	-	Monthly	8.00	297,383	8.00
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)		PERU	PEN	40,979	82,752	-	123,731	-	-	-	Monthly	8.00	125,327	8.00
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)		PERU	PEN	-	93,093	295,462	388,555	-	-	-	Monthly	8.37	403,912	8.37
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	64,649	133,548	198,197	-	-	-	Monthly	6.50	203,328	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	-	61,106	125,497	186,603	-	-	-	Monthly	6.50	192,184	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	75,503	-	239,284	314,787	80,417	-	80,417	Monthly	6.50	408,431	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)		PERU	PEN	68,127	-	215,909	284,036	72,557	-	72,557	Monthly	6.50	368,534	6.50



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

d) Financial lease obligations as of December 31, 2016 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years	Total Non-Current				
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	91,027	91,027	-	-	-	Monthly	6.50	92,742	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	47,952	-	100,315	148,267	-	-	-	Monthly	6.50	150,812	6.50
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	30,329	58,956	89,794	179,079	-	-	-	Monthly	6.90	178,296	6.69
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	35,373	60,578	282,892	378,843	443,492	-	443,492	Monthly	8.20	818,426	7.91
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	38,945	61,352	286,546	386,843	932,470	-	932,470	Monthly	8.20	1,314,872	7.91
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	24,911	33,104	155,062	213,077	1,021,952	-	1,021,952	Monthly	8.80	1,234,436	8.46
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	113,064	208,067	966,329	1,287,460	333,324	-	333,324	Monthly	6.95	1,612,406	6.74
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	9,288	18,801	88,440	116,529	30,928	-	30,928	Monthly	6.95	150,307	6.74
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	9,216	18,592	86,368	114,176	29,800	-	29,800	Monthly	6.95	144,165	6.74
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	124,537	237,311	855,433	1,217,281	-	-	-	Monthly	7.85	1,211,789	7.58
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	45,380	86,475	311,747	443,602	-	-	-	Monthly	7.85	441,654	7.58
Total Finance Leases							2,818,792	1,753,140	11,334,072	15,906,004	39,587,676	14,522,653	54,110,329				

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, 2016 and 2015 and January 1, 2015 were as follows:

Other Financial Liabilities	Dec-31-2016		Dec-31-2015		Jan-01-2015	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Financial liabilities at fair value with changes in income (derivative instruments)	18,644,063	-	14,729,065	-	6,356,725	-
Hedging liabilities	-	61,879,023	-	30,775,892	-	4,692,917
	18,644,063	61,879,023	14,729,065	30,775,892	6,356,725	4,692,917



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

Dec-31-2015

a) Bank Loans as of December 31, 2015 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.006.000-6	BANCO DE CRÉDITO E INVERSIONES (CHILE)	CHILE	UF	227,929	-	-	227,929	31,534,942	-	31,534,942	Six monthly	2.28	31,534,942	2.25
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.018.000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	316,603	-	-	316,603	24,900,000	-	24,900,000	At Maturity	4.56	24,900,000	4.56
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.018.000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	-	-	-	-	19,919,999	-	19,919,999	At Maturity	3.50	19,919,999	3.50
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.018.000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	20,000,000	-	-	20,000,000	-	-	-	At Maturity	4.44	20,000,000	4.44
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	-	-	-	24,899,999	-	24,899,999	At Maturity	4.49	24,899,999	3.36
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	144,148	-	-	144,148	-	-	-	At Maturity	4.49	144,148	3.36
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	6,043,213	-	-	6,043,213	12,086,425	-	12,086,425	Six monthly	4.57	18,129,638	4.36
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	404,649	-	-	404,649	-	-	-	Six monthly	4.57	404,649	4.36
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	57,130,663	-	-	57,130,663	-	-	-	At Maturity	3.65	57,130,663	3.65
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	154,820	-	-	154,820	19,919,999	-	19,919,999	At Maturity	4.44	19,919,999	4.37
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	20,017,333	-	-	20,017,333	-	-	-	At Maturity	4.32	20,000,000	3.90
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	13,699,227	-	-	13,699,227	-	-	-	At Maturity	1.17	13,699,227	1.17
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	173,460	-	-	173,460	20,881,644	-	20,881,644	At Maturity	4.88	19,500,000	4.88
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	68,867	-	-	68,867	9,008,421	-	9,008,421	At Maturity	3.77	9,008,422	3.77
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	61,273	-	-	61,273	8,012,737	-	8,012,737	At Maturity	3.77	8,012,737	3.77
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	61,006	-	-	61,006	7,978,842	-	7,978,842	At Maturity	3.77	7,978,842	3.77
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	6,990	-	6,990	9,397,222	-	9,397,222	At Maturity	3.83	9,397,222	3.83
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	6,750	-	6,750	8,923,153	-	8,923,153	At Maturity	4.76	8,923,153	4.76
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	1,247	-	1,247	1,679,625	-	1,679,625	At Maturity	3.82	1,679,625	3.82
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	6,474	-	6,474	17,650,000	-	17,650,000	At Maturity	3.81	17,650,000	3.81
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	66,613	-	-	66,613	9,127,072	-	9,127,072	At Maturity	3.75	9,127,072	3.75
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	59,760	-	-	59,760	8,230,862	-	8,230,862	At Maturity	3.75	8,230,862	3.75
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	31,140	-	-	31,140	4,465,448	-	4,465,448	At Maturity	3.76	4,465,447	3.76



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank loans as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years	Total Non-Current
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	9.767	-	-	9.767	1.280.415	-	1.280.415	At Maturity	3.76	1.280.415	3.76
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	8.000	-	-	8.000	1.049.729	-	1.049.729	At Maturity	3.76	1.049.729	3.76
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	5.741	-	-	5.741	754.709	-	754.709	At Maturity	4.14	754.709	4.14
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	701	-	-	701	91.765	-	91.765	At Maturity	3.77	91.765	3.77
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	-	182.094	182.094	20.000.000	-	20.000.000	At Maturity	4.49	20.000.000	4.49
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	10.356	-	10.356	10.192.205	-	10.192.205	At Maturity	3.66	10.192.205	3.66
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	9.301	-	9.301	9.150.185	-	9.150.185	At Maturity	3.66	9.150.185	3.66
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	5.747	-	5.747	5.657.610	-	5.657.610	At Maturity	3.66	5.657.610	3.66
77.261.280-K	FALABELLA RETAIL S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	598.283	-	-	598.283	-	-	-	At Maturity	3.96	598.283	3.96
77.261.280-K	FALABELLA RETAIL S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	9.605.873	-	-	9.605.873	-	-	-	At Maturity	14.40	9.605.873	14.40
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97.008.000-7	BANCO CITIBANK (CHILE)	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
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97.023.000-9	BANCO CORPBANCA (CHILE)	CHILE	CLP	-	-	15.073.115	15.073.115	37.385.370	-	37.385.370	Annual	7.27	50.000.000	7.10
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	365.799	-	365.799	24.106.855	-	24.106.855	At Maturity	5.13	24.131.850	5.10
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF	-	3.640	-	3.640	10.737.345	-	10.737.345	At Maturity	4.07	10.764.218	3.98
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	5.076.930	-	4.372.888	9.449.818	30.617.059	-	30.617.059	Six monthly	4.18	39.374.270	4.17
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	-	408.957	-	408.957	28.197.924	-	28.197.924	At Maturity	4.54	28.198.030	4.54
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.006.000-6	BANCO DE CRÉDITO E INVERSIONES (CHILE)	CHILE	UF	-	-	49.094	49.094	29.395.193	-	29.395.193	At Maturity	4.01	29.473.454	3.84
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.006.000-6	BANCO DE CRÉDITO E INVERSIONES (CHILE)	CHILE	CLP	1.818.049	-	-	1.818.049	-	-	-	At Maturity	0.00	1.818.049	0.00
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	UF	-	567.237	-	567.237	51.118.557	-	51.118.557	At Maturity	3.92	51.258.180	3.73
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	1.144.628	-	1,144,628	45,491,473	-	45,491,473	Six monthly	7.19	45,673,700	7.05
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	-	14,744,653	14,744,653	26,833,288	1,033,214	27,866,502	Six monthly	5.23	42,381,717	5.13
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	UF	-	-	135,875	135,875	24,433,057	-	24,433,057	At Maturity	2.60	24,433,058	2.60
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	2,163,269	-	-	2,163,269	-	-	-	At Maturity	4.02	2,158,679	3.66
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	2,566,309	-	-	2,566,309	-	-	-	At Maturity	4.02	2,560,863	3.66
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	11,385,793	-	-	11,385,793	-	-	-	At Maturity	4.02	11,361,636	3.66
96.824.450-7	INMOBILIARIA MALL LAS AMERICAS S.A.	CHILE	97.006.000-6	BANCO DE CRÉDITO E INVERSIONES (CHILE)	CHILE	UF	-	150.321	-	150.321	8.370.241	1.209.928	9.580.169	Six monthly	4.45	9.696.281	4.10
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVE SA LTDA.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	US\$	-	578.452	-	578.452	-	-	-	At Maturity	1.08	506.285	1.06
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVE SA LTDA.	CHILE	97.951.000-4	BANCO HSBC (CHILE)	CHILE	US\$	-	308.149	-	308.149	-	-	-	At Maturity	0.77	277.275	0.76



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
96,792.430-K	SODIMAC S.A.	CHILE	97,004.000-5	BANCO DE CHILE	CHILE	EUR	305,693	160,598	-	466,291	-	-	-	At Maturity	1.15	458,209	0.86
96,792.430-K	SODIMAC S.A.	CHILE	97,004.000-5	BANCO DE CHILE	CHILE	US\$	4,265,880	2,241,101	-	6,506,981	-	-	-	At Maturity	2.02	6,478,231	1.52
96,792.430-K	SODIMAC S.A.	CHILE	97,006.000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	CLP	1,033	-	-	1,033	-	-	-	At Maturity	0.36	1,033	0.36
96,792.430-K	SODIMAC S.A.	CHILE	97,036.000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	616,838	324,059	-	940,897	-	-	-	At Maturity	2.44	934,319	1.57
76,821.330-5	IMPERIAL S.A.	CHILE	97,004.000-5	BANCO DE CHILE	CHILE	US\$	-	684,228	-	684,228	-	-	-	At Maturity	1.52	616,864	0.67
76,821.330-5	IMPERIAL S.A.	CHILE	97,030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	-	69,405	69,405	7,969,668	-	7,969,668	Six monthly	7.02	8,604,005	6.79
76,821.330-5	IMPERIAL S.A.	CHILE	97,032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	-	-	47,125	47,125	4,997,308	4,999,209	9,996,517	Six monthly	5.96	10,047,125	5.85
76,821.330-5	IMPERIAL S.A.	CHILE	97,032.000-8	BANCO BBVA (CHILE)	CHILE	US\$	-	1,127,001	-	1,127,001	-	-	-	At Maturity	1.52	833,196	0.67
76,821.330-5	IMPERIAL S.A.	CHILE	97,036.000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	1,252,841	-	-	1,252,841	-	-	-	Monthly	3.72	1,250,000	3.72
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	148,204	-	-	148,204	-	-	-	Monthly	27.00	148,204	27.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO COMAFI (ARGENTINA)	ARGENTINA	ARS	3,418,488	-	-	3,418,488	-	-	-	Monthly	30.90	3,418,488	30.90
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	158,288	-	-	158,288	-	-	-	Monthly	28.00	158,288	28.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	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
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO DE SANTA FE (ARGENTINA)	ARGENTINA	ARS	990	-	-	990	-	-	-	Monthly	25.00	990	25.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO DEUTSCHE (ARGENTINA)	ARGENTINA	ARS	48,198	-	-	48,198	-	-	-	Monthly	25.00	48,198	25.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	82	-	-	82	-	-	-	Monthly	32.25	82	32.25
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	31	-	-	31	-	-	-	Monthly	25.00	31	25.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	2,896	121,631	243,372	367,899	-	-	-	Three monthly	16.14	367,900	15.25
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	4,251	133,843	401,650	539,744	-	-	-	Monthly	16.14	539,744	15.25
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	76,291	1,507,255	4,485,445	6,068,991	4,310,587	-	4,310,587	Three monthly	38.68	10,379,577	34.07
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	471,807	-	-	471,807	-	-	-	Monthly	30.00	471,807	30.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	1,224	-	-	1,224	-	-	-	Monthly	30.00	1,224	30.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	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
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	34,447	-	-	34,447	-	-	-	Monthly	26.00	34,447	26.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	44,258	-	-	44,258	-	-	-	Monthly	27.00	44,258	27.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	4,039,947	-	-	4,039,947	-	-	-	Monthly	33.00	4,039,947	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	2,753,140	-	-	2,753,140	-	-	-	Monthly	33.00	2,735,684	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE LA CIUDAD DE BUENOS AIRES	ARGENTINA	ARS	49,824	-	-	49,824	-	-	-	Monthly	31.00	49,824	31.00



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE SANTA FE (ARGENTINA)	ARGENTINA	ARS	2,786,793	-	-	2,786,793	-	-	-	At Maturity	36.00	2,737,500	32.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	81,398	542,781	1,420,873	2,245,052	543,175	-	543,175	At Maturity	31.00	2,737,500	27.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	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
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	369,084	718,806	-	1,087,890	-	-	-	Monthly	33.00	1,095,000	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	6,971,841	-	-	6,971,841	-	-	-	Monthly	30.00	6,926,646	30.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	95,967	-	286,508	382,475	-	-	-	Three monthly	37.00	383,250	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	383,319	-	1,087,074	1,470,393	729,107	-	729,107	Four monthly	36.00	2,190,000	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	10,507,682	-	-	10,507,682	-	-	-	Monthly	41.00	10,379,131	41.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	17,057	-	-	17,057	1,642,500	-	1,642,500	At Maturity	38.00	1,642,500	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	51,128	-	3,267,978	3,319,106	-	-	-	At Maturity	37.00	3,285,000	32.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	55,718	3,281,500	-	3,337,218	-	-	-	At Maturity	38.00	3,285,000	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAU (ARGENTINA)	ARGENTINA	ARS	5,763,269	-	-	5,763,269	-	-	-	At Maturity	33.00	5,473,765	33.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	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
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	75,130	-	878,265	953,395	5,564,198	-	5,564,198	Monthly	33.00	6,570,000	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	35,317	8,918,382	-	8,953,699	-	-	-	At Maturity	29.00	8,924,250	26.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	395,955	-	-	395,955	-	-	-	Monthly	30.00	386,323	30.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	3,577,413	-	-	3,577,413	-	-	-	Monthly	28.00	3,577,413	28.00
Foreign	SERVICIOS DE PERSONAL LOGISTICO S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	2,956	-	-	2,956	-	-	-	Monthly	28.00	2,956	28.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	69,705	-	-	69,705	-	-	-	Monthly	28.00	69,705	28.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	7,742,479	-	-	7,742,479	-	-	-	Monthly	27.50	7,742,479	27.50
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	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
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	88,566	-	-	88,566	-	-	-	Monthly	58.00	88,566	58.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	283,783	-	-	283,783	-	-	-	Monthly	28.00	283,783	28.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	45,032	-	-	45,032	-	-	-	Monthly	28.00	45,032	28.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	1,570	-	1,903,901	1,905,471	-	-	-	Monthly	29.90	1,905,471	29.90
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	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
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	152,823	429,832	-	582,655	31,170,868	-	31,170,868	Six monthly	5.84	31,237,500	5.75
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	6,272,670	-	6,272,670	-	-	-	At Maturity	4.78	6,247,500	4.78



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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					Over 5 years	Total Non-Current	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	8,365,985	-	-	-	8,365,985	-	-	-	At Maturity	4.67	8,330,000	4.67
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	10,458,519	-	-	10,458,519	-	-	-	At Maturity	4.78	10,412,500	4.78
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	12,303,576	-	-	12,303,576	-	-	-	At Maturity	5.05	12,286,750	5.05
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	19,869,215	-	-	-	19,869,215	-	-	-	At Maturity	4.67	19,783,750	4.67
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	34,697	62,045	285,212	381,954	333,226	-	333,226	Monthly	6.32	671,282	6.13	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	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	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	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	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	2,091,855	-	-	2,091,855	-	-	-	At Maturity	4.86	2,082,500	4.86	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	4,193,132	-	4,193,132	-	-	-	At Maturity	5.07	4,165,000	5.07	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	12,181,246	-	-	12,181,246	-	-	-	At Maturity	4.88	12,078,500	4.88	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	12,302,243	-	12,302,243	-	-	-	At Maturity	5.17	12,286,750	5.17	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	19,647,544	-	19,647,544	-	-	-	At Maturity	5.02	19,575,500	5.02	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	10,426,483	-	10,426,483	-	-	-	At Maturity	4.95	10,412,500	4.95	
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	-	3,127,600	3,127,600	-	-	-	Monthly	5.05	3,123,750	4.94	
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	2,504,154	-	2,504,154	-	-	-	Monthly	5.07	2,499,000	4.96	
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	8,162,734	8,162,734	-	-	-	Monthly	7.00	8,170,689	6.79	
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	1,792,720	1,792,720	-	-	-	Monthly	7.98	1,793,294	7.70	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	2,923,501	-	2,923,501	-	-	-	Monthly	4.81	2,915,500	4.81	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	-	8,341,407	8,341,407	-	-	-	Monthly	5.05	8,330,000	5.05	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	8,367,569	-	8,367,569	-	-	-	Monthly	4.88	8,330,000	4.88	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	10,450,373	-	10,450,373	-	-	-	Monthly	4.96	10,412,500	4.96	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	7,914,568	-	7,914,568	-	-	-	Monthly	4.98	7,913,500	4.98	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	3,758,766	-	3,758,766	-	-	-	Monthly	4.80	3,748,500	4.80	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	4,181,138	-	-	4,181,138	-	-	-	Monthly	4.75	4,165,000	4.75	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	4,183,860	-	4,183,860	-	-	-	Monthly	4.90	4,165,000	4.90	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	7,298,538	7,298,538	-	-	-	Monthly	4.95	7,288,750	4.95	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	9,013,245	-	9,013,245	-	-	-	Monthly	4.90	8,954,750	4.90	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	10,469,384	-	10,469,384	-	-	-	Monthly	4.90	10,412,500	4.90	



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current	
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	1,666,644	-	-	-	1,666,644	-	-	-	At Maturity	4.75	1,666,000	4.75
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	2,928,001	-	-	-	2,928,001	-	-	-	At Maturity	4.78	2,915,500	4.78
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	1,252,929	-	-	1,252,929	-	-	-	At Maturity	4.81	1,249,500	4.71
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	-	5,630,450	-	5,630,450	-	-	-	At Maturity	5.05	5,622,750	4.94
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	7,321,623	-	-	7,321,623	-	-	-	At Maturity	4.88	7,288,750	4.77
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	9,413,515	-	-	9,413,515	-	-	-	At Maturity	4.88	9,371,250	4.77
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	24,682	49,778	230,992	305,452	242,868	-	242,868	Monthly	6.32	550,552	6.14	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	58,715	118,531	552,066	729,312	1,415,190	-	1,415,190	Monthly	7.25	2,156,121	7.02	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	53,141	107,170	497,246	657,557	5,392,251	-	5,392,251	Monthly	6.60	6,082,169	6.41	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	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	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	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	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	104,167	-	-	104,167	-	-	-	At Maturity	4.95	104,125	4.84	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	10,422,518	-	10,422,518	-	-	-	At Maturity	5.07	10,412,500	4.96	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	1,673,544	-	1,673,544	-	-	-	At Maturity	4.90	1,666,000	4.79	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	10,426,483	10,426,483	-	-	-	At Maturity	4.95	10,412,500	4.84	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS (COLOMBIA)	COLOMBIA	COP	92,056	-	-	92,056	11,000,000	-	11,000,000	At Maturity	7.10	11,000,000	6.88	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO BOGOTA (COLOMBIA)	COLOMBIA	COP	21,658	-	-	21,658	20,114,813	-	20,114,813	At Maturity	8.09	20,114,813	7.80	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO CITIBANK (COLOMBIA)	COLOMBIA	COP	8,608,079	-	-	8,608,079	-	-	-	At Maturity	6.40	8,580,000	6.22	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO DE CREDITO (COLOMBIA)	COLOMBIA	COP	21,720	-	-	21,720	3,265,995	-	3,265,995	At Maturity	10.53	3,265,995	10.05	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO POPULAR (COLOMBIA)	COLOMBIA	COP	11,022,585	-	-	11,022,585	-	-	-	At Maturity	7.21	11,000,000	6.98	
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO SANTANDER (COLOMBIA)	COLOMBIA	COP	2,206,732	-	-	2,206,732	-	-	-	At Maturity	6.78	2,200,000	6.58	
Foreign	CENTRO COMERCIAL MANIZALES S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	27,385	-	-	27,385	-	2,974,576	2,974,576	At Maturity	11.62	3,001,961	11.62	
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	2,391	-	333,667	336,058	238,333	-	238,333	At Maturity	11.29	574,391	11.29	
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	151,062	-	-	151,062	10,168,745	14,495,632	24,664,377	At Maturity	10.38	24,815,439	9.94	
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	377,703	-	-	377,703	-	-	-	At Maturity	7.78	377,703	7.78	
Foreign	HOMECENTER (URUGUAY) SODIMAC S.A.	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	-	-	-	3,834,195	-	3,834,195	At Maturity	16.50	3,565,500	16.50	
Foreign	HOMECENTER (URUGUAY) SODIMAC S.A.	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	-	-	-	1,087,970	-	1,087,970	At Maturity	16.50	1,069,650	16.50	
Foreign	HOMECENTER (URUGUAY) SODIMAC S.A.	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	460,261	-	460,261	-	-	-	At Maturity	14.75	451,630	14.75	



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current	
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	975,390	-	-	975,390	-	-	-	At Maturity	14.50	950,800	14.50
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	3,909,271	-	-	-	3,909,271	-	-	-	At Maturity	15.00	3,684,350	15.00
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HERITAGE (URUGUAY)	URUGUAY	UYU	811,081	-	-	-	811,081	-	-	-	At Maturity	13.60	764,725	13.60
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HERITAGE (URUGUAY)	URUGUAY	UYU	1,256,880	-	-	-	1,256,880	-	-	-	At Maturity	14.10	1,188,500	14.10
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HSBC (URUGUAY)	URUGUAY	UYU	-	-	488,708	-	488,708	-	-	-	At Maturity	15.55	475,400	15.55
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HSBC (URUGUAY)	URUGUAY	UYU	-	-	767,304	-	767,304	-	-	-	At Maturity	15.35	760,640	15.35
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HSBC (URUGUAY)	URUGUAY	UYU	-	-	773,292	-	773,292	-	-	-	At Maturity	15.55	760,640	15.55
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HSBC (URUGUAY)	URUGUAY	UYU	-	-	853,133	-	853,133	-	-	-	At Maturity	15.75	831,950	15.75
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO HSBC (URUGUAY)	URUGUAY	UYU	-	-	1,101,718	-	1,101,718	-	-	-	At Maturity	14.90	1,069,650	14.90
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	-	1,006,445	-	-	1,006,445	-	-	-	At Maturity	14.25	998,340	14.25
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	-	2,160,256	-	-	2,160,256	-	-	-	At Maturity	14.00	2,139,300	14.00
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	-	-	-	-	-	2,835,456	-	2,835,456	At Maturity	16.75	2,733,550	16.75
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	-	-	3,613,738	-	3,613,738	-	-	-	At Maturity	15.00	3,327,800	15.00
Foreign	HOMECENTER SODIMAC S.A (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	-	1,912,236	-	-	1,912,236	-	-	-	At Maturity	15.50	1,901,600	15.50
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO CITIBANK (BRAZIL)	BRAZIL	US\$	-	-	3,056,531	-	3,056,531	11,411,840	-	11,411,840	At Maturity	14.85	14,559,200	14.85
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO HSBC (BRAZIL)	BRAZIL	US\$	-	-	8,784,785	-	8,784,785	-	-	-	At Maturity	13.96	8,809,650	13.96
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO HSBC (BRAZIL)	BRAZIL	US\$	-	-	10,712,136	-	10,712,136	-	-	-	At Maturity	13.95	10,767,350	13.95
Foreign	SHEARVAN CORPORATE S.A.	I.V. BRITISH	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	418,121	-	-	-	418,121	-	-	-	At Maturity	13.37	418,121	13.37
Total Bank Loans							291,300,412	199,397,353	137,751,209	628448,974	815,520,006	34,907,033	850,427,039					

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. are assigned liabilities to banking entities falling due at Promotora CMR Falabella S.A. Due to these assignments, Promotora CMR Falabella S.A. becomes a debtor to the banking entities being assigned the liabilities. The underlying documents delivered to the bank are simple liabilities owed by Promotora CMR, for goods sold and services provided by another company to Promotora CMR clients, who paid using the CMR card. The liabilities acquired by the banks are verified in sale voucher settlements. The total liabilities assigned to the banks for the purpose of taking on confirming instruments as of December 31, 2015 was ThCh\$ 95,413,259.

The risk associated with these transactions is similar to that of bank loans. 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)



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

b) Obligations to the Public (Bonds payable) as of December 31, 2015 are as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	CLP	-	-	1,037,205	1,037,205	-	93,875,005	93,875,005	At Maturity	6.63	94,588,500	6.50	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	US\$	-	-	2,318,774	2,318,774	-	349,921,168	349,921,168	At Maturity	3.98	355,080,000	3.75	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	US\$	5,382,728	-	-	5,382,728	-	281,264,572	281,264,572	At Maturity	4.50	284,064,000	4.38	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	2,066,614	-	-	2,066,614	-	100,401,543	100,401,543	At Maturity	4.55	102,516,360	4.25	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	-	-	935,253	935,253	-	86,251,491	86,251,491	At Maturity	4.38	89,701,815	4.00	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	518,396	-	-	518,396	51,408,518	-	51,408,518	At Maturity	2.24	51,258,180	2.30	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	1,135,500	-	-	1,135,500	-	73,552,375	73,552,375	At Maturity	3.26	76,887,270	3.10	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	603,076	603,076	9,734,872	65,631,470	75,366,342	Six monthly	4.72	76,887,270	4.50	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	560,249	560,249	-	75,232,851	75,232,851	At Maturity	4.00	76,887,270	3.85	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	373,040	373,040	-	50,207,796	50,207,796	At Maturity	3.99	51,258,180	3.85	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	25,685,798	25,685,798	-	-	-	At Maturity	3.41	25,629,090	3.00	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	302,343	302,343	-	60,671,275	60,671,275	At Maturity	3.90	64,072,725	3.50	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	8,571,480	8,571,480	17,042,126	-	17,042,126	Six monthly	3.74	25,629,090	3.50	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	257,699	257,699	-	76,276,381	76,276,381	At Maturity	3.92	76,887,270	3.90	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	494,234	494,234	38,594,383	-	38,594,383	Six monthly	3.34	38,443,635	3.50	
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	1,108,690	1,108,690	-	76,953,836	76,953,836	At Maturity	3.76	76,887,270	3.80	
96.792.430-K	SODIMAC S.A.	CHILE	Sundry Creditors	UF	-	-	80,462	80,462	25,689,804	-	25,689,804	At Maturity	3.83	25,701,099	3.40	
96.792.430-K	SODIMAC S.A.	CHILE	Sundry Creditors	UF	-	-	122,841	122,841	-	37,578,535	37,578,535	Six monthly	3.98	38,561,093	3.70	
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	271,157	-	-	271,157	-	-	-	Monthly	30.88	286,166	22.00	
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	43,520	24,845	-	68,365	-	-	-	Monthly	34.73	86,190	22.00	
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	1,126,469	1,469,329	413,464	3,009,262	-	-	-	Monthly	29.36	3,210,380	23.00	
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	1,237,036	1,225,891	447,663	2,910,590	-	-	-	Monthly	32.29	3,092,972	23.00	
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	3,007,809	3,693,575	2,569,412	9,270,796	-	-	-	Monthly	31.18	10,041,880	23.00	
Foreign	FALABELLA PERU S.A.A.	PERU	Sundry Creditors	PEN	138,610	165,438	-	304,048	-	20,355,273	20,355,273	Three monthly	8.33	20,408,500	8.06	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry 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	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry 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	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry 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	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry 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	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry 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	
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry 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	
Foreign	MAESTRO PERU S.A.	PERU	Sundry Creditors	US\$	-	-	1,374,920	1,374,920	97,300,265	-	97,300,265	At Maturity	7.01	92,398,443	6.75	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry 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	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry 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	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry 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	
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry 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	
Total Obligations to 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 with the transaction that will affect the original rate of the instrument.



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

c) Financial lease obligations as of December 31, 2015 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
77,612,410-9	ADESSA LTDA	CHILE	77,164,280-2	TANNER LEASING VENDOR LIMITADA	CHILE	CLP	1,995,019	-	-	1,995,019	4,244,885	-	4,244,885	Monthly	3.26	6,042,905	3.26
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	8,338	-	-	8,338	-	-	-	Annual	5.48	8,301	5.34
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	108,503	108,503	76,615	-	76,615	Monthly	6.79	186,265	6.59
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	654,926	654,926	8,329,759	-	8,329,759	Monthly	7.55	9,094,415	7.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	1,232,902	1,232,902	5,920,746	4,954,724	10,875,470	Monthly	8.70	12,387,774	8.37
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	427,775	427,775	1,938,703	2,018,074	3,956,777	Monthly	8.60	4,407,956	8.28
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	-	-	533,378	533,378	1,727,391	-	1,727,391	Monthly	8.50	2,252,113	8.19
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	-	-	1,218,243	1,218,243	5,548,385	5,298,759	10,847,144	Monthly	7.60	12,054,714	7.35
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	936,631	936,631	677,495	-	677,495	Monthly	6.94	1,630,181	6.73
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	857,641	857,641	9,260,255	-	9,260,255	Monthly	6.48	10,215,276	6.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	256,531	256,531	1,102,106	3,200,386	4,302,492	Monthly	7.13	4,672,490	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	154,927	154,927	680,753	1,968,248	2,649,001	Monthly	7.13	2,866,466	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	172,439	172,439	707,643	2,054,469	2,762,112	Monthly	7.13	2,999,106	6.90
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	AVENTURA PLAZA 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
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	-	92,317	-	92,317	-	-	-	Monthly	7.90	90,550	7.90
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	134,139	-	-	134,139	-	-	-	Monthly	7.80	131,600	7.80
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	118,125	-	120,600	238,725	-	-	-	Monthly	7.90	231,837	7.90
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	81,267	164,059	590,551	835,877	-	-	-	Monthly	7.75	806,924	7.75
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	39,570	79,906	372,538	492,014	129,035	-	129,035	Monthly	8.00	588,604	8.00
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	33,132	66,904	311,921	411,957	108,039	-	108,039	Monthly	8.00	492,830	8.00
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	66,019	-	206,205	272,224	295,009	-	295,009	Monthly	8.37	514,206	8.37
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	-	89,503	279,687	369,190	400,464	-	400,464	Monthly	8.47	696,851	8.47
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	134,104	134,104	140,590	-	140,590	Monthly	6.50	259,237	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	143,111	143,111	201,639	-	201,639	Monthly	6.50	322,524	6.50



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

c) Financial lease obligations as of December 31, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	192,946	192,946	271,856	-	271,856	Monthly	6.50	434,834	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	182,372	182,372	256,956	-	256,956	Monthly	6.50	411,003	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	203,326	203,326	436,626	-	436,626	Monthly	6.50	588,115	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	73,934	-	228,916	302,850	415,983	-	415,983	Monthly	6.50	670,973	6.50
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	198,167	198,167	425,550	-	425,550	Monthly	6.50	573,195	6.50
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	31,321	57,144	265,952	354,417	185,589	-	185,589	Monthly	6.90	539,713	6.69
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	36,830	58,287	272,192	367,309	851,967	-	851,967	Monthly	8.20	1,214,461	7.91
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	40,660	59,014	275,624	375,298	1,366,922	-	1,366,922	Monthly	8.20	1,737,817	7.91
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	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
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	36,926	74,589	268,965	380,480	-	-	-	Monthly	8.00	380,888	7.72
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	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
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	8,796	17,806	83,759	110,361	153,780	-	153,780	Monthly	6.95	273,008	6.74
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	8,968	18,093	84,049	111,110	150,147	-	150,147	Monthly	6.95	261,852	6.74
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	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
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	47,440	83,360	388,944	519,744	459,942	-	459,942	Monthly	7.85	976,335	7.58
Total Finance Leases							3,018,967	1,327,448	13,529,793	17,876,208	50,048,617	20,466,004	70,953,621				



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

Jan-01-2015

a) Bank Loans as of January 1, 2015 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,006,000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	UF	222,883	-	-	222,883	30,302,058	-	30,302,058	Six monthly	2.28	30,302,058	2.25
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	279,292	-	-	279,292	24,172,850	-	24,172,850	Six monthly	2.29	24,172,850	2.27
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	12,934,982	-	-	12,934,982	-	-	-	At Maturity	0.29	12,934,982	0.29
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	43,924,262	-	-	43,924,262	-	-	-	At Maturity	0.28	43,924,262	0.28
90,749,000-9	S.A.C.I. FALABELLA	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	44,693,229	-	-	44,693,229	-	-	-	At Maturity	0.90	44,693,229	0.90
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	74,352	-	-	74,352	9,081,898	-	9,081,898	At Maturity	4.15	9,081,898	4.15
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	75,512	-	-	75,512	8,792,449	-	8,792,449	At Maturity	4.15	8,792,449	4.15
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	24,806	-	-	24,806	3,030,554	-	3,030,554	At Maturity	4.15	3,030,553	4.15
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	33,549	-	-	33,549	4,095,099	-	4,095,099	At Maturity	4.15	4,095,099	4.15
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,018,000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	19,543,875	-	-	19,543,875	-	-	-	At Maturity	3.00	19,500,000	3.00
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,018,000-1	BANCO SCOTIABANK (CHILE)	CHILE	CLP	17,682,358	-	-	17,682,358	-	-	-	At Maturity	3.00	17,650,000	3.00
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	40,084,466	-	-	40,084,466	-	-	-	At Maturity	3.62	40,000,000	3.62
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	74,666	-	-	74,666	10,069,259	-	10,069,259	At Maturity	4.13	10,069,259	4.13
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	61,356	-	-	61,356	7,837,222	-	7,837,222	At Maturity	4.13	7,837,222	4.13
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	56,839	-	-	56,839	7,093,519	-	7,093,519	At Maturity	4.13	7,093,519	4.13
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	11,448	13,646,641	13,658,089	-	-	-	At Maturity	3.77	13,646,641	3.77
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	10,756	11,353,359	11,364,115	-	-	-	At Maturity	3.77	11,353,359	3.77
77,261,280-K	FALABELLA RETAIL S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	1,975,060	-	-	1,975,060	-	-	-	At Maturity	0.02	1,975,060	0.02
77,261,280-K	FALABELLA RETAIL S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	35,528	-	-	35,528	-	-	-	At Maturity	1.65	35,528	1.65
77,261,280-K	FALABELLA RETAIL S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	11,827,363	-	-	11,827,363	-	-	-	At Maturity	0.95	11,827,363	0.95
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97,008,000-7	BANCO CITIBANK (CHILE)	CHILE	UF	-	-	2,853,736	2,853,736	11,260,401	7,083,414	18,343,815	Six monthly	3.94	21,311,923	3.64
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97,023,000-9	BANCO CORPBANCA (CHILE)	CHILE	CLP	-	-	2,641,882	2,641,882	49,745,851	-	49,745,851	Annual	7.27	50,000,000	7.10
99,556,170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	CLP	-	-	365,799	365,799	24,106,855	-	24,106,855	At Maturity	5.13	24,131,850	5.10
96,653,660-8	PLAZA DEL TREBOL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	7,234,105	-	-	7,234,105	-	-	-	At Maturity	4.11	7,218,681	3.70



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of January 1, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
96,653,650-0	PLAZA OESTE S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	10,851,158	-	-	10,851,158	-	-	-	At Maturity	4.11	10,828,022	3.70
99,555,550-6	PLAZA ANTOFAGASTA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	UF	-	233,290	-	233,290	23,334,843	-	23,334,843	At Maturity	3.91	23,477,827	3.60
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	UF	-	2,330	-	2,330	10,309,655	-	10,309,655	At Maturity	4.07	10,343,382	3.98
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	5,381,738	-	4,372,455	9,754,193	34,987,928	4,374,640	39,362,568	Six monthly	4.38	48,124,108	4.37
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	535,763	-	-	535,763	28,198,030	-	28,198,030	At Maturity	3.80	28,198,030	3.80
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,006,000-6	BANCO DE CREDITO INVERSIONES (CHILE)	CHILE	UF	-	-	47,127	47,127	28,217,250	-	28,217,250	At Maturity	4.01	28,321,165	3.84
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	UF	-	544,117	-	544,117	49,034,811	-	49,034,811	At Maturity	3.92	49,254,200	3.73
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	1,143,410	-	1,143,410	37,814,017	7,629,048	45,443,065	Six monthly	7.19	45,673,700	7.05
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	UF	-	607,440	49,168,475	49,775,915	-	-	-	At Maturity	3.74	49,254,200	3.51
96,824,450-7	INMOBILIARIA MALL LAS AMERICAS S.A.	CHILE	97,006,000-6	BANCO DE CREDITO INVERSIONES (CHILE)	CHILE	UF	-	144,022	-	144,022	5,741,536	3,437,178	9,178,714	Six monthly	4.45	9,178,714	4.10
96,573,100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	-	693,369	-	693,369	-	-	-	At Maturity	0.99	685,542	0.97
96,573,100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA.	CHILE	97,951,000-4	BANCO HSBC (CHILE)	CHILE	US\$	-	200,478	-	200,478	-	-	-	At Maturity	0.95	191,454	0.93
96,792,430-K	SODIMAC S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	EUR	359,650	-	-	359,650	-	-	-	At Maturity	1.69	363,857	0.59
96,792,430-K	SODIMAC S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	8,094,956	1,213,500	-	9,308,456	-	-	-	At Maturity	0.91	9,232,972	0.69
96,792,430-K	SODIMAC S.A.	CHILE	97,006,000-6	BANCO DE CREDITO INVERSIONES (CHILE)	CHILE	CLP	941	-	-	941	-	-	-	At Maturity	8.28	941	8.28
96,792,430-K	SODIMAC S.A.	CHILE	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	564,747	364,050	-	928,797	-	-	-	At Maturity	1.67	925,286	0.56
76,821,330-5	IMPERIAL S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	US\$	-	320,271	-	320,271	-	-	-	At Maturity	1.43	320,271	0.76
76,821,330-5	IMPERIAL S.A.	CHILE	97,023,000-9	BANCO CORPBANCA (CHILE)	CHILE	US\$	-	46,312	-	46,312	-	-	-	At Maturity	1.43	46,271	0.75
76,821,330-5	IMPERIAL S.A.	CHILE	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	CLP	-	53,900	-	53,900	-	7,953,484	7,953,484	Six monthly	7.02	8,000,000	6.79
76,821,330-5	IMPERIAL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	-	69,405	7,968,007	8,037,412	-	-	-	At Maturity	7.72	8,000,000	7.35
76,821,330-5	IMPERIAL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	CLP	1,249,507	-	-	1,249,507	-	-	-	At Maturity	4.70	1,250,000	3.89
76,821,330-5	IMPERIAL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	EUR	-	7,826	-	7,826	-	-	-	At Maturity	0.83	7,826	0.03
76,821,330-5	IMPERIAL S.A.	CHILE	97,032,000-8	BANCO BBVA (CHILE)	CHILE	US\$	-	1,295,346	-	1,295,346	-	-	-	At Maturity	1.43	1,294,899	0.63
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	85,290	-	-	85,290	-	-	-	Monthly	27.00	85,290	27.00
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	106,308	-	-	106,308	-	-	-	Monthly	24.25	106,308	24.25
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO DE LA PROVINCIA DE BUENOS AIRES	ARGENTINA	ARS	234,410	2,061,130	5,819,734	8,115,274	17,504,096	-	17,504,096	Monthly	31.78	25,422,938	30.64
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO DE SANTA FE (ARGENTINA)	ARGENTINA	ARS	89,759	-	-	89,759	-	-	-	Monthly	25.00	89,759	25.00
Foreign	FALABELLA (ARGENTINA) S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	2,321,835	-	-	2,321,835	-	-	-	Monthly	32.25	2,321,835	32.25



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of January 1, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	9,355	157,665	472,996	640,016	473,138	-	473,138	Three monthly	16.32	1,103,800	15.25
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	11,672	173,495	520,485	705,652	694,136	-	694,136	Monthly	16.66	1,388,115	15.25
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	53,708	-	-	53,708	-	-	-	Monthly	25.00	53,708	25.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	9,693	-	-	9,693	-	-	-	Monthly	25.00	9,693	25.00
Foreign	FALABELLA S.A. (ARGENTINA)	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	40,759	-	-	40,759	-	-	-	Monthly	24.00	40,759	24.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	10,927,160	-	-	10,927,160	-	-	-	Monthly	30.14	10,645,680	30.14
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO COMAFI (ARGENTINA)	ARGENTINA	ARS	2,525,395	-	-	2,525,395	-	-	-	At Maturity	33.18	2,483,950	29.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	29,331	-	-	29,331	-	-	-	Monthly	25.34	13,384	25.34
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE LA CIUDAD DE BUENOS AIRES	ARGENTINA	ARS	3,581,455	-	-	3,581,455	-	-	-	Monthly	27.06	3,539,248	27.06
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE SANTA FE (ARGENTINA)	ARGENTINA	ARS	65,573	-	2,120,609	2,186,182	-	-	-	At Maturity	36.50	2,129,100	31.53
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO (ARGENTINA)	ARGENTINA	ARS	4,278,933	-	-	4,278,933	-	-	-	At Maturity	45.37	4,258,200	38.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	6,059,788	-	-	6,059,788	-	-	-	Monthly	29.97	6,032,450	26.50
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	23,988	1,963,008	-	1,986,996	-	-	-	Monthly	24.88	5,890,510	23.50
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	150,274	-	442,724	592,998	495,311	-	495,311	Three monthly	35.10	2,483,950	31.24
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	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
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	5,142,532	-	-	5,142,532	-	-	-	Monthly	32.46	5,008,514	32.46
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	29,992	827,983	1,655,967	2,513,942	-	-	-	At Maturity	33.68	2,483,950	29.38
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAÚ (ARGENTINA)	ARGENTINA	ARS	66,322	4,253,650	-	4,319,972	-	-	-	At Maturity	36.54	4,258,200	31.55
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAÚ (ARGENTINA)	ARGENTINA	ARS	55,527	4,253,081	-	4,308,608	-	-	-	At Maturity	36.71	4,258,200	31.68
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ITAÚ (ARGENTINA)	ARGENTINA	ARS	2,035,723	-	-	2,035,723	-	-	-	At Maturity	33.83	2,022,645	29.50
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	60,322	-	11,405,325	11,465,647	-	-	-	At Maturity	39.15	11,568,110	33.50
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	10,809,065	-	-	10,809,065	-	-	-	Monthly	25.68	10,807,604	25.68
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	3,992,061	-	-	3,992,061	-	-	-	Monthly	27.50	3,900,894	27.50
Foreign	CMR ARGENTINA S.A.	ARGENTINA	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	US\$	11,257	-	3,037,516	3,048,773	-	-	-	At Maturity	2.96	3,037,516	2.90



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of January 1, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	CMR ARGENTINA S.A.	ARGENTINA	97,030,000-7	BANCO ESTADO (CHILE)	CHILE	US\$	-	19,848	2,430,013	2,449,861	-	-	-	At Maturity	2.96	2,430,013	2.90
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO BBVA (ARGENTINA)	ARGENTINA	ARS	32,678	-	-	32,678	-	-	-	Monthly	21.62	32,678	21.62
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES	ARGENTINA	ARS	18,796	-	-	18,796	-	-	-	Monthly	25.00	18,770	25.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE LA PROVINCIA DE BUENOS AIRES	ARGENTINA	ARS	23,434	44,314	44,348	112,096	-	-	-	Monthly	21.31	110,891	19.93
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO DE LA PROVINCIA DE BUENOS AIRES	ARGENTINA	ARS	16,251	31,931	-	48,182	-	-	-	Monthly	21.43	47,905	20.04
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO HSBC (ARGENTINA)	ARGENTINA	ARS	54,040	-	-	54,040	-	-	-	Monthly	18.00	53,869	18.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO ICBC (ARGENTINA)	ARGENTINA	ARS	173,618	-	-	173,618	-	-	-	Monthly	25.00	172,939	25.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	263,783	506,929	2,027,714	2,798,426	-	-	-	Monthly	15.87	2,788,107	15.01
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA (ARGENTINA)	ARGENTINA	ARS	19,689	-	-	19,689	-	-	-	Monthly	25.00	19,612	25.00
Foreign	SODIMAC ARGENTINA S.A.	ARGENTINA	Foreign	BANCO SANTANDER (ARGENTINA)	ARGENTINA	ARS	1,153	-	-	1,153	-	-	-	Monthly	25.00	1,153	25.00
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	18,367,685	-	-	18,367,685	-	-	-	At Maturity	4.35	18,263,700	4.35
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	3,069,086	-	-	3,069,086	-	-	-	At Maturity	4.45	3,043,950	4.45
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	2,046,058	-	-	2,046,058	-	-	-	At Maturity	4.45	2,029,300	4.45
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	28,922	57,845	260,300	347,067	696,909	-	696,909	Monthly	6.32	2,025,850	6.32
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	87,301	174,603	785,712	1,047,616	4,872,820	693,875	5,566,695	Monthly	6.05	8,117,200	6.05
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	34,741	69,482	312,668	416,891	2,005,113	1,127,592	3,132,705	Monthly	7.17	4,726,848	7.17
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	32,803,247	-	-	32,803,247	-	-	-	At Maturity	4.48	32,671,730	4.48
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	-	11,460,990	-	11,460,990	-	-	-	At Maturity	4.53	11,364,080	4.53
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	-	9,209,724	-	9,209,724	-	-	-	At Maturity	4.53	9,131,850	4.53
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	-	5,121,015	-	5,121,015	-	-	-	At Maturity	4.42	5,073,250	4.42
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	-	4,706,613	-	4,706,613	-	-	-	At Maturity	4.53	4,667,390	4.53
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	3,259,950	-	-	3,259,950	-	-	-	At Maturity	4.48	3,246,880	4.48
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	-	3,069,530	-	3,069,530	-	-	-	At Maturity	4.53	3,043,950	4.53
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CRÉDITO (PERU)	PERU	PEN	-	-	3,065,849	3,065,849	-	-	-	At Maturity	4.55	3,043,950	4.55



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of January 1, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	3,062,063	3,062,063	-	-	-	At Maturity	4.55	3,043,950	4.55
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	3,057,601	3,057,601	-	-	-	At Maturity	4.45	3,043,950	4.45
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	409,272	-	409,272	-	-	-	At Maturity	4.53	405,860	4.53
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	405,860	-	405,860	-	-	-	At Maturity	4.76	405,860	4.76
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	9,739,938	9,739,938	-	-	-	At Maturity	4.49	9,659,468	4.49
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	2,040,852	-	2,040,852	-	-	-	Monthly	4.35	2,029,300	4.27
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	818,423	-	818,423	-	-	-	Monthly	4.45	811,720	4.36
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	3,795,725	-	3,795,725	-	-	-	Monthly	4.53	3,794,791	4.44
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	918,619	-	918,619	-	-	-	Monthly	4.55	913,185	4.46
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	769,109	769,109	7,954,852	-	7,954,852	Monthly	7.00	11,567,010	6.79
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	211,923	211,923	1,745,420	-	1,745,420	Monthly	7.98	2,555,211	7.70
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	572,938	572,938	-	-	-	Monthly	4.49	568,204	4.40
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	8,173,077	-	8,173,077	-	-	-	Monthly	4.35	8,117,200	4.35
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	6,938,903	-	6,938,903	-	-	-	Monthly	4.35	6,899,620	4.35
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	US\$	-	3,044,318	-	3,044,318	-	-	-	At Maturity	4.45	3,043,950	4.45
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	20,412,448	20,412,448	-	-	-	Monthly	4.50	20,293,000	4.50
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	12,072,613	12,072,613	-	-	-	Monthly	4.49	11,972,870	4.49
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	8,388,836	-	8,388,836	-	-	-	Monthly	4.45	8,320,130	4.45
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	3,074,219	3,074,219	-	-	-	Monthly	4.44	3,043,950	4.44
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	-	26,531,101	-	26,531,101	-	-	-	At Maturity	4.35	26,380,900	4.35
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	22,422	45,506	210,639	278,567	534,421	-	534,421	Monthly	6.32	1,620,599	6.32
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	52,804	108,254	498,101	659,159	2,091,392	-	2,091,392	Monthly	7.25	4,376,794	7.25
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	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
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	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
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	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
Foreign	HIPERMERCADOS TOTIUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	5,378,294	5,378,294	-	-	-	At Maturity	4.44	5,377,645	4.44
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS (COLOMBIA)	COLOMBIA	COP	57,613	-	-	57,613	10,360,026	-	10,360,026	At Maturity	7.34	12,432,031	7.10
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO BOGOTA (COLOMBIA)	COLOMBIA	COP	192,646	-	-	192,646	22,342,024	-	22,342,024	At Maturity	6.84	26,810,429	6.63
Foreign	FALABELLA COLOMBIA S.A.	COLOMBIA	Foreign	BANCO DE CREDITO (COLOMBIA)	COLOMBIA	COP	16,165	-	-	16,165	3,711,357	-	3,711,357	At Maturity	7.68	4,453,629	7.42



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

a) Bank Loans as of January 1, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	MALL PLAZA COLOMBIA S.A.S.	COLOMBIA	Foreign	BANCO BBVA (COLOMBIA)	COLOMBIA	COP	66,342	-	-	66,342	-	-	-	Monthly	28.70	66,342	28.70
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	-	-	-	-	650,000	-	650,000	At Maturity	8.43	650,000	8.43
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	-	-	-	-	4,349,672	23,487,103	27,836,775	At Maturity	9.66	27,836,775	9.14
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	COLOMBIA	Foreign	BANCO CORPBANCA (COLOMBIA)	COLOMBIA	COP	312,938	-	-	312,938	-	-	-	At Maturity	6.87	312,938	6.87
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	-	1,265,537	-	1,265,537	-	-	-	At Maturity	15.00	1,251,000	15.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	754,065	-	-	754,065	-	-	-	At Maturity	15.50	750,600	15.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	512,104	-	-	512,104	-	-	-	At Maturity	14.50	500,400	14.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	507,421	-	-	507,421	-	-	-	At Maturity	14.75	500,400	14.75
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	50,636	-	-	50,636	-	-	-	At Maturity	15.50	50,040	15.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	50,636	-	-	50,636	-	-	-	At Maturity	15.50	50,040	15.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO BBVA (URUGUAY)	URUGUAY	UYU	50,636	-	-	50,636	-	-	-	At Maturity	15.50	50,040	15.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	253,490	-	-	253,490	-	-	-	At Maturity	16.00	250,200	16.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	251,077	-	-	251,077	-	-	-	At Maturity	16.00	250,200	16.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO ITAU (URUGUAY)	URUGUAY	UYU	251,077	-	-	251,077	-	-	-	At Maturity	16.00	250,200	16.00
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	-	892,551	-	892,551	-	-	-	At Maturity	14.50	875,700	14.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	-	887,925	-	887,925	-	-	-	At Maturity	14.50	875,700	14.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	642,708	-	-	642,708	-	-	-	At Maturity	11.50	625,500	11.50
Foreign	HOMECENTER SODIMAC S.A. (URUGUAY)	URUGUAY	Foreign	BANCO SANTANDER (URUGUAY)	URUGUAY	UYU	512,672	-	-	512,672	-	-	-	At Maturity	14.50	500,400	14.50
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO BRADESCO (BRAZIL)	BRAZIL	US\$	-	-	9,859,458	9,859,458	-	-	-	At Maturity	11.51	9,130,800	11.51
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO BRADESCO (BRAZIL)	BRAZIL	US\$	-	-	7,424,516	7,424,516	-	-	-	At Maturity	11.52	6,848,500	11.52
Foreign	SHEARVAN CORPORATE S.A.	I.V. BRITISH	97,036,000-K	BANCO SANTANDER (CHILE)	CHILE	US\$	-	851,009	-	851,009	-	-	-	At Maturity	0.95	851,009	0.95
Total Bank Loans							346,235,663	121,043,837	206,395,859	673,675,359	501,201,321	67,478,634	568,679,955				



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

b) Obligations to the Public (Bonds payable) as of January 1, 2015 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current	
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	CLP	-	1,036,415	-	1,036,415	-	-	93,803,603	93,803,603	At Maturity	6.63	94,588,500	6.50
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	US\$	1,977,843	-	-	1,977,843	-	298,472,002	298,472,002	298,472,002	At Maturity	3.98	305,271,094	3.75
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	US\$	-	1,802,652	-	1,802,652	-	240,158,757	240,158,757	240,158,757	At Maturity	4.50	244,469,688	4.38
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	1,982,029	-	-	1,982,029	-	96,288,720	96,288,720	96,288,720	At Maturity	4.55	100,407,296	4.25
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	-	896,807	-	896,807	-	82,790,922	82,790,922	82,790,922	At Maturity	4.38	87,048,347	4.00
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	341,571	-	-	341,571	32,836,133	16,592,671	49,428,804	49,428,804	At Maturity	2.24	49,770,487	2.30
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Sundry Creditors	UF	774,290	-	-	774,290	-	70,561,751	70,561,751	70,561,751	At Maturity	3.26	74,923,039	3.10
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	578,479	578,479	3,258,584	69,033,866	72,292,450	72,292,450	Six monthly	4.72	73,881,300	4.50
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	537,803	537,803	-	72,218,691	72,218,691	72,218,691	At Maturity	4.00	73,881,300	3.85
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	358,112	358,112	-	48,198,598	48,198,598	48,198,598	At Maturity	3.99	49,254,200	3.85
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	106,719	106,719	24,471,710	-	24,471,710	24,471,710	At Maturity	3.41	24,627,100	3.00
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	289,857	289,857	-	58,165,823	58,165,823	58,165,823	At Maturity	3.90	61,567,750	3.50
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	78,719	78,719	24,473,103	-	24,473,103	24,473,103	Six monthly	3.74	24,627,100	3.50
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	-	247,552	247,552	-	73,273,029	73,273,029	73,273,029	At Maturity	3.92	73,881,300	3.90
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	475,447	-	475,447	27,875,831	9,251,490	37,127,321	37,127,321	Six monthly	3.34	36,940,650	3.50
76.017.019-4	PLAZA S.A.	CHILE	Sundry Creditors	UF	-	1,065,376	-	1,065,376	-	73,947,378	73,947,378	73,947,378	At Maturity	3.76	73,881,300	3.80
96.792.430-K	SODIMAC S.A.	CHILE	Sundry Creditors	UF	-	-	77,016	77,016	24,503,992	-	24,503,992	24,503,992	At Maturity	3.83	24,696,294	3.40
96.792.430-K	SODIMAC S.A.	CHILE	Sundry Creditors	UF	-	-	117,841	117,841	5,417,559	31,476,956	36,894,515	36,894,515	Six monthly	3.98	37,053,516	3.70
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	3,911,235	4,149,893	2,265,883	10,327,011	-	-	-	-	Monthly	30.69	13,242,049	23.00
Foreign	CMR ARGENTINA S.A.	ARGENTINA	Sundry Creditors	ARS	1,002,445	1,108,087	240,069	2,350,601	-	-	-	-	Monthly	33.99	7,440,023	23.00
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	378,218	1,084,381	1,462,599	2,899,000	-	2,899,000	2,899,000	Three monthly	6.50	10,146,500	6.34
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	356,798	910,984	1,267,782	3,978,636	-	3,978,636	3,978,636	Three monthly	7.28	10,146,500	7.09
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	249,856	608,592	858,448	4,866,163	3,040,624	7,906,787	7,906,787	Three monthly	5.94	12,175,800	5.81
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	340,825	-	759,120	1,099,945	4,055,058	3,547,733	7,602,791	7,602,791	Three monthly	5.12	10,146,500	5.00
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	-	397,014	1,082,206	1,479,220	3,616,744	-	3,616,744	3,616,744	Three monthly	7.83	10,146,500	7.56
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Sundry Creditors	PEN	428,667	-	1,082,207	1,510,874	3,246,880	2,232,230	5,479,110	5,479,110	Three monthly	5.52	8,117,200	5.41
Foreign	MAESTRO PERU S.A.	PERU	Sundry Creditors	US\$	-	-	2,130,963	2,130,963	128,887,388	-	128,887,388	128,887,388	At Maturity	7.01	119,844,480	6.75
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	23,708	-	46,869	70,577	933,900	7,072,629	8,006,529	8,006,529	Three monthly	7.61	8,117,200	7.40
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	29,308	-	57,607	86,915	1,166,946	8,839,925	10,006,871	10,006,871	Three monthly	7.61	10,146,500	7.40
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Sundry Creditors	PEN	21,551	-	46,198	67,749	930,532	7,065,860	7,996,392	7,996,392	Three monthly	7.61	8,117,200	7.40
Total					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.



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

c) Financial lease obligations as of January 1, 2015 were as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CITIBANK (PERU)	PERU	PEN	159,269	318,537	1,433,426	1,911,232	5,733,666	-	5,733,666	Annual	7.69	13,547,546	7.43
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	7,892	15,783	71,025	94,700	8,125	-	8,125	Annual	5.48	186,479	5.34
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	22,577	45,145	203,193	270,915	-	-	-	Annual	5.85	635,682	5.69
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	6,824	13,647	61,526	81,997	-	-	-	Annual	5.85	238,418	5.69
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	4,377	8,754	39,394	52,525	-	-	-	Annual	7.37	8,827,572	7.11
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	87,809	87,809	92,797	-	92,797	Monthly	6.79	182,402	6.59
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	593,971	593,971	6,766,803	-	6,766,803	Monthly	7.55	7,474,104	7.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	1,106,618	1,106,618	5,231,201	6,523,842	11,755,043	Monthly	8.70	25,368,844	8.37
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	388,372	388,372	1,729,210	2,515,372	4,244,582	Monthly	8.60	6,265,228	8.28
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	-	-	468,692	468,692	2,148,264	-	2,148,264	Monthly	8.50	4,557,660	8.19
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	-	-	835,118	835,118	3,782,389	4,112,254	7,894,643	Monthly	7.60	8,732,847	7.35
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	901,619	901,619	1,572,892	-	1,572,892	Monthly	6.94	7,711,340	6.73
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	1,334,792	1,334,792	9,301,859	-	9,301,859	Monthly	6.68	10,193,128	6.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	232,917	232,917	980,099	3,433,187	4,413,286	Monthly	7.13	12,039,286	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	157,092	157,092	629,387	2,203,889	2,833,276	Monthly	7.13	6,040,408	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	-	140,469	140,469	606,974	2,110,941	2,717,915	Monthly	7.13	6,870,995	6.90
Foreign	SAGA FALABELLA S.A. (PERU)	PERU	Foreign	AVENTURA PLAZA 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
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	-	121,066	377,141	498,207	130,712	-	130,712	Monthly	7.80	1,415,413	7.51
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	-	85,823	259,254	345,077	89,959	-	89,959	Monthly	7.90	972,243	7.60
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	106,679	-	332,480	439,159	232,626	-	232,626	Monthly	7.90	1,270,776	7.60
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	59,684	-	-	59,684	-	-	-	Monthly	7.87	1,928,020	7.58
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	2,679	-	-	2,679	-	-	-	Monthly	7.90	907,993	7.60
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	73,040	147,450	686,701	907,191	893,224	-	893,224	Monthly	7.75	4,206,944	7.75
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	35,703	72,097	336,130	443,930	605,184	-	605,184	Monthly	7.75	4,206,944	7.75
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	29,894	60,366	281,437	371,697	506,712	-	506,712	Monthly	8.00	1,764,658	8.00
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	59,363	-	185,418	244,781	552,742	-	552,742	Monthly	8.37	1,231,829	8.37



Note 18 – Other Current and Non-Current Financial Liabilities (continued)

c.) Financial lease obligations as of January 1, 2015 were as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	Currency or Indexation unit according to Contract Conditions (ISO 4217)	Liability 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	Over 5 years					Total Non-Current
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	-	80,406	251,260	331,666	749,989	-	749,989	Monthly	8.47	1,669,314	8.47
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	-	-	418,233	418,233	-	-	-	Monthly	8.00	1,537,362	8.00
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	-	115,616	237,972	353,588	-	-	-	Monthly	7.95	1,300,395	7.95
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	42,365	124,650	167,015	267,677	-	267,677	Monthly	6.50	661,269	6.30
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	42,963	-	133,022	175,985	335,944	-	335,944	Monthly	6.50	716,882	6.30
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	57,923	-	179,343	237,266	452,927	-	452,927	Monthly	6.50	966,517	6.30
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	56,014	169,514	225,528	428,104	-	428,104	Monthly	6.50	913,547	6.30
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	67,646	-	209,455	277,101	691,122	-	691,122	Monthly	6.50	1,164,857	6.30
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	61,056	-	188,975	250,031	623,609	-	623,609	Monthly	6.50	1,051,060	6.30
Foreign	MAESTRO PERU S.A.	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	-	63,022	184,192	247,214	607,786	-	607,786	Monthly	6.50	1,024,395	6.30
Foreign	VIAJES FALABELLA S.A. (PERU)	PERU	Foreign	LEASING PERU	PERU	US\$	1,926	5,828	15,917	23,671	8,168	-	8,168	Annual	5.98	99,532	5.30
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	61,750	118,876	247,611	428,237	-	-	-	Monthly	8.80	3,767,274	8.46
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO CONTINENTAL (PERU)	PERU	PEN	110,437	155,403	-	265,840	-	-	-	Monthly	7.18	7,445,233	6.95
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	30,371	51,753	240,864	322,988	523,278	-	523,278	Monthly	6.90	2,137,900	6.69
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	35,855	52,403	244,715	332,973	1,180,353	-	1,180,353	Monthly	8.20	2,982,397	7.91
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	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
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	25,445	28,265	132,393	186,103	872,548	564,366	1,436,914	Monthly	8.80	2,480,549	8.46
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	66,864	128,903	394,753	590,520	-	-	-	Monthly	6.10	4,082,681	5.94
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO FINANCIERO (PERU)	PERU	PEN	37,394	70,654	249,782	357,830	-	-	-	Monthly	8.50	2,685,651	8.19
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (PERU)	PERU	PEN	33,239	67,140	313,362	413,741	370,760	-	370,760	Monthly	8.00	2,085,058	7.72
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	91,371	184,318	856,032	1,131,721	2,849,138	-	2,849,138	Monthly	6.95	9,784,329	6.74
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	7,784	15,757	74,124	97,665	257,395	-	257,395	Monthly	6.95	1,262,594	6.74
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SANTANDER (PERU)	PERU	PEN	8,155	16,452	76,427	101,034	254,583	-	254,583	Monthly	6.95	992,612	6.74
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	126,647	206,168	961,826	1,294,641	2,603,512	-	2,603,512	Monthly	7.85	7,355,399	7.58
Foreign	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Foreign	BANCO SCOTIABANK (PERU)	PERU	PEN	46,130	75,086	350,340	471,556	948,649	-	948,649	Monthly	7.85	2,680,780	7.58
							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-31-2016						
Liability	Up to 1 month ThCh\$	1 to 3 months ThCh\$	3 to 12 months ThCh\$	Total Current ThCh\$	1 to 5 years ThCh\$	Total Non-Current ThCh\$
Trade creditors	629,312,716	217,696,293	25,056,277	872,065,286	-	-
Sundry creditors	9,712,888	8,329,649	2,515,758	20,558,295	1,231,300	1,231,300
Other payables	5,197,152	34,389,005	115,415,632	155,001,789	-	-
Total	644,222,756	260,414,947	142,987,667	1,047,625,370	1,231,300	1,231,300

Dec-31-2015						
Liability	Up to 1 month ThCh\$	1 to 3 months ThCh\$	3 to 12 months ThCh\$	Total Current ThCh\$	1 to 5 years ThCh\$	Total Non-Current ThCh\$
Trade creditors	536,922,590	253,938,258	31,702,575	822,563,423	-	-
Sundry creditors	5,833,181	10,269,865	5,295,755	21,398,801	1,262,231	1,262,231
Other payables	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

Jan-01-2015						
Liability	Up to 1 month ThCh\$	1 to 3 months ThCh\$	3 to 12 months ThCh\$	Total Current ThCh\$	1 to 5 years ThCh\$	Total Non-Current ThCh\$
Trade creditors	563,725,495	216,035,506	22,651,335	802,412,336	-	-
Sundry creditors	5,044,546	2,940,236	9,536,664	17,521,446	1,208,738	1,208,738
Other payables	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 Company's principal suppliers as of December 31, 2016. The average payment term for suppliers varies, depending on each business and each country, from a minimum of 42 days and a maximum of 109 days as of December 31, 2016.

Supplier Name
Samsung Electronics
LG Electronics
Apple
Nestlé
CMPC
Unilever
Agrosuper S.A.
Hewlett Packard
Codelpa Chile
Arauco Distribución



Note 19 – Current and Non-Current Trade and Other Accounts Payable (continued)

Suppliers not yet due

Dec-31-2016

Supplier	Amounts According to Payment Terms						Total ThCh\$
	Under 31 days	31-60 Days	61-90 Days	91-120 days	121-365 days	Over 365 days	
Goods	406,758,660	161,959,622	36,915,508	6,503,118	3,298,952	-	615,435,860
Services	186,374,699	24,982,323	6,663,920	3,987,383	8,400,153	-	230,408,478
Other	13,653,165	687,024	569,655	36,965	13,827	-	14,960,636
Total	606,786,524	187,628,969	44,149,083	10,527,466	11,712,932	-	860,804,974

Dec-31-2015

Supplier	Amounts According to Payment Terms						Total ThCh\$
	Under 31 days	31-60 Days	61-90 Days	91-120 days	121-365 days	Over 365 days	
Goods	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	3,500,381	5,351,882	-	220,087,793
Other	17,984,724	834,311	3,182	1,015,159	560,453	-	20,397,829
Total	579,271,855	176,100,912	36,150,027	10,181,705	10,033,341	-	811,737,840

Jan-01-2015

Supplier	Amounts According to Payment Terms						Total ThCh\$
	Under 31 days	31-60 Days	61-90 Days	91-120 days	121-365 days	Over 365 days	
Goods	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	604,164,308	149,870,670	27,907,396	6,793,325	4,034,648	-	792,770,347



Note 19 – Current and Non-Current Trade and Other Accounts Payable (continued)

Suppliers overdue

The Falabella Group has a conservative financial policy and a solid liquidity position that allows it to fulfill its obligations with its suppliers without major issues. Therefore, the amounts that are overdue to Suppliers as of December 31, 2016 and 2015 and January 1, 2015 are primarily due to invoices with differences, the majority of which are quickly resolved, due to the continuous management of amounts payable to our suppliers.

Dec-31-2016

Supplier	Amounts According to Payment Terms						Total ThCh\$
	Under 31 days	31-60 Days	61-90 Days	91-120 days	121-180 days	Over 180 days	
Goods	801,696	4,174,940	2,204,674	293,663	734,586	816,304	9,025,863
Services	42,829	434,814	92,613	25,475	35,917	192,740	824,388
Other	4,580	856,600	132,658	116,346	155,687	144,190	1,410,061
Total	849,105	5,466,354	2,429,945	435,484	926,190	1,153,234	11,260,312

Dec-31-2015

Supplier	Amounts According to Payment Terms						Total ThCh\$
	Under 31 days	31-60 Days	61-90 Days	91-120 days	121-180 days	Over 180 days	
Goods	993,627	2,905,788	1,501,631	374,692	326,262	1,301,787	7,403,787
Services	99,386	2,033,233	475,389	147,342	78,726	142,696	2,976,772
Other	7,500	253,431	163,870	-	3,664	16,559	445,024
Total	1,100,513	5,192,452	2,140,890	522,034	408,652	1,461,042	10,825,583

Jan-01-2015

Supplier	Amounts According to Payment Terms						Total ThCh\$
	Under 31 days	31-60 Days	61-90 Days	91-120 days	121-180 days	Over 180 days	
Goods	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	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 were as follows:

Non-Banking Business	Current			Non-Current		
	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Legal claims provisions (contingencies) (1)	13,041,075	11,839,396	9,969,351	10,369,528	12,784,990	16,279,029
Dismantling, restoration and rehabilitation costs (2)	-	-	-	2,506,280	2,389,099	1,269,542
Other provisions (3)	189,342	138,687	279,233	-	-	-
Total	13,230,417	11,978,083	10,248,584	12,875,808	15,174,089	17,548,571

b) Provisions established for the Banking Business were as follows:

Banking Business	Dec-31-2016	Dec-31-2015	Jan-01-2015
Provisions	ThCh\$	ThCh\$	ThCh\$
Legal claims provisions (contingencies) (1)	615,493	315,229	381,998
Dismantling, restoration and rehabilitation costs (2)	189,269	265,326	284,683
Other provisions (4)	1,537,391	5,815,469	4,824,894
Total	2,342,153	6,396,024	5,491,575

(1) Legal claims provisions (contingencies) are claims that our legal advisors consider to have a high probability of loss.

(2) Dismantling, restoration and rehabilitation costs arise from the dismantling policy, and provisions are reviewed annually to ensure that the estimated amounts remain reasonable, and whether there are new amounts to be recorded for new assets acquired or built.

(3) Other provisions are for other sundry third party obligations, where there is a high probability of an outflow of resources.

(4) Other provisions are regulatory provisions required by the Chilean Superintendency of Banks.



Note 20 – Current and Non-Current Banking and Non-banking Business Provisions (continued)

1) Movements in provisions for the Non-Banking Business were as follows:

Movements in provisions	Legal claims provision		Dismantling, 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\$
Opening balance as of Jan-1-2016	11,839,396	12,784,990	-	2,389,099	138,687	-	11,978,083	15,174,089
Additional provisions	2,203,575	1,201,142	-	174,141	166,117	-	2,369,692	1,375,283
Increase (decrease) in current provisions	54,613	(3,779,527)	-	36,266	(115,462)	-	(60,849)	(3,743,261)
Acquisitions through business combinations (1)	142,326	327,454	-	-	-	-	142,326	327,454
Translation adjustment	(1,198,835)	(164,531)	-	(93,226)	-	-	(1,198,835)	(257,757)
Closing balance as of Dec-31-2016	13,041,075	10,369,528	-	2,506,280	189,342	-	13,230,417	12,875,808
Opening 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 current 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)
Closing balance as of Dec-31-2015	11,839,396	12,784,990	-	2,389,099	138,687	-	11,978,083	15,174,089

(1) Provisions for the separation of Aventura Plaza S.A. (Note 40).



Note 20 – Current and Non-Current Banking and Non-banking Business Provisions (continued)

1) Movements in provisions for the Banking Business were as follows:

Movements in provisions	Legal claims provision ThCh\$	Dismantling, restoration and rehabilitation costs ThCh\$	Other provisions ThCh\$	Total ThCh\$
Opening balance as of Jan-1-2016	315,229	265,326	5,815,469	6,396,024
Additional provisions	1,067,612	-	228,298	1,295,910
Increase (decrease) in current provisions	(756,067)	(76,433)	(4,503,110)	(5,335,610)
Translation adjustment	(11,281)	376	(3,266)	(14,171)
Closing balance as of Dec-31-2016	615,493	189,269	1,537,391	2,342,153
Opening 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 current provisions	(648,289)	(54,819)	956,020	252,912
Translation adjustment	4,500	35,462	2,166	42,128
Closing balance as of Dec-31-2015	315,229	265,326	5,815,469	6,396,024

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

Employee Benefit Expenses	Jan-1-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Wages & salaries	766,694,618	752,574,969
Bonuses and Other Short-Term Benefits	137,288,652	130,445,951
Defined Benefit Expense	3,359,147	3,553,058
Termination Expenses	18,496,216	16,679,890
Share-Based Payments (1)	6,692,807	6,347,973
Other Personnel Costs	17,064,399	12,546,629
Personnel Costs	949,595,839	922,148,470

Banking Business

Employee Benefit Expenses	Jan-1-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Wages & salaries	62,337,020	59,418,196
Bonuses and Other Short-Term Benefits	22,036,917	19,295,857
Termination Expenses	1,149,651	950,915
Share-Based Payments (1)	581,794	494,756
Other Personnel Costs	9,945,749	10,759,906
Personnel Costs	96,051,131	90,919,630

(1) As of December 31, 2016, ThCh\$ 3,144,728 was included in Other reserves (ThCh\$ 5,184,597 in 2015).

- b) The balances comprising Banking Business Employee Benefits are:

Employee Benefits Detail	Current			Non-Current		
	Dec-31-2016	Dec-31-2015	Jan 1-15	Dec-31-2016	Dec-31-2015	Jan 1-15
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Vacation provision	44,888,940	41,998,157	38,049,734	-	-	-
Profit sharing and bonuses	48,141,094	45,312,531	38,188,543	7,532,520	2,597,349	2,436,163
Defined benefit plans	2,681,513	2,690,133	1,170,576	21,611,767	18,448,172	17,280,841
Withholdings	24,288,848	22,974,071	20,899,932	-	-	-
Remuneration	5,358,279	5,125,607	7,064,517	-	-	-
Other provisions	4,697,748	3,550,615	5,204,820	-	-	-
Total Employee Benefits	130,056,422	121,651,114	110,578,122	29,144,287	21,045,521	19,717,004

Note 21 – Current and Non-Current Provisions for Employee Benefits (continued)

c) The balances comprising Employee Defined Benefits are as follows:

	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 1-15 ThCh\$
Defined benefits provision, current	2,681,513	2,690,133	1,170,576
Defined benefits provision, non-current	21,611,767	18,448,172	17,280,841
Total Defined Benefits	24,293,280	21,138,305	18,451,417

c.1) The following is a reconciliation of the defined benefits, breakdown of expenses for the period and main assumptions used to determine the obligation:

Reconciliation of Defined Benefits Plan Present Value	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$
Opening balance as of January 1	21,138,305	18,451,417
Cost of current service, defined benefits plan (1)	2,403,240	3,222,532
Cost of interest on defined benefits plan obligation (1)	955,907	330,526
Actuarial profits (losses) on defined benefits plan by experience and assumption (2)	2,515,721	1,382,206
Defined benefits plan payments	(2,719,893)	(2,248,376)
Defined Benefits Plan Present Value, Final Balance as of December 31	24,293,280	21,138,305

(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 main actuarial assumptions are as follows:

	Dec-31-2016	Dec-31-2015
Discount rate used	BCU average rate	BCU average rate
Salary increase expected rate	2% actual average rate, according to position.	0.45% actual average rate, according to position.
Average Personnel Turnover Rate	29.87% turnover rate, according to historical company data.	33.2% turnover rate, according to historical company data.
Mortality table name	GS N°398 issued by the SVS.	RV-2009 issued 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, 2016, 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\$ 2,148,004 in the case of a fall in the rate, and an increase of ThCh\$ 1,841,258 in the case of a rise in the rate.



Note 21 – Current and Non-Current Provisions for Employee Benefits (continued)

d) Share-based payments

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, 2016 and 2015 and January 1 2015,, the Company acquired treasury shares related to the 2011 and 2013 programs for the amount of ThCh\$ 35,125,632, 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, 2016 was ThCh\$ 3,144,728 (ThCh\$ 5,184,597 as of December 31, 2015), 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:

	Plan 2011	Plan 2013
Dividend yield (%)	1.15%	1.17%
Expected Volatility %	31.14%	27.09%
Risk-free interest rate (%)	4.82%	5.09%
Expected life of the option (years)	5	5
Weighted average share price (Ch\$)	4,464.80	4,692.20
Estimated percentage of cancellations	6%	4%
Period Covered	10-31-2011/06-30-2016	08-28-2013/06-30-2018
Model Used	Binomial	Binomial
Model name	Hull-White	Hull-White

The expected life of options is based on historical data and is not necessarily indicative of patterns that might occur. The expected volatility reflects the assumption that the historical volatility is indicative of future tendencies, which also might not necessarily occur.



Note 21 – Current and Non-Current Provisions for Employee Benefits (continued)

Movement in options during the period, weighted average exercise option prices and average contractual lives of current options as of December 31, 2016 are detailed as follows:

Share Plans	Plan 2011	Plan 2013
Balance as of January 1, 2016	9,914,000	15,545,000
Granted during the period	-	-
Cancelled during the period	(292,250)	(1,145,000)
Exercised during the period	-	-
Outstanding as of December 31, 2016	9,621,750	14,400,000
Can be exercised as of December 31, 2016	9,621,750	4,320,000
Weighted average contractual life (years)	-	1.4

On May 12, 2015 and May 31, 2016, 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, each lasting 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 years ended December 31, 2016 and 2015, was ThCh\$ 4,129,873 and ThCh\$ 1,633.723, respectively, charged to administration expenses, with counterpart 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	Plan 2016
Number of shares granted	1,291,475	1,393,897
Dividend yield (%)	1.50%	1.50%
Expected volatility in the share price (%)	19.50%	19.50%
Risk-free interest rate (%)	3.41%	3.41%
Plan life (years)	3	3
Share price (\$)	5,299.50	5,299.50
Period Covered	09-01-2015/05-15-2018	09-01-2016/05-15-2019
Model Used	Monte Carlo Simulation	Monte Carlo Simulation
Model name	Bivariate Brownian Motion	Bivariate Brownian Motion

Note 21 – Current and Non-Current Provisions for Employee Benefits (continued)

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

Note 22 – Other Current and Non-Current Non-Financial Liabilities

a) Other Current Non-Financial Liabilities are detailed as follows:

Other Non-Financial Liabilities, Current	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 01-15 ThCh\$
Prepaid rent received	1,479,642	2,141,465	1,241,915
Guarantees received	3,444,455	9,416,480	770,329
Deferred income from customer loyalty programs (CMR points)	20,259,307	16,736,767	13,859,094
Prepaid sales	60,088,928	56,383,622	54,387,891
Credit notes receivable from clients	1,498,479	1,603,929	1,414,005
VAT payable	41,203,373	41,440,022	45,354,659
Withholding to deposit	7,394,222	5,776,214	6,864,609
Unexpired risk reserve	8,274,318	-	-
Other	6,279,389	5,270,440	5,645,779
Total	149,922,113	138,768,939	129,538,281

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

Other Non-Current Non-Financial Liabilities	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 01-15 ThCh\$
Guarantees and rent received in advance	32,377,340	39,225,610	30,899,049
Unexpired risk reserve	8,166,233	-	-
Other	917,877	1,041,324	1,284,633
Total	41,461,450	40,266,934	32,183,682

Note 23 – Deposits and Other Time Deposits – Banking Business

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

Deposits and Other Time Deposits	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 01-15 ThCh\$
Time deposits	1,876,573,305	1,851,727,068	1,556,821,935
Savings deposits	140,124,054	136,479,472	114,726,627
Total	2,016,697,359	1,988,206,540	1,671,548,562

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 24 – Obligations with Banks – Banking Business

a) As of December 31, 2016 the breakdown is as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	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	Over 5 years			Total
96.509.660-4	BANCO FALABELLA	CHILE	99.500.410-0	BANCO CONSORCIO	Chile	CLP	15,001,456					15,001,456	At Maturity	15,000,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPÚBLICA	Colombia	COP	8,805,236					8,805,236	At Maturity	8,800,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTÁ (COLOMBIA)	Colombia	COP			8,029,138			8,029,138	At Maturity	7,920,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR (COLOMBIA)	Colombia	COP			6,689,199			6,689,199	At Maturity	6,600,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	Colombia	US\$			5,963,092			5,963,092	At Maturity	5,941,406
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	Colombia	COP			5,504,234			5,504,234	At Maturity	5,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTÁ	Colombia	US\$			5,293,608			5,293,608	At Maturity	5,281,250
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTÁ	Colombia	COP		4,402,484				4,402,484	At Maturity	4,400,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	Colombia	COP		3,826,080				3,826,080	At Maturity	3,740,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA	Colombia	COP	3,378,322					3,378,322	At Maturity	3,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	Colombia	COP			3,359,534			3,359,534	At Maturity	3,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	Colombia	COP			3,341,302			3,341,302	At Maturity	3,300,000
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	CITIBANK DEL PERÚ	Peru	PEN	3,195,779					3,195,779	At Maturity	3,195,040
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	Colombia	COP	2,883,245					2,883,245	At Maturity	2,860,000
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			2,611,298			2,611,298	At Maturity	2,595,970
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	CORPBANCA	Colombia	COP	2,203,933					2,203,933	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	Colombia	COP	2,201,309					2,201,309	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	Colombia	COP	2,201,309					2,201,309	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA	Colombia	COP	1,982,426					1,982,426	At Maturity	1,980,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	CORPBANCA	Colombia	COP		1,761,411				1,761,411	At Maturity	1,760,000
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,617,117			1,617,117	At Maturity	1,597,520
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,408,454			1,408,454	At Maturity	1,397,830
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO AZTECA DEL PERÚ	Peru	PEN	1,398,153					1,398,153	At Maturity	1,397,830
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,207,202			1,207,202	At Maturity	1,198,140
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTÁ	Colombia	COP	1,102,553					1,102,553	At Maturity	1,100,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	Colombia	COP	1,100,654					1,100,654	At Maturity	1,100,000
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,015,126			1,015,126	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,014,149			1,014,149	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,014,016			1,014,016	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,013,836			1,013,836	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,013,747			1,013,747	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,013,742			1,013,742	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,012,606			1,012,606	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,012,414			1,012,414	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,012,319			1,012,319	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,012,128			1,012,128	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,006,850			1,006,850	At Maturity	998,450
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN			1,006,747			1,006,747	At Maturity	998,450



Note 24 – Obligations with Banks – Banking Business (continued)

a) As of December 31, 2016 the breakdown is as follows: (continued)

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	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	Over 5 years	Total			
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	Peru	PEN					1,006,644		1,006,644	At Maturity	998,450
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCOMPARTIR S.A.	Colombia	COP	881,047						881,047	At Maturity	880,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	Peru	US\$	6,724	13,575	56,067	403,723	128,816		608,905	Monthly	608,905
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	Colombia	COP	474,723						474,723	At Maturity	467,500
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	Peru	PEN					404,217		404,217	At Maturity	399,380
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	Peru	PEN					404,185		404,185	At Maturity	399,380
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	Peru	PEN						304,002	304,002	At Maturity	299,535
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	Peru	PEN	260	526	2,167	15,472	4,892		23,317	Monthly	23,317
Total Bank Obligations							46,817,129	10,004,076	48,676,426	11,091,909	133,708	116,723,248			

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

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	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	Over 5 years	Total			
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	COLOMBIA	COP	-	6,240,148	-	-	-	-	6,240,148	At Maturity	6,235,951
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	COP	4,400,000	-	-	-	-	-	4,400,000	At Maturity	4,400,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	COLOMBIA	COP	-	4,400,000	-	-	-	-	4,400,000	At Maturity	4,400,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	4,234,364	-	-	-	-	-	4,234,364	At Maturity	4,165,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	US\$	4,231,456	-	-	-	-	-	4,231,456	Monthly	4,165,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	4,169,897	-	-	-	4,169,897	At Maturity	4,165,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	COP	-	-	3,546,725	-	-	-	3,546,725	At Maturity	3,520,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA	COLOMBIA	COP	-	3,350,205	-	-	-	-	3,350,205	At Maturity	3,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA	COLOMBIA	COP	3,345,314	-	-	-	-	-	3,345,314	At Maturity	3,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COP	-	-	3,329,563	-	-	-	3,329,563	At Maturity	3,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	COP	-	3,301,595	-	-	-	-	3,301,595	At Maturity	3,300,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	INTERBANK	PERU	US\$	-	3,138,652	-	-	-	-	3,138,652	Monthly	3,123,750
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	3,132,049	-	-	-	3,132,049	At Maturity	3,123,750
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	COLOMBIA	COP	2,901,976	-	-	-	-	-	2,901,976	At Maturity	2,860,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	2,261,514	-	-	-	-	-	2,261,514	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	-	-	2,221,149	-	-	-	2,221,149	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	-	-	2,214,485	-	-	-	2,214,485	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	COLOMBIA	COP	-	2,200,708	-	-	-	-	2,200,708	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	COLOMBIA	COP	-	2,200,708	-	-	-	-	2,200,708	At Maturity	2,200,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA	COLOMBIA	COP	-	-	2,091,305	-	-	-	2,091,305	At Maturity	2,090,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	2,082,971	-	-	-	-	-	2,082,971	Monthly	2,082,500
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COP	-	-	1,760,430	-	-	-	1,760,430	At Maturity	1,760,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	COLOMBIA	COP	-	-	1,542,821	-	-	-	1,542,821	At Maturity	1,540,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO GNB SUDAMERIS	COLOMBIA	COP	-	1,116,735	-	-	-	-	1,116,735	At Maturity	1,100,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	FINDETER S.A.	COLOMBIA	COP	-	-	1,102,701	-	-	-	1,102,701	At Maturity	1,100,000



Note 24 – Obligations with Banks – Banking Business (continued)

b) The Breakdown as of December 31, 2015 is as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	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	Over 5 years	Total			
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	COLOMBIA	COP	-	1,100,354	-	-	-	-	1,100,354	At Maturity	1,100,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COP	-	1,100,000	-	-	-	-	1,100,000	At Maturity	1,100,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,049,818	-	-	1,049,818	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,049,552	-	-	1,049,552	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,049,429	-	-	1,049,429	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,049,368	-	-	1,049,368	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,049,347	-	-	1,049,347	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,049,183	-	-	1,049,183	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	PERU	US\$	9,598	9,659	89,783	577,202	362,579	-	1,048,821	Monthly	1,048,821
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,047,583	-	-	1,047,583	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,047,481	-	-	1,047,481	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,047,430	-	-	1,047,430	At Maturity	1,041,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	1,047,328	-	-	1,047,328	At Maturity	1,041,250
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCOMPARTIR S.A.	COLOMBIA	COP	-	-	880,541	-	-	-	880,541	At Maturity	880,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COP	409,651	-	-	-	-	-	409,651	At Maturity	406,568
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	-	314,686	-	-	314,686	At Maturity	312,375
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	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			

c) As of January 1, 2015 the breakdown is as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	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	Over 5 years	Total			
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A. (COLOMBIA)	Colombia	COP	-	7,508,187	-	-	-	-	7,508,187	At Maturity	7,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA (COLOMBIA)	Colombia	COP	-	-	6,259,969	-	-	-	6,259,969	At Maturity	6,250,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS (COLOMBIA)	Colombia	COP	-	-	5,030,988	-	-	-	5,030,988	At Maturity	5,000,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE BOGOTÁ (COLOMBIA)	Colombia	COP	-	5,002,371	-	-	-	-	5,002,371	At Maturity	6,000,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	SCOTIABANK (PERU)	Peru	PEN	-	-	4,112,332	-	-	-	4,112,332	At Maturity	4,058,600
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	Peru	PEN	-	-	3,018,737	-	-	-	3,018,737	At Maturity	2,983,071
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE BOGOTÁ (COLOMBIA)	Colombia	COP	3,001,360	-	-	-	-	-	3,001,360	At Maturity	3,600,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR (COLOMBIA)	Colombia	COP	2,560,260	-	-	-	-	-	2,560,260	At Maturity	3,000,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR (COLOMBIA)	Colombia	COP	-	-	2,520,301	-	-	-	2,520,301	At Maturity	2,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE BOGOTÁ (COLOMBIA)	Colombia	COP	-	-	2,515,844	-	-	-	2,515,844	At Maturity	2,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS (COLOMBIA)	Colombia	COP	-	-	2,506,822	-	-	-	2,506,822	At Maturity	2,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AGRARIO DE COLOMBIA, BOGOTÁ	Colombia	COP	2,502,756	-	-	-	-	-	2,502,756	At Maturity	2,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AGRARIO DE COLOMBIA, BOGOTÁ	Colombia	COP	2,502,756	-	-	-	-	-	2,502,756	At Maturity	2,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AGRARIO DE COLOMBIA, BOGOTÁ	Colombia	COP	2,500,921	-	-	-	-	-	2,500,921	At Maturity	2,500,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	CITIBANK DEL PERU	Peru	PEN	-	-	2,054,024	-	-	-	2,054,024	Monthly	1,976,300
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	SCOTIABANK (PERU)	Peru	PEN	-	-	2,052,518	-	-	-	2,052,518	At Maturity	1,976,300
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	INTERBANK (PERU)	Peru	PEN	2,033,533	-	-	-	-	-	2,033,533	Monthly	2,029,300

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Note 24 – Obligations with Banks – Banking Business (continued)

c) As of January 1, 2015 the breakdown is as follows (continued):

Debtor ID number	Debtor Name	Debtor Country	Creditor ID number	Creditor Name	Creditor Country	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	Over 5 years	Total			
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERÚ	Peru	PEN	-	-	1,805,032	-	-	-	1,805,032	At Maturity	1,785,784
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AGRARIO DE COLOMBIA, BOGOTÁ	Colombia	COP	1,500,545	-	-	-	-	-	1,500,545	At Maturity	1,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS (COLOMBIA)	Colombia	COP	-	-	1,257,538	-	-	-	1,257,538	At Maturity	1,250,000
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	FONDO MI VIVIENDA (PERÚ)	Peru	US\$	8,782	17,733	73,255	528,127	517,812	-	1,145,709	Monthly	3,515,852
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPÚBLICA	Colombia	COP	1,000,241	-	-	-	-	-	1,000,241	At Maturity	1,000,000
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Foreign	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			

Note 25 – Debt Instruments Issued and Other Financial Obligations – Banking Business

a) The detail as of December 31, 2016 is as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	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	Over 5 years	Total		
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	51,901,021	51,901,021	Six monthly	50,858,023
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	39,171,782	39,171,782	Six monthly	39,792,455
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	39,947,440	39,947,440	Six monthly	39,742,663
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	34,341,056	34,341,056	Six monthly	34,426,696
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	CLP	-	-	-	-	30,337,445	30,337,445	At Maturity	30,000,000
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	26,138,446	26,138,446	At Maturity	25,820,975
96,509,660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	17,805,791	17,805,791	Six monthly	17,798,666
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Sundry Creditors	PEN	-	753,898	2,318,041	6,181,444	-	9,253,383	Three monthly	9,272,166
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Sundry Creditors	PEN	-	514,764	1,069,768	5,348,837	-	6,933,369	Three monthly	6,953,491
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Sundry Creditors	COP	-	-	5,784,309	-	-	5,784,309	At Maturity	5,658,400
Foreign	BANCO FALABELLA PERÚ S.A.	PERU	Sundry Creditors	US\$	-	459,095	957,371	957,371	-	2,373,837	Three monthly	2,393,427
Total debt issued					-	1,727,757	10,129,489	12,487,652	239,642,981	263,987,879		

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Note 25 – Debt Instruments Issued and Other Financial Obligations – Banking Business (continued)

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

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	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	Over 5 years	Total		
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	50,407,681	50,407,681	Six monthly	42,252,000
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	40,718,347	40,718,347	Six monthly	33,818,134
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	38,841,873	38,841,873	Six monthly	33,030,030
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	33,404,080	33,404,080	Six monthly	32,694,362
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	CLP	-	-	-	-	30,418,457	30,418,457	At Maturity	30,131,161
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	25,972,157	25,972,157	Six monthly	22,022,022
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	25,340,350	25,340,350	At Maturity	21,126,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Sundry Creditors	COP	-	-	13,310,498	-	-	13,310,498	At Maturity	13,114,200
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	779,979	2,417,408	5,640,618	4,029,013	12,867,018	Three monthly	12,892,841
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	530,557	1,115,625	4,462,500	3,346,873	9,455,555	Three monthly	9,482,812
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Sundry Creditors	COP	-	-	-	-	5,658,400	5,658,400	At Maturity	5,658,400
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	US\$	-	470,305	1,014,772	3,044,318	-	4,529,395	Three monthly	4,566,476
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	628,078	1,249,500	-	-	1,877,578	Three monthly	1,874,250
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	309,310	937,125	-	-	1,246,435	Three monthly	1,249,500
Total debt issued					-	2,718,229	20,044,928	13,147,436	258,137,231	294,047,824		

c) As of January 1, 2015 the breakdown is as follows:

Debtor ID number	Debtor Name	Debtor Country	Creditor Name	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	Over 5 years	Total		
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	48,377,568	48,377,568	Six monthly	49,380,148
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	41,557,795	41,557,795	Six monthly	30,578,117
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	37,312,060	37,312,060	Six monthly	38,024,219
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	UF	-	-	-	-	24,944,267	24,944,267	Six monthly	25,431,548
96.509.660-4	BANCO FALABELLA	CHILE	Sundry Creditors	CLP	-	-	-	-	24,270,519	24,270,519	At Maturity	24,581,980
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	810,301	2,355,652	11,778,260	785,217	15,729,430	Three monthly	15,704,347
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Sundry Creditors	COP	-	-	-	15,001,312	-	15,001,312	Three monthly	18,483,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	511,174	1,087,125	4,348,500	5,435,625	11,382,424	Three monthly	13,682,250
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Sundry Creditors	COP	-	-	-	6,472,690	-	6,472,690	Three monthly	7,716,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	US\$	-	387,645	865,641	4,328,207	-	5,581,493	Three monthly	4,723,113
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	615,511	1,826,370	1,826,370	-	4,268,251	Three monthly	11,293,800
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Sundry Creditors	COP	-	-	3,412,395	-	-	3,412,395	Three monthly	4,050,300
Foreign	BANCO FALABELLA PERU S.A.	PERU	Sundry Creditors	PEN	-	298,622	913,185	1,217,580	-	2,429,387	Three monthly	5,798,100
Total debt issued					-	2,623,253	10,460,368	44,972,919	182,683,051	240,739,591		



Note 25 – Debt Instruments Issued and Other Financial Obligations – Banking Business (continued)

d) The breakdown for Other Financial Obligations as of December 31, 2016, 2015 and January 1, 2015 is as follows:

Detail of Other Financial Obligations	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 01-15 ThCh\$
Mortgage bonds	102,211,808	110,051,478	120,481,316
Public-sector obligations	43,296,187	49,476,114	55,247,797
Total	145,507,995	159,527,592	175,729,113

Note 26 – Other Liabilities – Banking Business

The breakdown of Other Liabilities – Banking Business is as follows:

Other Liabilities	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 01-15 ThCh\$
Suppliers and payables	28,025,340	33,792,628	25,976,187
Deferred income from client loyalty	5,148,049	4,081,536	4,664,772
Associated trade	8,668,030	5,496,341	5,417,081
Vacation and employee benefits provision	3,623,223	4,217,767	3,524,913
Retentions and other employee withholdings	7,657,119	5,821,330	7,117,615
Profit sharing	2,645,623	3,293,707	2,540,569
Other	9,550	24,389	16,050
Total	55,776,934	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 revenue is detailed as follows:

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Sales revenue	7,174,532,910	7,101,269,816
Revenue from rental of Investment Properties	251,988,700	231,847,754
Interest Income	391,397,373	339,244,645
Commission income	80,382,801	80,847,357
Total revenue	7,898,301,784	7,753,209,572

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

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Loan interest	391,397,373	339,244,645
Subtotal Interest income	391,397,373	339,244,645
Commission income	24,253,224	28,943,502
Payment services	56,129,577	51,903,855
Subtotal Commission income	80,382,801	80,847,357
Total income from interest and commissions	471,780,174	420,092,002

27.2 Income from Ordinary Banking Business Activities

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

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Interest and indexation income.	526,664,491	485,319,456
Commission income	163,483,782	135,915,710
Total income	690,148,273	621,235,166

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

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Loan interest	521,456,602	481,346,656
Other interest income	5,207,889	3,972,800
Subtotal interest and indexation income	526,664,491	485,319,456
Commission income (1)	56,086,382	50,783,994
Payment services	107,397,400	85,131,716
Subtotal Commission income	163,483,782	135,915,710
Total income from interest and commissions	690,148,273	621,235,166

(1) Income from PAC, financial brokerage, account maintenance.

Note 28 – Cost of Continuing Operations

28.1 Cost of Continuing Operations – Non-Banking Business

- 1) The Company's costs are detailed as follows:

Item	Jan 01-16 Dec-31-2016	Jan 01-15 Dec-31-2015
	ThCh\$	ThCh\$
Cost of sales of goods and services (1)	4,978,801,098	4,920,189,964
Cost of sales, financial entities	120,795,229	101,798,653
Cost of depreciation and maintenance of investment properties	81,123,617	76,143,014
Total Cost of Continuing Operations – Non-Banking	5,180,719,944	5,098,131,631

- (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 9 – “Inventory”) and depreciations of leased machinery (Note 15).

- 1) The Cost of Sales of the Company's Financial Retail business is broken down as follows:

Item	Jan 01-16 Dec-31-2016	Jan 01-15 Dec-31-2015
	ThCh\$	ThCh\$
Interest cost	46,596,245	37,255,763
Other sales costs	10,131,920	12,113,668
Provision for doubtful accounts and write-offs	64,067,064	52,429,222
Total Cost of Sales Financial Entities	120,795,229	101,798,653

- c) Investment Property Costs are broken down as follows:

Item	Jan 01-16 Dec-31-2016	Jan 01-15 Dec-31-2015
	ThCh\$	ThCh\$
Depreciation	39,291,327	37,122,668
Maintenance and other	41,832,290	39,020,346
Total	81,123,617	76,143,014

Note 28 – Cost of Continuing Operations (continued)

28.2 Cost of Continuing Operations – Banking Business

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Interest and indexation expense.	152,144,758	133,370,243
Commission expense	40,135,723	33,607,581
Credit risk provisions	146,481,242	114,698,003
Total Cost of Continuing Operations – Banking Business	338,761,723	281,675,827

Note 29 – Administrative Expenses

a) Administrative Expenses for the Non-Banking Business are as follows:

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Remuneration and personnel costs (1)	949,595,839	922,148,470
Rent and common expenses	157,634,737	147,423,525
Depreciation and amortization	202,178,387	186,799,890
Basic energy, water and gas services	56,303,919	54,232,062
Computer services	5,214,578	4,499,491
Materials and supplies	42,783,403	41,238,922
Travel and accommodation	19,484,456	19,382,136
Tax, contributions, patents, insurance and other	77,855,333	85,915,044
Third party fees and services	128,631,549	140,849,906
Maintenance and repairs	34,562,216	37,164,249
Communication	4,085,467	5,484,724
Commissions	37,291,512	36,998,205
Other	953,342	1,714,368
Total	1,716,574,738	1,683,850,992

(1) See Note 21.

b) Administrative Expenses for the Banking Business are as follows:

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Remuneration and personnel costs (1)	96,051,131	90,919,630
Administrative expenses	125,483,985	112,366,201
Depreciation and amortization	16,810,784	15,638,353
Other operating expenses	11,740,051	10,548,992
Total	250,085,951	229,473,176

(1) See Note 21.

Note 30 – Financing Costs and Income from Indexation Units

The financing costs incurred in Non-Banking Business are as follows:

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Interest expense, bank loans	71,514,785	52,675,471
Interest expense, bonds and other loans	85,663,771	81,381,661
Interest expense, financial leases	5,750,754	7,033,697
Interest expense, swap and forward	29,643,819	15,028,697
Other financial costs	14,995,389	17,912,993
Subtotal interest costs	207,568,518	174,032,519
Income from indexation units	26,087,890	33,455,450
Total finance costs	233,656,408	207,487,969

Note 31 – Other Income (Losses)

Other income (losses) from the Non-Banking Business are as follows:

Item	Jan 01-16 Dec-31-2016 ThCh\$	Jan 01-15 Dec-31-2015 ThCh\$
Costs of storms in the north of Chile (1)	-	(19,335,743)
Real estate leases (other than investment properties)	2,144,265	2,324,710
Reversal of provisions	6,375,006	7,323,751
Compensations (2)	1,159,417	51,370,733
Gain (loss) on sale of property plant and equipment (3)	13,110,807	(5,773,360)
Lawsuits and litigation	(3,139,183)	(6,273,555)
Effect of separating Adventure Plaza (4)	139,817,635	-
Other	1,258,430	4,112,675
Total	160,726,377	33,749,211

- (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 was 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) As of December 31, 2015, this 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) As of 31 December, 2016, this includes ThCh\$ 23,174,222 for the sale of property, plant and equipment related to two home improvement and construction materials stores, a department store and a supermarket.
- (4) The effect generated by the valuation of the consideration transferred at fair value was ThCh\$ 139,817,635, which was the participation prior to Aventura Plaza S.A. separating from the Falabella Group. The effect of the separation attributable to the owners of the Controller amounted to ThCh\$ 115,308,951.



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.

	Jan 01-16 Dec-31-2016	Jan 01-15 Dec-31-2015
Earnings attributable to holders of equity interests in parent's equity	609,024,729	517,934,651
Basic earnings per share	0.2502	0.2128
Diluted earnings per share	0.2502	0.2128
Basic weighted average number of shares	2,434,465,103	2,434,465,103
Incremental shares in share-based compensation plans	-	-
Diluted weighted average number of shares	2,434,465,103	2,434,465,103

Note 33 - Financial Instruments and Risk Management

1. Risk Management

There are 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, future economic conditions that affect consumers' available income, such as unemployment rates, changes in the housing market conditions, the availability of credit, inflation, interest rates, tax rates and the costs of fuel and energy could also reduce the level of consumption.

b) Management of our inventory could affect the operation of our businesses:

We must maintain sufficient 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 manufacturing 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 inventories 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.



Note 33 - Financial Instruments and Risk Management (continued)

1. Risk Management (continued)

d) The effectiveness of our credit risk management depends on the quality and scope of the available information:

Our banking and credit card business could expose us to an increase in credit and financing risk. We mostly base our client solvency assessment on the credit information available using our own internal databases, and on 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.

f) Our growth and profitability depend on economic activity in Chile, Peru, Colombia, Argentina, Uruguay and Brazil:

Our financial position and operating income mostly depend on the prevailing economic conditions in the countries where 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. Most of the products that we sell are imported, which exposes us to the risk of currency fluctuation, primarily for local currency, against the US dollar.

Note 33 - Financial Instruments and Risk Management (continued)

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 categories of financial assets and liabilities held by the Company are detailed as follows:

a) Non-Banking Business

Financial instruments by category	Dec-31-2016	Dec-31-2015	Jan 01-15
Financial Assets			
Financial assets held for trading	28,978,043	12,130,573	6,074,524
Loans and accounts receivable, total	2,045,178,316	1,890,927,774	1,690,362,150
Hedging assets	72,112,728	176,471,236	76,041,493
Total Financial Assets	2,146,269,087	2,079,529,583	1,772,478,167
Financial Liabilities			
Financial liabilities at fair value:	18,644,063	14,729,065	6,356,725
Hedging liabilities	61,879,023	30,775,892	4,692,917
Financial liabilities at amortized cost	4,721,908,615	4,418,917,238	4,019,004,841
Total Financial Liabilities	4,802,431,701	4,464,422,195	4,030,054,483

b) Banking Business

Financial instruments by category	Dec-31-2016	Dec-31-2015	Jan 01-15
Financial Assets			
Financial assets held for trading and derivatives	91,493,067	118,898,601	70,368,101
Bank debts	-	-	29,977,748
Loans and accounts receivable, total	2,621,812,969	2,471,067,255	2,180,384,460
Financial assets held for sale	566,071,349	423,103,649	264,017,567
Total Financial Assets	3,279,377,385	3,013,069,505	2,544,747,876
Financial Liabilities			
Financial liabilities at fair value:	9,348,660	8,166,601	8,637,377
Financial liabilities at amortized cost	2,970,616,736	2,853,359,763	2,396,288,009
Total Financial Liabilities	2,979,965,396	2,861,526,364	2,404,925,386

c) Total assets and financial liabilities:

Financial instruments by category	Dec-31-2016	Dec-31-2015	Jan 01-15
Financial Assets			
Financial assets held for trading and derivatives	120,471,110	131,029,174	76,442,625
Bank debts	-	-	29,977,748
Loans and accounts receivable, total	4,666,991,285	4,361,995,029	3,870,746,610
Financial assets held for sale	566,071,349	423,103,649	264,017,567
Hedge assets	72,112,728	176,471,236	76,041,493
Total Financial Assets	5,425,646,472	5,092,599,088	4,317,226,043
Financial Liabilities			
Financial liabilities at fair value:	27,992,723	22,895,666	14,994,102
Hedging liabilities	61,879,023	30,775,892	4,692,917
Financial liabilities at amortized cost	7,692,525,351	7,272,277,001	6,415,292,850
Total Financial Liabilities	7,782,397,097	7,325,948,559	6,434,979,869



Note 33 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

The book value of the Company's financial assets and liabilities approximates their fair value, except for certain long-term financial obligations. The market value of instruments is determined using future cash flows discounted at current market rates as of the financial statement close. The fair value and book value of long-term financial obligations are as follows:

	Dec-31-2016		Dec-31-2015		Jan 01-15	
	Book Value	Market Value ⁽¹⁾	Book Value	Market Value ⁽¹⁾	Book Value	Market Value ⁽¹⁾
Interest-bearing loans	1,916,945,539	1,740,397,893	1,703,095,238	1,565,191,762	1,420,904,735	1,370,545,811
Bonds payable	2,210,854,154	2,500,381,098	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

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, 2016, were 54 currency and interest rate swaps with a notional value of ThCh\$ 1,184,349,855 and 189 currency forwards of ThCh\$ 160,388,998. All these derivative instruments add up to a contracted notional value of ThCh\$ 1,344,738,853. As of December 31, 2015 there were 59 currency and interest rate swaps for ThCh\$ 1,321,273,479, and 303 currency forwards amounting to ThCh\$ 177,630,358, which in total add up to a contracted notional value of ThCh\$ 1,498,903,837. As of January 1, 2015 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.

Note 33 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

d) Fair Value Assets and Liabilities

Financial Assets	Dec-31-2016	Fair value measured at end of reporting period		
		Level 1	Level 2	Level 3
Financial assets held for trading and derivatives	120,471,110	108,562,248	11,908,862	-
Financial assets held for sale	566,071,349	566,071,349	-	-
Hedge assets	72,112,728	-	72,112,728	-
Total financial assets	758,655,187	674,633,597	84,021,590	-

Financial liabilities	Dec-31-2016	Level 1	Level 2	Level 3
Financial liabilities at fair value:	27,992,723	-	27,992,723	-
Hedging liabilities	61,879,023	-	61,879,023	-
Total Financial Liabilities	89,871,746	-	89,871,746	-

Financial instruments by category	Dec-31-2015	Fair value measured at end of reporting period		
		Level 1	Level 2	Level 3
Financial Assets				
Financial assets held for trading and derivatives	131,029,174	116,276,532	14,752,642	-
Financial assets held for sale	423,103,649	423,103,649	-	-
Hedge assets	176,471,236	-	176,471,236	-
Total financial assets	730,604,059	539,380,181	191,223,878	-

Financial liabilities	Dec-31-2015	Level 1	Level 2	Level 3
Financial liabilities at fair value:	22,895,666	-	22,895,666	-
Hedging liabilities	30,775,892	-	30,775,892	-
Total Financial Liabilities	53,671,558	-	53,671,558	-

Financial instruments by category	Jan 01-15	Fair value measured at end of reporting period		
		Level 1	Level 2	Level 3
Financial Assets				
Financial assets held for trading and derivatives	76,442,625	59,387,039	17,055,586	-
Financial assets held for sale	264,017,567	264,017,567	-	-
Hedge 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	14,994,102	-	14,994,102	-
Hedging liabilities	4,692,917	-	4,692,917	-
Total Financial Liabilities	19,687,019	-	19,687,019	-



Note 33 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

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 Risk

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 different local currencies in the countries where the group operates, and foreign currencies, mainly the US dollar. As a result of the above, as of December 31, 2016, the Company had consolidated accounts payable in US dollars for the import of goods of Ch\$ 155,560 million from which Ch\$ 24,816 million were letters of credit (financial debt). To cover this liability and future obligations in foreign currency, the Company had a hedge of Ch\$ 160,389 million, which generated a net book asset of Ch\$ 4,829 million, as of December 31, 2016.

Taking into account this exposure, a simultaneous depreciation of 16.3% in the Chilean peso, Peruvian sol, Colombian peso, Argentine peso, Brazilian real and Uruguayan peso with respect to the US dollar, keeping all other variables constant, would result in loss before tax amounting to Ch\$ 789 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, 2016, 72.1% of the consolidated financial debt after derivatives associated with the debt, excluding business developed in the banking business, was expressed in Chilean pesos (including that in UF), 19.5% in Peruvian soles, 3.3% in Colombian pesos, 3.3% in Argentine pesos, and 1.3% in Brazilian reals and 0.5% in Uruguayan pesos. As of that date, there was also a financial debt of Ch\$ 24,816 million after derivatives expressed in US dollars, which is 0.9 % of the consolidated financial debt of the Group, excluding banking business. This debt in US dollars has arisen mainly due to favorable conditions at the time it was negotiated.

Therefore, as of December 31, 2016, our net exchange rate risk excluding letters of credit and net of hedging, on the financial debt expressed in US dollars was Ch\$ 6,695 million. Considering this risk, a 19.90% devaluation of the Argentine peso (functional currency of the subsidiary that contracted the debt) with respect to the dollar would result in a group loss of Ch\$ 1,332 million before taxes. The devaluation percentage for the Argentine peso against the dollar was determined by averaging the maximum theoretical devaluation could occur in a year with a significance level of 10%.

**Note 33 - Financial Instruments and Risk Management (continued)****2.1.1. Market Risk (continued)****a) Exchange Rate Risk (continued)**

The Company has investments in businesses in Peru, Argentina, Colombia, Brazil, Uruguay and Mexico. These investments abroad are managed in the functional currency of each country. As a result Falabella has an exposure in its balance sheet of Ch\$ 1,091,417 million in Peruvian soles, Ch\$ 282,719 million in Colombian pesos, Ch\$ 62,792 million in Argentine pesos, Ch\$ 80,054 million in Brazilian reals, Ch\$ 24,690 million in Uruguayan pesos and Ch\$ 7,091 million in Mexican pesos as of December 31, 2016. Fluctuations in the exchange rates of currencies with respect to the Chilean peso can affect the value of the net investment abroad. Taking into account this risk as of December 31, 2016, a simultaneous depreciation of 13.56% 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\$ 210,014 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, 2016, 30% or Ch\$ 1,089,522 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\$ 10,895 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, 2016, 84.8% of the Company's consolidated financial debt after derivatives, and excluding the banking business, was at a fixed interest rate, 11.5% at a variable interest rate and 3.7% 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, 2016, after derivatives, Ch\$ 552,530 million or 15.2% 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\$ 5,525 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. At 31 December 2016, the total amount of gross Group credit card loans, excluding banking transactions, which are dealt with separately below, was Ch\$ 1,718,516 million. The Group's credit portfolio is quite scattered without individual debtors with large amounts, which substantially mitigates credit risk.



Note 33 - Financial Instruments and Risk Management (continued)

2.1.2. Credit Risk (continued)

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 the group's derivative operations are with counterparts that have a minimum risk rating, and are additionally subject to a credit analysis by the Company before initiating any transaction.

Maximum Exposure to Credit Risk

The Company's maximum exposure to credit risk, without considering guarantees, as of December 31, 2016 and 2015 and January 1, 2015 is as follows:

	Maximum Exposure		
	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan 01-15 ThCh\$
Cash equivalents	575,992,741	661,059,154	610,126,163
Time deposits	55,131,285	61,506,720	96,624,511
Highly liquid financial instruments	85,543,462	81,158,964	56,790,023
Liquidity transactions in progress, net (bank subsidiaries)	5,947,090	4,342,415	5,272,593
Other cash and cash equivalents	429,370,904	514,051,055	451,439,036
Financial assets at fair value, current	53,891,318	65,959,671	34,540,635
Derivative instruments	15,414,189	26,226,559	21,571,760
Other	38,477,129	39,733,112	12,968,875
Trade and other receivables	1,798,336,795	1,681,913,169	1,469,813,782
Trade receivables, net	220,776,970	225,989,681	194,344,679
Notes receivable, net	82,744,594	71,549,850	89,827,599
Sundry receivables, net	69,498,124	94,829,423	70,991,133
Financing receivables, net	1,425,317,107	1,289,544,215	1,114,650,371
Receivables due from related companies, current	6,135,088	5,099,194	14,382,645
Loans and Receivables - Banking Business	2,621,812,969	2,471,067,255	2,210,362,208
Due from banks	-	-	29,977,748
Customer credit and accounts receivables, net	2,621,812,969	2,471,067,255	2,180,384,460
Financial assets at fair value, non-current	73,357,881	164,996,973	71,524,973
Derivative instruments	68,431,082	164,821,000	71,342,907
Other	4,926,799	175,973	182,066
Trade and other receivables, non-current	240,706,433	203,915,411	206,165,723
Trade receivables, net	237,496	200,818	174,653
Notes receivable, net	2,432,833	1,985,864	1,793,311
Sundry receivables, net	6,014,619	3,230,513	2,947,119
Financing receivables, net	232,021,485	198,498,216	201,250,640
Total	5,370,233,225	5,254,010,827	4,616,916,129



Note 33 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.1. Financial Risks (continued)

2.1.3. Liquidity risk

The Company has various 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 capital 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.

The contractual maturities of obligations that accrue interest, separated into capital and interest payable are as follows:

ThCh\$	1 year	2 years	3 years	4 years	5 years	Over 5 years
Capital	2,707,369,829	1,076,733,241	275,570,072	337,556,670	102,752,407	1,931,873,150
Interest	149,598,482	99,436,894	87,436,341	75,603,183	75,466,570	375,349,678

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

2.2 Risk Management - Banking Business

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 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.



Note 33 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.2 Risk Management - Banking Business (continued)

2.2.2. Liquidity Risk (continued)

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 financial position statement.

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 transactions recorded in the financial position statement 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 transactions recorded in the financial position statement are expressed.

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

2.2.4. Operational 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, 2016, each Group banking subsidiary complies with these restrictions.



Note 33 - Financial Instruments and Risk Management (continued)

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

Balances as of December 31, 2016								
	Chilean peso ThCh\$	US dollar ThCh\$	Euro ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies ThCh\$	Total ThCh\$
Assets - Non-Banking Business								
Cash and cash equivalents	116,866,998	21,317,468	659,349	45,859,454	3,743,092	8,813,557	4,059,716	201,319,634
Other financial assets, current	21,740,397	378,923	-	3,699,533	1,701,115	-	212,922	27,732,890
Other non-financial assets, current	77,932,300	1,381,366	-	11,658,886	1,286,009	886,844	4,407,636	97,553,041
Trade and other receivables, current	1,544,233,976	7,477,760	-	28,814,444	173,839,048	14,868,267	29,103,300	1,798,336,795
Accounts receivable from related parties, current	3,215,370	-	-	-	-	2,919,718	-	6,135,088
Inventories	655,987,995	-	-	341,040,561	75,544,196	67,829,638	66,850,628	1,207,253,018
Current tax assets	38,235,650	549,844	-	17,753,946	2,430,806	16,464,117	472,080	75,906,443
Non-current assets or disposal groups held for sale	3,122,099	-	-	-	-	-	-	3,122,099
Total Current Assets	2,461,334,785	31,105,361	659,349	448,826,824	258,544,266	111,782,141	105,106,282	3,417,359,008
Other financial assets, non-current	4,926,799	67,896,317	-	534,765	-	-	-	73,357,881
Other non-financial assets, non-current	27,026,070	7,398,150	-	19,048,669	1,303,289	394,309	2,340,239	57,510,726
Trade and other receivables, non-current	231,716,687	468,772	-	1,720,249	3,744,643	3,056,082	-	240,706,433
Investments accounted for using the equity method	293,226	-	-	-	-	101,839,050	7,046,785	109,179,061
Intangible assets other than goodwill	216,584,593	48,804	-	31,025,014	2,317,504	2,525,652	17,608,991	270,110,558
Goodwill	259,964,833	-	-	224,305,661	-	-	35,082,718	519,353,212
Property, plant and equipment	1,411,093,699	43,016	-	872,869,697	25,183,828	111,949,318	79,165,142	2,500,304,700
Investment properties	2,440,948,886	-	-	299,792,680	-	82,051,794	-	2,822,793,360
Deferred tax assets	71,301,622	613,198	-	22,218,361	5,110,571	11,400,541	20,773,961	131,418,254
Total Non-Current Assets	4,663,856,415	76,468,257	-	1,471,515,096	37,659,835	313,216,746	162,017,836	6,724,734,185
Total Assets - Non-Banking Business	7,125,191,200	107,573,618	659,349	1,920,341,920	296,204,101	424,998,887	267,124,118	10,142,093,193
Assets - Banking Business								
Cash and bank deposits	100,666,616	99,573,706	-	78,200,256	-	24,950,800	-	303,391,378
Transactions pending settlement	41,279,485	22,115,661	-	373,983	-	-	-	63,769,129
Instruments held for trading	65,334,639	-	-	-	-	16,287,571	-	81,622,210
Financial derivative contracts	9,821,016	49,841	-	-	-	-	-	9,870,857
Customer credit and receivables	1,471,597,852	-	-	723,996,681	-	426,218,436	-	2,621,812,969
Investment instruments held for sale	499,862,878	-	-	59,246,414	-	6,962,057	-	566,071,349
Investments in other companies	-	-	-	3,063,456	-	-	-	3,063,456
Intangible assets	24,104,841	-	-	14,686,284	-	10,839,912	-	49,631,037
Property, plant and equipment	13,749,441	-	-	13,258,586	-	6,658,724	-	33,666,751
Current tax assets	-	-	-	3,179,760	-	395,889	-	3,575,649
Deferred tax assets	12,426,837	-	-	5,528,885	-	1,010,291	-	18,966,013
Other assets	16,863,726	446,303	-	4,130,841	-	6,302,403	-	27,743,273
Total Assets - Banking Business	2,255,707,331	122,185,511	-	905,665,146	-	499,626,083	-	3,783,184,071



Total Assets	9,380,898,531	229,759,129	659,349	2,826,007,066	296,204,101	924,624,970	267,124,118	13,925,277,264
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Note 33 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

	Chilean peso ThCh\$	US dollar ThCh\$	Euro ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies ThCh\$	Total ThCh\$
Liabilities - Non-Banking Business								
Other financial liabilities, current	559,876,750	90,692,083	400,143	315,714,198	90,697,317	2,555,102	12,158,482	1,072,094,075
Trade and other payables	632,389,441	69,076,233	5,156,934	179,372,954	65,389,422	53,575,540	42,664,846	1,047,625,370
Accounts payable to related parties, current	5,492,094	-	-	-	-	994,371	-	6,486,465
Other current provisions	4,560,807	-	-	4,071,643	4,596,379	-	1,588	13,230,417
Current tax liabilities	32,607,435	343,542	-	2,841,329	602,448	831,196	56,482	37,282,432
Employee benefit provisions, current	79,423,061	-	-	27,840,263	13,157,754	4,145,073	5,490,271	130,056,422
Other non-financial liabilities, current	96,171,131	363,959	-	15,465,767	21,614,495	13,248,901	3,057,860	149,922,113
Total Current Liabilities	1,410,520,719	160,475,817	5,557,077	545,306,154	196,057,815	75,350,183	63,429,529	2,456,697,294
Other financial liabilities, non-current	1,484,705,761	629,364,190	-	380,253,095	30,346,113	143,929,500	6,395,832	2,674,994,491
Trade and other payables, non-current	1,231,300	-	-	-	-	-	-	1,231,300
Other provisions, non-current	312,137	-	-	10,058,865	-	147,973	2,356,833	12,875,808
Deferred tax liabilities	460,873,612	-	-	97,367,220	-	31,201	5,122,352	563,394,385
Employee benefit provisions, non-current	27,668,131	-	-	911,450	177,531	348,943	38,232	29,144,287
Other non-financial liabilities, non-current	30,930,378	1,858,178	-	6,044,695	295,431	2,332,768	-	41,461,450
Total Non-Current Liabilities	2,005,721,319	631,222,368	-	494,635,325	30,819,075	146,790,385	13,913,249	3,323,101,721
Total Liabilities - Non-Banking Business	3,416,242,038	791,698,185	5,557,077	1,039,941,479	226,876,890	222,140,568	77,342,778	5,779,799,015
Liabilities - Banking Business								
Deposits and other demand deposits	360,905,012	306,034	-	21,895,208	-	44,594,001	-	427,700,255
Transactions pending settlement	20,076,796	37,745,243	-	-	-	-	-	57,822,039
Deposits and other time deposits.	1,135,169,036	159,299,753	-	474,991,842	-	247,236,728	-	2,016,697,359
Financial derivative contracts	8,669,242	-	-	-	-	679,418	-	9,348,660
Bank borrowings	15,001,458	-	-	26,336,953	-	75,384,837	-	116,723,248
Debt instruments issued	239,642,981	-	-	18,560,589	-	5,784,309	-	263,987,879
Other financial obligations	145,507,995	-	-	-	-	-	-	145,507,995
Current tax liabilities	1,214,607	-	-	-	-	-	-	1,214,607
Provisions	1,155,738	-	-	997,146	-	189,269	-	2,342,153
Other liabilities	8,886,314	2,317,040	-	21,263,809	-	23,309,771	-	55,776,934
Liabilities - Banking Business	1,936,229,179	199,668,070	-	564,045,547	-	397,178,333	-	3,097,121,129
Total Liabilities	5,352,471,217	991,366,255	5,557,077	1,603,987,026	226,876,890	619,318,901	77,342,778	8,876,920,144



Note 33 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

Balances as of December 31, 2015								
	Chilean peso	US dollar	Euro	Peruvian nuevo sol	Argentine peso	Colombian peso	Other currencies	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	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 parties, current	3,121,003	-	-	1,218,643	-	759,548	-	5,099,194
Inventories	600,952,356	-	-	355,045,405	84,971,518	73,859,143	58,842,934	1,173,671,356
Current tax assets	29,672,024	1,051,369	-	11,965,986	339,840	10,686,568	905,872	54,621,659
Non-current assets or disposal groups held for sale	3,167,499	-	-	-	-	9,756	-	3,177,255
Total Current Assets	2,247,289,182	75,506,717	1,460,163	440,480,000	275,245,940	105,463,904	92,587,556	3,238,033,462
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	1,328,539,939	56,649	-	849,365,481	34,423,385	97,196,130	68,389,220	2,377,970,804
Investment properties	2,427,732,457	-	-	94,894,449	-	69,769,486	-	2,592,396,392
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	4,491,154,815	172,044,672	-	1,274,591,742	42,337,902	256,808,828	123,598,000	6,360,535,959
Total Assets - Non-Banking Business	6,738,443,997	247,551,389	1,460,163	1,715,071,742	317,583,842	362,272,732	216,185,556	9,598,569,421
Assets - Banking Business								
Cash and bank deposits	177,282,684	112,279,737	-	68,023,201	-	15,279,125	-	372,864,747
Transactions pending settlement	7,699,632	5,979,847	-	205,426	-	-	-	13,884,905
Instruments held for trading	95,718,411	-	-	-	-	14,436,137	-	110,154,548
Financial derivative contracts	8,744,053	-	-	-	-	-	-	8,744,053
Customer credit and receivables	1,352,385,052	16,399,756	-	740,225,752	-	362,056,695	-	2,471,067,255
Investment instruments held for sale	368,503,255	-	-	54,600,394	-	-	-	423,103,649
Investments in other companies	-	-	-	2,801,387	-	-	-	2,801,387
Intangible assets	18,805,342	-	-	9,866,964	-	5,456,482	-	34,128,788
Property, plant and equipment	14,588,622	-	-	14,087,301	-	6,879,718	-	35,555,641
Current tax assets	-	-	-	995,622	-	854,624	-	1,850,246
Deferred tax assets	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	8,805,708,298	382,448,159	1,460,163	2,617,825,831	317,583,842	771,181,186	216,185,556	13,112,393,035



Note 33 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

	Chilean peso ThCh\$	US dollar ThCh\$	Euro ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies 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 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 companies, 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
Current tax liabilities	27,520,468	1,071,020	-	9,710,445	5,922,955	639,117	55,931	44,919,936
Employee benefit provisions, 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 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	451,159,990	-	-	51,984,873	-	231,462	30,025	503,406,350
Employee benefit provisions, 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	2,086,384,305	740,507,100	-	361,717,457	17,208,572	65,626,185	10,542,287	3,281,985,906
Total Liabilities - Non-Banking Business	3,125,673,599	871,190,918	5,579,412	885,704,543	246,931,753	155,043,144	71,509,792	5,361,633,161
Liabilities - Banking Business								
Deposits and other demand deposits	282,652,309	128,943	-	13,867,165	-	25,044,951	-	321,693,368
Transactions pending 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
Borrowings from financial institutions	-	-	-	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 liabilities	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	5,005,986,846	991,443,436	5,579,412	1,501,579,694	246,931,753	477,122,377	71,509,792	8,300,153,310



Note 33 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

Balances as of January 1, 2015

	Chilean peso ThCh\$	US dollar ThCh\$	Euro ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies 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 parties, current	1,289,529	-	-	2,197,344	-	10,895,772	-	14,382,645
Inventories	532,002,494	-	-	298,343,795	90,122,905	53,972,146	44,758,626	1,019,199,966
Current tax assets	26,903,322	152,229	-	10,357,405	2,768,867	8,805,129	579,391	49,566,343
Non-current assets or disposal groups held for sale	3,163,499	-	-	-	-	12,222	-	3,175,721
Total Current Assets	1,961,161,408	40,895,308	2,297,209	388,223,365	262,636,218	118,203,910	93,145,406	2,866,562,824
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	1,258,267,131	57,821	-	798,591,104	45,721,530	100,682,039	55,098,916	2,258,418,541
Investment properties	2,366,456,365	-	-	73,392,130	-	53,605,991	-	2,493,454,486
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	4,331,541,133	68,812,520	412,957	1,182,928,559	55,116,215	236,720,867	117,695,072	5,993,227,323
Total Assets - Non-Banking Business	6,292,702,541	109,707,828	2,710,166	1,571,151,924	317,752,433	354,924,777	210,840,478	8,859,790,147
Assets - Banking Business								
Cash and bank deposits	91,504,492	158,750,878	-	82,391,720	-	14,568,102	-	347,215,192
Transactions pending settlement	7,672,457	2,295,438	-	157,453	-	-	-	10,125,348
Instruments held for trading	46,418,510	-	-	-	-	9,445,900	-	55,864,410
Financial derivative contracts	14,503,691	-	-	-	-	-	-	14,503,691
Due from banks	29,977,748	-	-	-	-	-	-	29,977,748
Customer credit and receivables	1,252,413,274	29,990,112	-	551,259,925	-	346,721,149	-	2,180,384,460
Investment instruments held for sale	208,753,899	-	-	55,263,668	-	-	-	264,017,567
Investments in other companies	-	-	-	1,910,151	-	-	-	1,910,151
Intangible assets	14,034,463	-	-	5,691,582	-	4,043,220	-	23,769,265
Property, plant and equipment	16,066,942	-	-	12,258,946	-	8,608,676	-	36,934,564
Current tax assets	-	-	-	1,628,266	-	245,403	-	1,873,669
Deferred tax assets	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	7,994,353,639	301,189,963	2,710,166	2,288,952,792	317,752,433	741,261,060	210,840,478	11,857,060,531



Note 33 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

	Chilean peso ThCh\$	US dollar ThCh\$	Euro ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies 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 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 current provisions	4,332,887	703	-	2,205,975	3,641,934	-	67,085	10,248,584
Current tax liabilities	18,796,186	129,942	-	4,713,876	1,610,831	452,862	30,333	25,734,030
Employee benefit provisions, 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 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	457,800,881	-	-	48,379,371	-	-	31,604	506,211,856
Employee benefit provisions, 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	1,882,677,845	667,648,078	-	251,130,238	22,774,926	65,053,880	3,945,395	2,893,230,362
Total Liabilities - Non-Banking Business	2,896,851,662	796,302,165	2,230,172	743,480,525	241,463,832	147,892,956	53,593,301	4,881,814,613
Liabilities - Banking Business								
Deposits and other demand deposits	211,404,450	70,085	-	6,724,225	-	23,148,719	-	241,347,479
Transactions pending 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
Borrowings from financial institutions	-	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 liabilities	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	4,500,194,928	912,560,541	2,230,172	1,184,382,697	241,463,832	451,975,556	53,593,301	7,346,401,027



Note 34 - Capital

a) Objectives, policies and processes that the Company applies to manage capital

S.A.C.I. Falabella has appropriate 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 the cost of capital.

The Group monitors capital using an index of net consolidated financial debt (excluding the banking businesses) over equity. As of December 31, 2016, this index was 0.69.

The Company has been rated locally as follows by the Feller-Rate and Fitch Ratings credit ratings:

	Feller-Rate	Fitch Ratings
Equities	1st C.N. 1	1st C.N. 1
Bonds and lines of bonds	AA	AA
Commercial paper	AA / Level 1+	AA / Level 1+

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

b) Capital and number of shares

As of December 31, 2016 and 2015 and January 1, 2015, the Company's capital was as follows:

Number of shares

Series	Number of Shares Subscribed	Number of Shares Paid	Number of Shares With Voting Rights
Single	2,434,465,103	2,434,465,103	2,434,465,103

Capital Issued

Series	Dec-31-2016		Dec-31-2015		Jan-01-2015	
	Subscribed capital	Paid capital	Subscribed capital	Paid capital	Subscribed capital	Paid capital
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Single	533,409,643	533,409,643	533,409,643	533,409,643	533,409,643	533,409,643

Note 34 - Capital (continued)

c) The detail of Other Reserves as of December 31 2016 and 2015 and 1 January 2015, is the following:

Other Reserves	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Conversion reserve	(146,884,310)	(91,174,709)	(51,454,926)
Cash flow hedge reserve	(32,209,059)	(4,370,303)	(1,498,691)
Reserve for actuarial gains or losses on defined benefits plans	(7,651,577)	(5,834,642)	(4,783,662)
Reserve for actuarial gains or losses on re-measuring financial assets held for sale	611,482	(853,646)	620,476
Share-based payments reserve	38,426,024	35,281,296	30,096,699
Capital adjustment due to currency restatement (1)	12,256,323	12,256,323	12,256,323
Other reserves	(148,332,323)	(77,236,502)	(77,236,502)
Total Other Reserves	(283,783,440)	(131,932,183)	(92,000,283)

Movement in Other Reserves	Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
Opening balance	(131,932,183)	(92,000,283)	(123,136,318)
Conversion reserve	(55,709,601)	(39,719,783)	19,316,260
Cash flow hedge reserve	(27,838,756)	(2,871,612)	7,921,536
Reserve for actuarial gains or losses on defined benefits plans	(1,816,935)	(1,050,980)	(2,306,899)
Reserve for actuarial gains or losses on re-measuring financial assets held for sale	1,465,128	(1,474,122)	(9,734)
Share-based payments reserve	3,144,728	5,184,597	6,214,872
Other reserves	(71,095,821)	-	-
Total Annual Movement	(151,851,257)	(39,931,900)	31,136,035
Closing balance	(283,783,440)	(131,932,183)	(92,000,283)

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

d) Dividends Policy

The 2016 dividend policy at S.A.C.I. Falabella is to annually distribute at least 30% of the Company's distributable earnings each year.

At a meeting held on October 26, 2010, the Board approved a policy to calculate the distributable earnings (hereinafter the "Policy"), in accordance with Circular 1945, complemented by Circular 1983, both issued by the SVS. This policy established that no deductions or additions would be made to distributable earnings, in response to the circumstances at the time the Policy was implemented. The policy has been consistently applied since it was approved. Consequently, since it was approved and through to 2015, the Company has not adjusted the "Profit (Loss) Attributable to Owners of the Parent" in its financial statements.



Note 34 - Capital (continued)

d) Dividend Policy (continued)

On December 27, 2016, the Board agreed to amend the Policy on the basis of the results for 2016, as well as future results, to exclude the following:

- i. Gains on the fair value valuation of both assets and liabilities, which have not been realized, and which arise as a result of business combinations, or corporate restructuring, including affiliates (subsidiaries) and associates; these gains will be reinstated when realized.
- ii. The unrealized gains on the fair value revaluation of investment properties; these gains will be reinstated into distributable net earnings when realized.

The effects of deferred taxes associated with the concepts indicated in i) and ii) above will be treated in the same manner as the item generating them.

The following table details how distributable earnings are calculated as of December 31, 2016:

Distributable Earnings	As of December 31, 2016 ThCh\$
Profit (loss) attributable to owners of the parent company	609,024,729
<u>Adjustments according to the Policy:</u>	
- Unrealized gains on the fair value valuations of assets and liabilities, arising from business combinations, or corporate restructuring.	(115,308,951)
Distributable Earnings	493,715,778

On April 26, 2016, an Ordinary Shareholders' Meeting approved the distribution of a final dividend of Ch\$54 per share from earnings for 2015.

On April 28, 2015, an Ordinary Shareholders' Meeting approved the distribution of a final dividend of Ch\$47 per share from earnings for 2014.

On October 25, 2016, the Board of Directors approved the distribution of an interim dividend of Ch\$26 per share from earnings for 2016.

On September 29, 2015, the Board of Directors approved the distribution of an interim dividend of Ch\$26 per share from earnings for 2015.



Note 34 - Capital (continued)

- e) Share Premium on Placement

As of December 31, 2016 and 2015, and January 1, 2015, the cumulative amount was ThCh\$ 93,482,329.

- f) Summarized financial information for subsidiaries with non-controlling interests:

The Chilean subsidiary Plaza S.A. has non-controlling interests that are significant for the group, before inter-company eliminations and other adjustments for consolidation. Financial information regarding the subsidiary is as follows:

	Dec-31-2016	Dec-31-2015
% non-controlling	40.7220%	40.7220%
Non-current assets	2,957,506,839	2,843,754,676
Current assets	130,189,345	136,067,957
Non-current liabilities	(1,186,698,346)	(1,223,141,808)
Current liabilities	(219,101,769)	(166,478,535)
Net assets	1,681,896,069	1,590,202,290
Revenue	260,422,381	247,773,680
Profit (loss)	140,405,314	92,023,921
Comprehensive income	132,803,245	88,507,728
Profit (loss) attributable to non-controlling interests	3,822,352	3,950,483
Cash flow from operating activities	190,368,910	205,236,379
Cash flow from investing activities	(80,858,732)	(125,604,434)
Cash flow from financing activities, before dividends paid to parties with non-controlling interests	(97,112,673)	(48,366,736)
Cash flow from financing activities, cash dividends to parties with non-controlling interests	(16,170,977)	(14,333,225)

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 financial 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.



Note 35 - Financial Information by Segment (continued)

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 food and other non-food products.
- 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 constructing and leasing malls.
- 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: It has department stores, home improvement and financial retail businesses.
 - Colombia It has department stores and financial retail businesses. Banco Falabella S.A. is shown in the Banking Business for segment information purposes.
 - Peru: It 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 It has a home improvement business.
- g) Banking Business: includes information on all banking business, in Chile and abroad.

The portfolio of Group clients is highly scattered and there are no individual customers that are significantly representative.

The information disclosed in each segment is presented net of eliminations for transactions and income between companies in each segment. Inter-segment income and transactions are eliminated at an overall level, and form part of the group's final consolidated figures. This presentation is the same used by management for its regular reviews of the Company's performance.

Ordinary income for the Chile Real Estate segment of ThCh\$ 332,540,442 as of December 31, 2016 (ThCh\$ 312,700,855 as of December 31, 2015) is total income receivable from real estate companies in Chile from third parties and related companies. Conversely, Note 15 j) presents the leasing income receivable from third parties for all real estate companies of the Falabella Group.

S.A.C.I. Falabella and Subsidiaries
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Note 35 - Financial Information by Segment (continued)

Segment Information - Non-Banking Business

	Department Stores Chile	Home Improvement and Construction Materials Chile	Supermarkets Chile	Promotora CMR Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Construction Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores and Home Improvement and Construction Materials Argentina	CMR Argentina	Other Businesses and Eliminations Argentina	Department Stores Colombia	Other Businesses and Eliminations Colombia	Home Improvement and Construction Materials Brazil	Other Businesses and Eliminations Brazil	Other Businesses, Inter-segment Eliminations, and Cancellations	Total Business	
December 31, 2016																			
Revenue from ordinary activities	1,471,981,905	2,000,746,660	705,967,545	414,750,230	332,540,442	595,595,934	591,764,543	666,022,951	37,451,004	469,115,061	73,767,993	(4,872,734)	349,598,702	24,290,151	167,504,279	-	2,077,118	7,898,301,784	
Cost of sales	(985,328,827)	(1,402,801,149)	(530,777,268)	(214,793,669)	(92,541,785)	(418,668,554)	(415,957,528)	(506,566,261)	3,941,431	(234,869,421)	(48,985,340)	(657,008)	(264,797,910)	(1,055,361)	(112,790,714)	-	45,929,420	(5,180,719,944)	
Financial income	4,931,228	6,011,234	1,146,937	766,587	2,042,618	268,792	2,295,108	388,169	1,610,395	695,130	709	38,434	366,353	605,267	742,169	23,194	(6,664,232)	15,268,092	
Financial costs	(8,636,231)	(23,828,499)	(4,568,011)	(263,255)	(63,383,468)	(8,145,427)	(20,932,628)	(10,768,116)	(7,433,183)	(21,922,210)	(5,243)	(37,067)	(8,221,007)	1,187,897	(9,629,751)	(117,684)	(46,952,525)	(233,656,408)	
Net financial income / costs	(3,705,003)	(17,817,265)	(3,421,074)	503,332	(61,340,850)	(7,876,635)	(18,637,520)	(10,379,947)	(5,822,788)	(21,227,080)	(4,534)	1,367	(7,854,654)	1,793,164	(8,887,582)	(94,490)	(53,616,757)	(218,388,316)	
Depreciation and amortization	(27,914,571)	(39,350,232)	(17,523,147)	-	(50,577,914)	(12,200,791)	(18,531,147)	(22,437,101)	(9,149,523)	(4,590,650)	(343,723)	(88,055)	(11,056,095)	(712,998)	(4,325,630)	-	(26,577,662)	(245,379,241)	
Profit before tax	57,503,350	99,795,558	9,048,001	156,852,646	213,788,165	48,557,958	4,461,504	11,437,696	125,158,797	(1,216,903)	1,960,746	530,393	(16,741,343)	27,828,415	(24,843,651)	(175,670)	29,303,652	743,249,314	
Income tax income (expense)	(11,568,656)	(21,782,972)	(1,593,656)	(34,174,642)	(38,160,415)	(14,241,386)	(6,775,146)	(3,336,914)	(15,454,770)	306,164	(444,753)	(428,274)	6,978,784	(4,406,585)	8,489,815	-	(11,986,770)	(148,580,176)	
Segment profit (loss)	45,934,694	78,012,586	7,454,345	122,678,004	175,627,750	34,316,572	(2,313,643)	8,100,782	109,704,028	(910,739)	1,515,993	102,119	(9,762,559)	23,421,830	(16,353,836)	(175,670)	17,316,882	594,669,138	
Share of profits (losses) of associates and joint ventures accounted for using the equity method	-	-	-	-	1,492,340	-	-	-	2,994,353	-	-	-	-	17,026,914	-	-	(265,618)	21,247,989	
Trade and other receivables, current	47,338,571	131,965,102	7,397,085	1,300,450,863	44,344,411	6,081,209	6,932,958	6,483,262	12,157,706	24,928,353	147,936,995	1,194,620	9,225,518	2,838,699	25,117,689	54	23,943,700	1,798,338,795	
Inventories	253,798,021	324,775,876	70,056,072	-	223,725	120,510,159	149,537,298	70,988,513	4,591	75,544,196	-	-	67,829,638	-	56,841,471	-	17,143,458	1,207,253,018	
Trade and other receivables, non-current	-	749,881	-	228,549,371	5,407,357	-	138,531	-	2,050,490	-	3,744,643	-	-	-	-	-	66,160	240,706,433	
Property, plant and equipment	172,812,270	192,807,639	99,332,936	333,417	850,614,395	130,546,703	253,253,524	250,766,966	279,388,378	24,227,043	825,593	131,192	100,805,943	1,771,272	49,987,581	6,243	92,693,605	2,500,304,700	
Investment properties	-	-	-	-	2,566,305,407	-	21,951,382	-	236,024,674	-	-	-	-	-	-	-	-	(1,488,103)	2,822,793,360
Total segment assets	759,468,876	801,477,815	221,921,433	1,596,465,123	3,705,290,968	400,726,014	732,277,644	423,409,049	337,997,615	167,729,300	158,184,385	(21,824,099)	213,634,643	107,295,092	159,839,348	52,903,406	325,296,581	10,142,093,193	
Investments accounted for using the equity method	-	-	-	-	293,226	-	-	-	-	-	-	-	-	101,839,050	-	-	-	7,046,785	109,179,061
Other financial liabilities, current	8,322,028	46,256,283	527,232	185,948,377	157,912,132	85,806,651	103,650,084	71,342,021	35,550,897	16,614,237	80,900,515	-	292,859	-	49,496,778	-	229,473,981	1,072,094,075	
Trade and other payables, current	144,653,757	172,956,633	68,647,826	80,921,846	79,090,120	60,437,777	61,458,469	81,128,924	7,832,319	44,065,498	22,626,862	1,294,915	58,809,172	6,802,644	38,440,473	114,740	118,343,395	1,047,625,370	
Other financial liabilities, non-current	-	55,396,437	-	20,000,000	801,971,401	17,175,496	5,598,343	53,592,765	337,239,732	16,879,586	13,466,527	-	51,892,808	-	-	-	1,301,781,396	2,674,994,491	
Total segment liabilities	543,586,070	539,386,580	163,010,417	1,064,640,855	1,715,000,226	254,770,308	397,916,393	248,024,345	(18,473,185)	119,598,420	141,536,649	(19,838,073)	164,344,019	(17,699,430)	97,734,364	5,206,511	381,054,546	5,779,799,015	
Disbursements of the segment's non-monetary assets	(49,805,941)	(54,806,027)	(32,882,414)	-	(128,644,097)	(14,956,256)	(16,103,758)	(39,279,793)	(57,619,849)	(5,403,738)	(2,043,906)	(47,753)	(28,502,259)	(2,487,679)	(10,283,791)	-	(52,690,554)	(495,557,815)	
Segment operating cash flow	229,860,500	161,899,706	30,406,009	(184,173,155)	230,933,935	48,605,282	43,334,173	34,283,990	17,582,807	1,408,936	(16,306,944)	341,828	27,671,174	(6,858,976)	(20,218,807)	-	(40,177,680)	558,592,778	
Segment investing cash flow	(34,632,072)	(52,580,437)	(30,604,629)	-	(191,479,834)	(42,039,434)	(23,177,235)	(61,260,528)	(3,997,680)	(4,444,944)	(2,344,992)	(9,258)	(29,113,486)	4,167,827	(9,811,399)	-	73,543,878	(407,784,223)	
Segment financing cash flow	(185,324,622)	(112,946,499)	(223,480)	195,165,938	(42,874,492)	(7,581,433)	(31,900,100)	25,345,266	50,410,232	2,327,481	18,560,592	-	4,660,479	(11,228,889)	29,895,961	29,161	(63,089,659)	(128,794,244)	

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Note 35 - Financial Information by Segment (continued)

Segment Information - Non-Banking Business

	Department Stores Chile	Home Improvement and Construction Materials Chile	Supermarkets Chile	Promotora CMR Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Construction Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores and Home Improvement and Construction Materials Argentina	CMR Argentina	Other Businesses and Eliminations Argentina	Department Stores Colombia	Other Businesses and Eliminations Colombia	Home Improvement and Construction Materials Brazil	Other Businesses and Eliminations Brazil	Other Businesses, Inter-segment Eliminations, and Cancellations	Total Business	
December 31, 2015																			
Revenue from ordinary activities	1,354,273.088	1,967,839,489	667,358,264	356,994,065	312,700,855	590,596,883	640,054,663	648,958,706	28,355,532	614,720,980	76,122,047	(5,563,702)	342,043,430	21,585,600	164,812,011	-	(27,642,339)	7,753,209,572	
Cost of sales	(923,050,205)	(1,382,200,463)	(504,257,640)	(177,170,630)	(84,834,248)	(415,277,738)	(454,965,179)	(493,638,001)	7,075,847	(322,628,511)	(47,237,730)	(11,069)	(248,272,777)	(2,123,002)	(111,734,618)	-	62,194,333	(5,098,131,631)	
Finance income	7,755,781	10,325,842	61,833	983,116	1,745,454	1,168,599	3,576,522	1,022,972	1,322,305	1,753,271	269	5,471	3,049,808	299,276	703,838	17,484	77,058	33,868,899	
Financial costs	(2,557,114)	(14,463,606)	(1,811,995)	(187,113)	(74,235,209)	(5,340,887)	(21,850,495)	(8,631,837)	(5,830,176)	(21,204,359)	-	(33,572)	(3,711,162)	340,392	(3,374,320)	(1,440)	(44,595,076)	(207,487,969)	
Net financial income / costs	5,198,667	(4,137,764)	(1,750,162)	796,003	(72,489,755)	(4,172,288)	(18,273,973)	(7,608,865)	(4,507,871)	(19,451,088)	269	(28,101)	(661,354)	639,668	(2,670,482)	16,044	(44,518,018)	(173,619,070)	
Depreciation and amortization	(25,939,872)	(35,723,781)	(16,679,282)	-	(50,082,452)	(12,938,607)	(18,072,793)	(20,336,793)	(7,803,291)	(6,828,013)	(362,628)	(125,221)	(9,835,812)	(557,936)	(3,525,412)	-	(19,346,937)	(228,158,830)	
Profit before tax	42,232,296	114,164,289	9,546,382	142,036,233	125,508,447	50,493,495	9,448,353	14,905,472	49,660,571	20,684,619	2,735,926	644,792	874,375	25,524,252	(15,042,105)	376	20,432,463	613,850,236	
Income tax income (expense)	(7,569,175)	(23,439,065)	(1,937,424)	(27,752,488)	(18,740,544)	(15,250,210)	(2,723,338)	(4,938,141)	(12,687,859)	(7,889,219)	(2,475,646)	(500,826)	(90,462)	(3,541,768)	5,254,672	-	(9,814,193)	(134,095,688)	
Segment profit (loss)	34,663,121	90,725,224	7,608,958	114,283,745	106,767,903	35,243,285	6,725,015	9,967,331	36,972,712	12,795,400	260,280	143,966	783,913	21,982,484	(9,787,433)	376	10,618,270	479,754,550	
Share of profits (losses) 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	4,606,611	6,431,064	6,550,178	8,758,953	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	
Inventories	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 and equipment	155,020,812	184,593,935	92,293,562	333,417	855,952,396	122,761,829	266,488,484	238,250,891	221,858,957	32,965,749	1,278,926	178,710	85,761,193	1,973,259	38,046,238	7,905	80,204,541	2,377,970,804	
Investment properties	-	-	-	-	2,499,797,087	-	23,060,641	-	71,026,767	-	-	-	-	-	-	-	-	(1,488,103)	2,592,396,392
Total segment assets	899,545,471	779,096,613	208,138,495	1,417,008,826	3,586,292,990	363,853,864	819,330,303	377,067,846	170,754,956	196,487,002	163,410,608	(29,163,176)	186,990,898	103,460,658	116,524,128	43,576,943	196,192,996	9,598,569,421	
Investments accounted for using the equity method	-	-	-	-	33,046,532	-	-	-	65,502,868	-	-	-	-	85,598,939	-	-	-	184,148,339	
Other financial liabilities, current	10,655,008	11,391,094	-	775,287	109,658,904	84,751,468	131,198,003	56,124,676	24,376,856	25,624,240	79,274,728	-	21,972,830	-	22,563,517	-	160,350,550	738,717,161	
Trade and other payables, current	128,429,642	180,740,240	62,719,880	68,524,118	64,856,310	59,955,693	69,572,290	74,893,054	6,404,459	52,954,713	33,179,252	1,207,510	54,035,875	3,236,694	30,254,310	-	129,407,552	1,020,371,592	
Other financial liabilities, non-current	-	81,234,524	-	153,531,644	864,090,552	25,506,818	108,041,104	65,304,367	158,679,701	5,502,372	11,201,862	-	34,380,808	-	11,411,840	-	1,181,945,189	2,700,830,781	
Total segment liabilities	709,613,432	538,273,282	157,331,048	943,142,909	1,712,090,641	221,015,539	458,036,401	225,191,239	(35,490,903)	136,911,157	151,942,836	(26,472,194)	138,067,303	(4,299,941)	72,146,552	85,243	(35,951,383)	5,361,633,161	
Disbursements of the segment's non-monetary assets	(39,607,593)	(61,165,625)	(22,064,468)	-	(181,194,218)	(21,793,791)	(13,462,611)	(48,284,704)	(25,708,652)	(7,313,915)	(505,300)	(62,989)	(13,761,047)	(1,676,033)	(12,818,208)	-	(64,727,331)	(514,126,485)	
Segment operating cash flow	(61,540,620)	128,853,492	24,426,422	53,516,786	254,338,074	24,746,881	447,402	16,386,770	6,842,295	15,621,734	(18,558,092)	1,526,541	(15,167,281)	(14,347,669)	(8,290,809)	-	140,368,543	549,170,469	
Segment investing cash flow	(41,289,771)	(58,807,170)	(20,840,812)	(844,056)	(241,470,766)	(8,704,002)	(11,436,696)	(37,362,739)	(33,294,423)	(5,476,688)	(405,340)	(54,002)	(10,717,967)	23,744,958	(12,377,516)	-	(6,712,084)	(466,049,074)	
Segment financing cash flow	97,925,680	(69,929,301)	(4,574,609)	(52,536,711)	4,566,122	(11,340,844)	22,128,312	28,841,184	2,894,945	(9,229,760)	18,705,735	-	9,240,623	(5,593,376)	21,430,349	(24,193)	(166,148,981)	(113,644,825)	



Note 35 - Financial Information by Segment (continued)

Segment Information - Banking Business

	Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2016				
Interest and indexation income.	269,231,252	189,421,934	68,011,305	526,664,491
Interest and indexation expense.	(72,046,248)	(53,700,708)	(26,397,802)	(152,144,758)
Commission income	33,523,060	61,051,502	68,909,220	163,483,782
Commission expense	(17,106,504)	(8,769,362)	(14,259,857)	(40,135,723)
Segment interest income, net	213,601,560	188,003,366	96,262,866	497,867,792
Depreciation and amortization	(8,849,875)	(4,525,074)	(3,435,835)	(16,810,784)
Profit before tax	69,554,338	24,633,524	19,585,723	113,773,585
Income tax	(14,781,379)	(7,406,389)	(8,222,965)	(30,410,733)
Segment profit (loss)	54,772,959	17,227,135	11,362,758	83,362,852
Income from investments in companies	-	508,395	-	508,395
Cash and bank deposits	128,559,121	149,634,806	25,197,451	303,391,378
Instruments held for trading	65,334,639	-	16,287,571	81,622,210
Customer credit and receivables	1,471,597,852	723,996,681	426,218,436	2,621,812,969
Property, plant and equipment	13,749,441	13,258,586	6,658,724	33,666,751
Total segment assets	2,306,001,099	977,260,397	499,922,575	3,783,184,071
Investments in associates	-	3,063,456	-	3,063,456
Deposits and other time deposits.	1,221,812,361	547,648,270	247,236,728	2,016,697,359
Total segment liabilities	2,060,735,528	639,207,268	397,178,333	3,097,121,129
Disbursements of the segment's non-monetary assets	(12,943,192)	(9,554,892)	(8,484,215)	(30,982,299)
Segment operating cash flow	108,229,014	(25,311,217)	46,601,990	129,519,787
Segment investing cash flow	(142,842,834)	(13,447,458)	(15,560,328)	(171,850,620)
Segment financing cash flow	(19,479,561)	(10,058,296)	(12,995,627)	(42,533,484)

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



Note 35 - Financial Information by Segment (continued)

Ordinary revenue from external customers by country of domicile and geographic area is as follows

Breakdown of Information by Geographic Areas	Dec-31-2016
Ordinary revenue from external customers by country of domicile.	5,230,818,212
Ordinary revenue from external customers, all foreign countries	3,357,631,845

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-31-2016	
	Area Description	Revenue
Ordinary revenue	Peru	2,141,307,868
Ordinary revenue	Argentina	538,010,320
Ordinary revenue	Colombia	510,809,378
Ordinary revenue	Brazil	167,504,279

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

Non-Current Assets	Dec-31-2016
Non-current assets by country of domicile	5,989,224,621
Non-current assets, all foreign countries	2,113,031,894

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-31-2016	
	Geographical Area, Assets	Assets Attributed to a Foreign Country
Property, Plant and Equipment (net)	Peru	886,124,007
Investment property (net)	Peru	299,066,206
Financial accounts receivable, non-current (net)	Peru	219,857,182
Property, Plant and Equipment (net)	Argentina	25,183,828
Investment property (net)	Argentina	-
Financial accounts receivable, non-current (net)	Argentina	3,744,643
Property, Plant and Equipment (net)	Colombia	109,235,939
Investment property (net)	Colombia	-
Financial accounts receivable, non-current (net)	Colombia	-
Property, Plant and Equipment (net)	Brazil	49,993,824
Investment property (net)	Brazil	-
Financial accounts receivable, non-current (net)	Brazil	-



Note 36 - Contingencies, Lawsuits and Other

a) Litigation

a.1) The Parent Company and its subsidiaries have litigation filed against them, or administrative matters whose resolution is pending in the respective courts or administrative bodies. The company has made provisions to reflect the company's possible unfavorable contingencies. No provision has been made where these matters have low probabilities of success and should be resolved in the Company's favor. The matters as of December 31, 2016, are detailed as follows:

Nature	Number Litigation	Amount ThCh\$	Accounting Provision ThCh\$
Civil	397	16,298,032	1,671,647
Consumer	1,034	9,233,493	3,952,497
Employment	1,207	16,913,340	9,046,395
Tax	96	14,834,509	8,120,034
Other	243	2,186,107	1,235,523

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 these periods, for a total updated amount of 32,637,325 Peruvian new soles (ThCh\$ 6,517,347).

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 south west side of the land on which Mall Plaza Norte is constructed, in addition to requesting the payment of mutual benefits and compensation for damages. A judgment was issued at first instance, which partially granted the applicant company's claim, since it ordered the restitution of 895.43 square meters and dismissed the actions relating to restituting natural and civil damages and responding to the deterioration as the arbitrator considered that Mall Plaza acted in good faith. A motion to appeal against this unfavorable judgment was filed.

b) Other

On December 31, 2016, Falabella Argentina provided customs guarantees of ThCh\$ 2,726,572.

Falabella Peru has assets in guarantee totaling ThCh\$ 101,110,670 as of December 31, 2016.



Note 37 - Guarantees Provided to and Obtained from Third Parties

a) Guarantee deposits and other instruments received

a.1) As of December 31, 2016, the Company has current guarantee deposits received amounting to ThCh\$ 66,248,299, which mainly guarantee the correct execution of construction works and faithful compliance with contracts.

a.2) S.A.C.I. Falabella has received an amount of ThCh\$ 2,397,032 as of December 31, 2016, as a guarantee to support Cross Currency Swaps contracts signed with banks. Other banks have pledged deposits in favor of the Company for ThCh\$ 9,873,467 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\$ 1,201,976.

b) Guarantee deposits provided

As of December 31, 2016, the Company has provided guarantees amounting to ThCh\$ 35,707,239.

c) Indirect guarantees

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

Guarantee Creditor	Debtor Name	Relationship	Guarantee	Balance pending		
				Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01-2015 ThCh\$
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	STANDBY LETTER OF CREDIT	2,543,956	691,348	615,349
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	STANDBY LETTER OF CREDIT	5,739,311	8,509,668	8,727,920
BANCO DE CRÉDITO (PERÚ)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	STANDBY LETTER OF CREDIT	2,472,801	2,643,021	493,550
INTERBANK (PERÚ)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	STANDBY LETTER OF CREDIT	120,878	59,523	-
CITIBANK (PERU)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	STANDBY LETTER OF CREDIT	1,338,940	1,420,320	-
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	7,005	-	4,974,057
BANCO DE CRÉDITO (PERÚ)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	13,994,708	12,245,833	-
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	-	-	17,385
BANCO FALABELLA (PERU)	SAGA FALABELLA S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	-	-	5,244,595
BANCO DE CRÉDITO (PERÚ)	HIPERMERCADOS TOTTUS S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	3,383,320	6,902,847	19,283
BBVA BANCO CONTINENTAL	HIPERMERCADOS TOTTUS S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	-	-	2,748,870
BANCO FALABELLA (PERU)	HIPERMERCADOS TOTTUS S.A. (PERÚ)	SUBSIDIARY	GUARANTEE LETTER	-	-	12,348
BANCO DE CREDITO DEL PERU	SODIMAC PERU	SUBSIDIARY	GUARANTEE LETTER	3,497,122	3,465,390	-
BBVA BANCO CONTINENTAL	SODIMAC PERU	SUBSIDIARY	GUARANTEE LETTER	-	87,465	-
BBVA BANCO CONTINENTAL	MAESTRO PERU	SUBSIDIARY	GUARANTEE LETTER	-	124,899	189,306
BANCO DE CRÉDITO (PERÚ)	MAESTRO PERU	SUBSIDIARY	GUARANTEE LETTER	-	5,524,557	1,762,253
SCOTIABANK (PERU)	MAESTRO PERU	SUBSIDIARY	GUARANTEE LETTER	-	-	2,349,500
SANTANDER PERU	MAESTRO PERU	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	-	121,350
BBVA BANCO CONTINENTAL	MAESTRO PERU	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	-	606,750
SANTANDER CHILE	SHEARVAN CORPORATE S.A.	SUBSIDIARY	GUARANTOR(*)	144,319	627,219	930,999
SANTANDER CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	LETTER OF CREDIT	16,513,789	19,763,646	23,013,261
SANTANDER CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	176,400	-	-
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	401,682	426,096	364,050
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,802,126	3,765,379	3,277,680
BBVA S.A. NY BRANCH	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	-	7,584,375

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



Note 37 - Guarantees Provided to and Obtained from Third Parties (continued)

c) Indirect Guarantees (continued)

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

Guarantee Creditor	Debtor Name	Relationship	Guarantee	Balance pending		
				Dec-31-2016 ThCh\$	Dec-31-2015 ThCh\$	Jan-01- 2015 ThCh\$
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	234,315	-	-
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	176,400	116,192	103,327
BBVA S.A. CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	811,440	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	276,071
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	100,699	60,675
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	71,016	61,326
HSBC BANK (CHILE)	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	8,877,000	110,708
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	LETTER OF CREDIT	-	-	35,473
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	6,000,000	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	147,872	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	267,788	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	66,947	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	8,368,375	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	21,168	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	526,535	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	141,120	-	-
BANCO CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	70,560	-	-
SCOTIABANK (COLOMBIA)	FALABELLA COLOMBIA S.A.	SUBSIDIARY	LETTER OF CREDIT	152,067	1,058,849	-
CITIBANK (COLOMBIA)	FALABELLA COLOMBIA S.A.	SUBSIDIARY	LETTER OF CREDIT	-	7,812	-
SCOTIABANK (COLOMBIA)	FALABELLA COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	5,854,129	3,533,925	-
CORPBANCA (COLOMBIA)	FALABELLA COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	177,540	-
CITIBANK (COLOMBIA)	FALABELLA COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,346,558	-	-
SANTANDER CHILE	HIPERMERCADO TOTTUS S.A. (CHILE)	SUBSIDIARY	LETTER OF CREDIT	416,209	449,844	-
GALICIA (ARGENTINA)	FALABELLA S.A. (ARGENTINA)	SUBSIDIARY	LETTER OF CREDIT	9,319	811,597	-
ICBC (ARGENTINA)	FALABELLA S.A. (ARGENTINA)	SUBSIDIARY	LETTER OF CREDIT	91,140	356,835	-
SANTANDER RIO (ARGENTINA)	FALABELLA S.A. (ARGENTINA)	SUBSIDIARY	LETTER OF CREDIT	35,307	393,814	-



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, its projects for 2016, which include a new store at Los Dominicos, and remodeling stores at Curicó, Antofagasta, Viña del Mar, La Serena, La Dehesa, Plaza Oeste, Parque Arauco, Ahumada and Temuco will continue to be built 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.

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.

Currently, all the Company's new stores incorporate sustainable construction characteristics and efficient resource use. Therefore, they have incorporated low power lighting and air conditioning equipment and have been designed to make the most of natural light, which results in lower energy consumption and a smaller carbon footprint.

Likewise, the Company has focused on reducing and mitigating the environmental impact of operating its stores. It has focused especially on recycling, supplying eco-efficient products, increasing energy and water efficiency. The company is committed to constantly measuring its carbon footprint.

Furthermore, Sodimac declares all the environmental statements in the Pollutant Release and Transfer Register (PRTR), a platform created by the Environment Ministry that provides citizen access to information on emissions, waste and pollutant transfers by organizations.

Sodimac launched the first initiative in the Circular Economy by a retailer in South America, when it began to market its first products manufactured from plastic waste it collected at its own network of recycling points.

Sodimac S.A. has the environmental permits for its commercial operations. However, the Ministry of Health has issued instructions on certain occasions to improve the environmental conditions at some facilities.

Sodimac has not made future expenditure commitments in relation to the environment. However, the company constantly evaluates projects of this nature, such as developing renewable energy for its stores. Two solar power plants in the Homecenter stores at San Bernardo and Homecenter Copiapó Cordillera began to operate this year.



Note 38 - Environment (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Actual or Estimated Future Disbursement Date	Project In Progress Or Finished
Nuevos Desarrollos S.A.	LED Implementation Efficiency	LED Implementation Efficiency	Asset	Work in Progress	111,186	First Semester 2017	In progress
	Waste treatment	Waste recycling	Expense	Environmental R.S.E.	659	Dec-16	Finished
	Carbon Footprint	Baseline Carbon Footprint	Expense	Environmental R.S.E.	3,515	Dec-16	Finished
	Hazardous Waste Control	Debris Removal	Expense	Environmental R.S.E.	263	Dec-16	Finished
Inmobiliaria Las Américas S.A.	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
Plaza Antofagasta S.A.	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
	Waste treatment	Improving compost	Expense	Environmental R.S.E.	2,635	Dec-16	Finished
Inmobiliaria Mall Calama S.A.	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
Plaza del Trébol S.A.	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
Plaza La Serena S.A.	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
Plaza Oeste S.A.	Hazardous Waste Control	Debris Removal	Expense	Environmental R.S.E.	1,317	Dec-16	Finished
	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	1,406	Dec-16	Finished
	Waste treatment	Recycling organic waste	Expense	Environmental R.S.E.	2,024	Dec-16	Finished
Plaza Tobalaba S.A.	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
Plaza Vespucio S.A.	Technical Advice	Hydric Resources Advice	Expense	Environmental R.S.E.	316	Dec-16	Finished
	Technical Advice	SINADER Declaration	Expense	Environmental R.S.E.	158	Dec-16	Finished
	Carbon Footprint	Calculator	Expense	Environmental R.S.E.	703	Dec-16	Finished
Falabella Retail	Remodeling Store	Remodeling Store	Asset	Lights	2,702,135	Dec-16	Finished
Falabella Retail	LEED Certificates	LEED Certificates	Expense	Environmental Advice	25,700	Jun-17	In progress
Falabella Retail	Environmental Management	Environment Ministry requirement	Asset	Hazardous Waste Store	11,424	Jan-16	Finished
Falabella Retail	Environmental Management	Environment Ministry requirement for RM Stores	Expense	Transport and final waste disposal	227,482	Ongoing	In progress
Falabella Retail	Environmental Management of the REP Law (Extended Producer Responsibility and Recycling Promotion)	Applying the REP Law in all stores	Expense	Environmental Advice	84,835	Ongoing	In progress
Sodimac S.A.	Recycling points and waste treatment	Recycling for Customers and Hazardous Waste	Expense	Sustainability and environmental prevention	712,747	Dec-16	Finished
Sodimac S.A.	Measuring Carbon Footprint	Carbon Footprint	Expense	Environmental sustainability	6,535	Dec-16	Finished
Sodimac S.A.	Changing lights	Low power lights	Expense	Environmental sustainability	688,315	Dec-16	Finished
Falabella Peru and subsidiaries	Consultancy for LEED certification process	Consultancy for LEED certification process	Asset	Properties, machinery and equipment	146,185	Mar-17	In progress
Falabella Brazil and subsidiaries	Recycling Point	Acquiring properties	Asset	Furniture and utensils	22,674	Dec-16	Finished
Falabella Brazil and subsidiaries	Recycling Point	Collection service for recyclable materials	Expense	Expense	17,828	Dec-16	Finished



Note 39 - Main Financial Covenants

As of December 31, 2016, both S.A.C.I. Falabella and its subsidiaries have complied with all the covenants connected with their financial agreements. These are as follows.

S.A.C.I. Falabella

Series F Bonds

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 by public deed dated December 15, 2010 granted at the Office of the Public Notary in Santiago referred to above. This issue was recorded in the Securities Register of the Chilean Securities and Insurance Commission under number 468, dated July 7, 2006.

- To maintain, throughout the entire effective term of this Bond issue, the revenue from 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 is the Revenue from Operating Activities account in the Issuer's Financial Statements, and is measured quarterly for retroactive twelve-month periods.
- The Issuer and/or its Significant Subsidiaries may not establish guarantees, i.e. pledges and mortgages that guarantee new bond issues or any other monetary credit transaction or any other loan, 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 Borrowing.** As of March 31, 2010, at the close of each quarter keep the borrowing in the Issuer's Financial Statements, defined as the sum Non-Banking Business Liabilities in the Financial Position Statement, which is Total Current Liabilities and Total Non-Current Liabilities, no higher than the Maximum Borrowing Limit defined in Appendix One of the respective issue contract.

The F-Series bonds were repaid in July 2016, so the company is no longer subject to these obligations.

Series J Bonds

The issue of J bonds is recorded in a public instrument dated March 12, 2009, which was amended by public instruments dated April 7, 2009 and March 29, 2011, all of which were granted at the Office of Santiago Notary Iván Torrealba Acevedo. These 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 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 is the Revenue from Ordinary Activities account in the Issuer's Financial Statements, and is measured quarterly for retroactive twelve-month periods. As of December 31, 2016, 97.4% of total consolidated revenue came from the businesses enumerated.



Note 39 - Main Financial Covenants (continued)

Series J Bonds (continued)

- 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 loan, 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 Borrowing As of March 31, 2010, at the close of each quarter keep the borrowing in the Issuer's Financial Statements, defined as (i) the total of the Liability accounts of the Non-Banking Business on the Financial Position Statement, 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 Non-Banking Business Assets account of the Financial Position Statement, Cash and Cash Equivalents, no greater than the Maximum Borrowing Limit defined in Appendix One of the respective issue contract.
- As of December 31, 2016, the maximum borrowing limit was ThCh\$ 8,395,579,551 and the borrowing was ThCh\$ 3,465,245,846. Therefore the maximum borrowing restriction is satisfied (see the methodology for calculating financial covenants below).

As of December 31, 2016, the Issuer has complied with all the covenants under the issue contract.

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 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 is the Revenue from Operating Activities account in the Issuer's Financial Statements, and is measured quarterly for retroactive twelve-month periods. As of December 31, 2016, 97.4% of total consolidated revenue came from the businesses enumerated.
- The Issuer and/or its Significant Subsidiaries may not establish pledges and mortgages that guarantee new issues of Bonds or any other credit operation or any other loan, 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.



Note 39 - Main Financial Covenants (continued)

Series L Bonds (continued)

- To maintain at each quarter closing of the Issuer's Financial Statements, a Financial Debt Ratio measured over the figures in its Financial Statements not exceeding 1.75 times. The Financial Debt Ratio is understood to be the ratio between *i/* Net Financial Debt: defined as the sum of the liability accounts for the Non-Banking Business in the Financial Position Statement, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current. However, this does not include the sub account "Other Financial Liabilities" that is presented in Note: Other Financial Liabilities Current and Non-current - Non-Banking Business, less the Asset account Non-Banking Business in the Financial Position Statement, Cash and Cash equivalents, and *(ii)* Equity: /defined as the Equity account.

As of December 31, 2016 the ratio is 0.69; which complies with the limit.

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 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 is the Revenue from Operating Activities account in the Issuer's Financial Statements, and is measured quarterly for retroactive twelve-month periods. As of December 31, 2016, 97.4% of total consolidated revenue came from the businesses 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 loan, to the extent that the total cumulative amount of all of the 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 Debt Ratio measured over the figures in its Financial Statements not exceeding 1.75 times. The Financial Debt Ratio is understood to be the ratio between *i/* Net Financial Debt: defined as the sum of the liability accounts for the Non-Banking Business in the Financial Position Statement, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current. However, this does not include the sub account "Other Financial Liabilities" that is presented in Note: Other Financial Liabilities Current and Non-current - Non-Banking Business, less the Asset account Non-Banking Business in the Financial Position Statement, Cash and Cash equivalents, and *(ii)* Equity: /defined as the Equity account.

As of December 31, 2016 the ratio is 0.69; which complies with the limit.



Note 39 - Main Financial Covenants (continued)

Series O and P Bonds

Series O and P bonds were issued in accordance with the Bond Issue Contract in public deed dated March 12, 2009 partially amended by public deeds dated April 7, 2009 and March 29, 2011 all granted at the Office of the Public Notary in Santiago Mr. Iván Torrealba, and on March 21, 2016, granted at the Office of the Public Notary in Santiago Mr. Eduardo Avello Concha. This issue was registered with the SVS under number 578 on April 16, 2009.

- To maintain, throughout the entire effective term of this Bond issue, the revenue from 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 is the Revenue from Operating Activities account in the Issuer's Financial Statements, and is measured quarterly for retroactive twelve-month periods. As of December 31, 2016, 97.4% of total consolidated revenue came from the businesses enumerated.
- The Issuer and/or its Significant Subsidiaries may not establish guarantees, i.e. pledges and mortgages that guarantee new bond issues or any other monetary credit operation or any other loan, to the extent that the total cumulative amount of all of the 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 Debt Ratio measured over the figures in its Financial Statements not exceeding 1.75 times. The Financial Debt Ratio is understood to be the ratio between *i*/ Net Financial Debt: defined as the sum of the liability accounts for the Non-Banking Business in the Financial Position Statement, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current. However, this does not include the sub account "Other Financial Liabilities" that is presented in Note: Other Financial Liabilities Current and Non-current – Non-Banking Business, less the Asset account Non-Banking Business in the Financial Position Statement, Cash and Cash equivalents, and *ii*) Equity: /defined as the Equity account.

As of December 31, 2016 the ratio is 0.69; which complies with the limit.

Series Q Bonds

Series Q bonds were issued in accordance with the Bond Issue Contract in public deed dated October 17, 2016, and was amended by public deeds dated November 11, 2016, and November 21, 2016, granted at the Office of the Public Notary in Santiago Mr. Ivan Torrealba Acevedo. These deeds were entered in the SVS Register under number 846, dated December 2, 2016.

- The Issuer and/or its Significant Subsidiaries may not establish guarantees, i.e. pledges and mortgages that guarantee new bond issues or any other monetary credit operation or any other loan, to the extent that the total cumulative amount of all of the obligations guaranteed by the Issuer and/or its Significant Subsidiaries exceeds 7.5% of the Issuer's Total Consolidated Assets.



Note 39 - Main Financial Covenants (continued)

Series Q Bonds (continued)

- To maintain at each quarter closing of the Issuer's Financial Statements, a Financial Debt Ratio measured over the figures in its Financial Statements not exceeding 1.75 times. The Financial Debt Ratio is understood to be the ratio between /i/ Net Financial Debt: /defined as the sum of the liability accounts for the Non-Banking Business in the Financial Position Statement,

Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current. However, this does not include the sub account "Other Financial Liabilities" that is presented in Note: Other Financial Liabilities Current and Non-current - Non-Banking Business, less the Asset account Non-Banking Business in the Financial Position Statement, Cash and Cash equivalents, and (ii) Equity: /defined as total equity.

As of December 31, 2016 the ratio is 0.69; which complies with the limit.

Series S Bonds

Series S bonds were issued in accordance with the Bond Issue Contract in public deed dated October 17, 2016, and was amended by public deeds dated November 11, 2016, and November 21, 2016, granted at the Office of the Public Notary in Santiago Mr. Ivan Torrealba Acevedo. These deeds were entered in the SVS Register under number 847, dated December 2, 2016.

- The Issuer and/or its Significant Subsidiaries may not establish guarantees, i.e. pledges and mortgages that guarantee new bond issues or any other monetary credit operation or any other loan, to the extent that the total cumulative amount of all of the 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 Debt Ratio measured over the figures in its Financial Statements not exceeding 1.75 times. The Financial Debt Ratio is understood to be the ratio between /i/ Net Financial Debt: /defined as the sum of the liability accounts for the Non-Banking Business in the Financial Position Statement, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current. However, this does not include the sub account "Other Financial Liabilities" that is presented in Note: Other Financial Liabilities Current and Non-current - Non-Banking Business, less the Asset account Non-Banking Business in the Financial Position Statement, Cash and Cash equivalents, and (ii) Equity: /defined as total equity.

As of December 31, 2016, the ratio is 0.69; which complies with the limit.



Note 39 - Main Financial Covenants (continued)

Method for Calculating Financial Covenants

CALCULATION OF MAXIMUM DEBT IN ACCORDANCE WITH COVENANT - BONDS LINES 579 (J)

Figures expressed in ThCh\$			
	Currency	As of December 31, 2016	As of September 30, 2016
Period end _i		12/31/2016	9/30/2016
Period end _{i-1}		9/30/2016	6/30/2016
UF _i	Ch\$/UF	26,347.98	26,224.30
Variation UF	%	0.47%	0.66%
Variation % Sol/US\$		(1.16)%	3.21%
Variation % ARS/US\$		3.89%	1.34%
Variation % COP/US\$		0.61%	2.15%
Variation % Real/US\$		0.26%	1.31%
Variation % UYU/US\$		(2.93)%	(6.87)%
Variation % Mex/US\$		5.63%	(6.87)%
Total Equity _i	ThCh\$	5,048,357,120	4,778,012,213
Dividends payable _i	ThCh\$	87,061,045	1,170,617
Equity Variation _i	ThCh\$	333,695,579	135,291,723
Fixed assets in Chile _{i-1} ^a	ThCh\$	3,419,697,709	3,395,690,485
Deferred taxes in Chile _{i-1} ^b	ThCh\$	304,879,728	305,621,609
Adjustment for initial revaluation to IFRS in Chile ^c	ThCh\$	878,140,797	878,140,797
Deferred taxes in Chile ^d	ThCh\$	149,283,935	149,283,935
Price adjustment, fixed assets in Chile _{i-1}	ThCh\$	11,252,757	15,609,951
Investment in Peru _i	ThCh\$	1,091,417,000	1,001,131,000
Investment in Argentina _i	ThCh\$	62,792,000	60,771,000
Investment in Colombia _i	ThCh\$	282,719,000	274,184,000
Investment in Brazil _i	ThCh\$	80,054,000	81,421,000
Investment in Uruguay _i	ThCh\$	25,690,000	25,489,000
Investment in Mexico _i	ThCh\$	7,091,000	
Investment adjustment, outside of Chile _i	ThCh\$	(7,203,657)	38,193,683
Maximum Debt _{i-1}	ThCh\$	8,395,579,551	8,011,697,417
Maximum Debt _i	ThCh\$	9,026,228,277	8,395,579,551
Borrowing	ThCh\$	3,465,245,846	3,315,859,000

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.



Note 39 - Main Financial Covenants (continued)

CALCULATION OF FINANCIAL DEBT RATIO FOR SERIES L, M, O, P, Q AND S BONDS

(Includes CMR in the Financial Position Statement)

Figures expressed in ThCh\$

	Currency	As of December 31, 2016	As of September 30, 2016
Financial Debt	ThCh\$	3,465,245,846	3,315,859,000
Total Equity	ThCh\$	5,048,357,120	4,778,012,213
Financial Debt Ratio		0.69	0.69

Bonds Placed Abroad

Bonds were placed abroad on April 30, 2013, pursuant to Regulation 144 A of the Securities Act of the United States of America dated 1933 and its corresponding regulations. Two bond series were issued and placed, in both US dollars and Chilean pesos.

The Issuer and/or its Significant Subsidiaries cannot establish guarantees, i.e. pledges, mortgages and sales with leaseback that guarantee new issues of Bonds or any other monetary credit operation or any other loan, 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, 2016 the Issuer has complied with the restrictions of the issue contract.

Bonds were placed abroad on October 27, 2014, pursuant to Regulation 144 A of the Securities Act of the United States of America dated 1933 and its corresponding regulations. One bond series was issued and placed in US dollars.

The Issuer and/or its Significant Subsidiaries cannot establish guarantees, i.e. pledges, mortgages and sales with leaseback that guarantee new issues of Bonds or any other monetary credit operation or any other loan, 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, 2016 the Issuer has complied with the restrictions of the issue contract.

Commercial paper

On June 30, 2008, the Chilean Securities and Insurance Commission registered in the securities register the Commercial paper Line No. 28 for a maximum amount of UF 1,000,000.

On October 22, 2008, the Chilean Securities and Insurance Commission registered in the securities register the Commercial paper Lines No. 35, 36, 37 and 38 for a maximum amount of UF 1,000,000 each.

As of December 31, 2016 there were no current placements.

The issue contracts do not include any financial covenants or guarantees. Therefore, as of December 31, 2016 there are no restrictions for the Company.



Note 39 - Main Financial Covenants (continued)

Other Financial Obligations

The other current and non-current financial obligations assumed by the Company with Banks or Financial Institutions are not subject to any financial covenants.

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 to protect bondholders. This includes, among other things, borrowing limits, the duty to report the Company's financial statements to bondholders, and comply with the obligations, limitations and prohibitions established in the issue contracts. (For more information refer to the bond issue prospectuses, available on the Sodimac website).

The maximum financial debt ratio required by the series H and K bond issue contracts is 1.5 times. As of December 31, 2016, the financial debt ratio was 0.32 times.

The financial debt ratio is understood to be the Consolidated Net Borrowing Ratio, which is defined as the ratio between (i) net financial debt, which is total other current and non-current financial liabilities, less cash and cash equivalents, and (ii) Equity, 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 without guarantees, calculated quarterly according to the Issuer's quarterly consolidated financial position statements. For these purposes, the Issuer shall send the Bondholders' Representative, within the same term that the Financial Statements must be sent to the Superintendent of 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 contracts.

Other Financial Obligations

The other current and non-current financial obligations of Sodimac S.A. with Banks or Financial Institutions are not subject to any kind of restrictions or guarantees.

Plaza S.A.

As of December 31, 2016, the Company has financial restrictions established in the public bond issue financing contracts and/or loans with financial institutions. The primary safeguards with regard to the Series D Bonds, issued under Bond line No. 583, registered in the Securities Register on April 30, 2009, with regard to Series C and E Bonds issued under Bond Line No. 584 registered in the Securities Register on April 30, 2009, with regard to Series G and I Bonds, issued under Bond Line No. 669 registered in the Securities Register on May 30, 2011, with regard to Series H and K Bonds issued under Bond Line No. 670 registered in the Securities Register on May 30, 2011, and with regard to Series M and N Bonds issued under Bond Lines No. 766 and 767, and registered in the Securities Register on September 23, 2014, are as follows:



Note 39 - Main Financial Covenants (continued)

a) Borrowing Limits

Borrowing is defined as Total Other Current Financial Liabilities and Other Non-Current Financial Liabilities, divided by the value of the UF at the closing date of the Issuer's Consolidated Financial Position Statement. As from March 31, 2010, the Issue must maintain borrowing at the close of each quarter of the Issuer's Financial Statements to less than or equal the value established by the formula.

The calculation of the Maximum Borrowing Limit established in Clause Ten, Number One of the Bond Issue Contracts for the Line of Debt Instruments at 10 years and 30 years, and their amendments, follows.

CALCULATION OF MAXIMUM BORROWING LIMIT IN ACCORDANCE WITH COVENANT - BONDS LINES 583, 584, 669, 670, 766 AND 767

	Currency	As of December 31, 2016	As of September 30, 2016
Period _i		12/31/2016	9/30/2016
Period _{i-1}		9/30/2016	6/30/2016
UF _i	Ch\$/UF	26,347.98	26,224.30
UF _{i-1}	Ch\$/UF	26,224.30	26,052.07
Cash and cash equivalents for period _i	ThCh\$	21,736,409	26,814,372
Cash and cash equivalents for period _{i-1}	ThCh\$	26,814,372	17,461,500
Cash variation _i	ThCh\$	(5,077,963)	9,352,872
Cash variation_i	ThUF	(193)	357
Third party guarantees_i	None	-	-
Total Equity _i	ThCh\$	1,681,896,069	1,359,972,652
Dividends payable _i	ThCh\$	28,302,702	-
Total Equity _{i-1}	ThCh\$	1,359,972,652	1,295,085,990
Dividends payable _{i-1}	ThCh\$	-	-
Equity variation _i	ThCh\$	350,226,119	64,886,662
Equity variation_i	ThUF	13,292	2,474
Investment Property _{i-1} ^a	ThCh\$	2,263,471,509	2,258,966,187
Deferred tax, Investment Properties _{i-1} ^b	ThCh\$	296,433,322	296,073,385
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
Percentage variation UF ^e	ThCh\$	0.47%	0.66%
Monetary adjustment for Investment Property in Chile _{i-1}	ThCh\$	5,842,630	8,178,266
Monetary adjustment for Investment Property in Chile_{i-1}	ThUF	222	312
Adjustment for Investment Properties outside of Chile_{i-1}	ThUF	224	(16)
Maximum Debt _{i-1}	ThUF	84,096	78,199
Maximum Debt_i	ThUF	111,379	84,096

a Investment properties in Chile net of accrued depreciation.

b Associated with 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 the adjustment due to initial revaluation under IFRS.

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)



e Percentage variation between the value of UF i and UF i-1.

Note 39 - Main Financial Covenants (continued)

Plaza S.A. (continued)

As of December 31, 2016, the maximum debt totals ThUF 111,379. The current debt at that date is ThUF 33,088, therefore the Company has complied with the restriction.

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 issued under 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 above terms, 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, virtual 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, 2016, there were no issues under these lines.

Main protections and financial restrictions

The Issuer must maintain control of 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 term of the Bonds issued under the Line, according to its latest Financial Statements, the Issuer allocates an amount in excess of 30% of its total assets to the placement of one or more securitized bonds, in order to constitute an underlying asset for those issues, the Issuer must offer each of the Bondholders a voluntary redemption option, under identical conditions for them all, in accordance with Article 130 of Securities Market Law, and under the terms indicated in the Issue Contract.

The Issuer and/or its Subsidiaries may not establish guarantees, which guarantee new bond issues, commercial paper, any other monetary credit operation or any other loan, 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.

Further details can be found in the respective issue contracts. The Issuer is not subject to limits using indexes or debt ratios.



Note 39 - Main Financial Covenants (continued)

Promotora CMR Falabella S.A. (CMR) (continued)

Commercial paper

On February 27, 2012, the Chilean Superintendent of Securities and Insurance recorded in the Securities Register, under Nos. 090, 091 and 092, virtual bearer Promissory Notes in the name of Promotora CMR Falabella S.A., for a maximum amount of UF 1,000,000 each.

As of December 31, 2016 there were placements under these lines for a total amount of ThCh\$ 78,000,000.

Main safeguards and financial restrictions

The Issuer must maintain control of 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 term of the Bonds issued under the Line, according to its latest Financial Statements, the Issuer allocates an amount in excess of 30% of its total assets to the placement of one or more securitized bonds, in order to constitute an underlying asset for those issues, the Issuer must offer each of the Bondholders a voluntary redemption option, under identical conditions for them all, in accordance with Article 130 of Securities Market Law, and under the terms indicated in the Issue Contract.

Further details can be found in the respective issue contracts. The Issuer is not subject to limits using indexes or debt ratios.

Banco Falabella

There are bonds issued by Banco Falabella within the banking business in Chile. These bonds have no financial covenants. Additionally, Banco Falabella has current lines of credit that have no financial covenants.

Peru

Falabella Peru has restricted financing, such as keeping revenue from its retail, supermarkets, shopping center management, home improvement and evaluation, granting and credit administration businesses to no less than 70% of total consolidated revenue. Another restriction indicates that Falabella Peru cannot provide in finance lease, use, sell or transfer assets, provide guarantees or assign cash flows or rights over its assets if the value of these exceeds 20% of the total assets of Falabella Peru.

In addition, as of December 31, 2016, there are financial obligations that apply to the subsidiaries of Falabella Peru. These can be grouped into three categories: debt ratios, solvency ratios, and guarantee ratios.

The debt index (total liabilities / total net equity) is the most restrictive debt ratio, at less than or equal to 2.0x for Hypermarkets Tottus. As of December 31, 2016, this was 1.41x, indicating compliance. Meanwhile, the debt index for Saga Falabella cannot exceed 3.0x, and it reported a ratio of 1.73x, indicating compliance.



Note 39 - Main Financial Covenants (continued)

Peru (continued)

The debt index for Open Plaza is the most restrictive at 1.50x. As of December 31, 2016, the company complied with this financial obligation, reporting a ratio of 0.48x. Falabella Peru must comply with a debt ratio of financial debt excluding the banking business divided by equity, which must be less than 1.3x. As of December 31, 2016, it reported a ratio of 0.63x, indicating compliance.

The most restrictive solvency ratio is the debt servicing coverage index (EBITDA/debt servicing) which is greater or equal to 1.40x for Open Plaza. As of December 31, 2016, it reported a ratio of 1.64x, indicating compliance.

Guarantee ratios are primarily comprised of those obligations which entail covering assigned flows (payments with credit cards) over debt servicing. Currently, the most restrictive cash coverage ratio (monetary flows/debt servicing) is 1.8x for Open Plaza. As of December 31, 2016, it reported a ratio of 2.32x, indicating compliance.

Maestro Peru S.A. repaid all its bonds in advance for a total of ThUS\$ 130,000 in September 2016.

Note 40 - Business Combinations

Separation of Aventura Plaza S.A.

On July 6, 2016, at a General Shareholders' Meeting of Aventura Plaza S.A., a Peruvian company in which S.A.C.I. Falabella indirectly owned 60% (40% through its Peruvian subsidiaries Falabella Peru S.A.A. and Open Plaza S.A., hereinafter collectively "Falabella Peru", and 20% through Desarrollos e Inversiones Internacionales S.A. a subsidiary of Plaza S.A.), unanimously agreed to separate a block equivalent to 40% of the total equity of Aventura Plaza S.A.

When the separation agreement took effect, the participation S.A.C.I. Falabella increased to 100% (66.7% through Falabella Peru and 33.3% through Desarrollos e Inversiones Internacionales S.A.) and the shareholders' agreement with the minority partner was eliminated.

As a result of this separation, the Falabella Group progressed from not controlling to controlling Aventura Plaza S.A. according to IFRS 10. Prior to taking control, its investment in Aventura Plaza S.A. was recorded, using the equity method, in accordance with IAS 28 "Investments in Associates".

The separation was part of restructuring the real estate department at Falabella Peru. It kept its commercial centers located in Lima (Mall Plaza Bellavista), Trujillo (Mall Plaza Trujillo) and Arequipa (Mall Plaza Cayma), with a combined rentable surface area of approximately 200,000 square meters, once the current expansion at the latter is completed.

The goodwill generated by the transaction represents the synergies and economies of scale of the business combination.

**Note 40 - Business Combinations (continued)****Separation of Aventura Plaza S.A. (continued)**

According to the guidelines established by IFRS 3 "Business Combinations", the company is currently reviewing its valuation at fair value of the assets and liabilities of Aventura Plaza S.A.

The following table details the purchase price paid (Falabella Group's previous participation in Aventura Plaza S.A. measured at fair value), and the fair values of its assets and liabilities acquired:

	ThCh\$ As of the acquisition date
Purchase price (A)	230,040,702
Assets and liabilities acquired	
Total current assets	13,652,030
Property, plant and equipment	61,433,075
Investment properties	134,848,997
Other assets, non-current	32,731,425
Total Assets	242,665,527
Other financial liabilities, current	16,279,488
Other liabilities, current	5,670,466
Other financial liabilities, non-current	12,968,646
Other liabilities, non-current	35,510,698
Total Liabilities	70,429,298
Total Net Acquired Assets (B)	172,236,229
Goodwill on acquisition (A) - (B)	57,804,473

Note 41 - Investment Instruments Held for Sale

As of December 31, 2016 and 2015 and January 1, 2015, the investment instruments designated as held for sale were as follows:

Instruments held for Sale	Dec-31-2016	Dec-31-2015	Jan-01-2015
	ThCh\$	ThCh\$	ThCh\$
Instruments issued by the State and the Chilean Central Bank			
Bonds issued by the Chilean Central Bank	129,708,025	80,312,328	88,018,588
Other Instruments issued by the State and the Chilean Central Bank	50,101,742	7,883,601	19,775,356
Instruments issued by other Chilean Institutions			
Letters of Credit for Mortgages issued by Banks	7,763,802	6,464,276	7,433,599
Negotiable Time Deposits issued by Banks	312,289,309	273,843,050	93,526,357
Instruments issued by Foreign Institutions			
Instruments issued by Foreign Governments or Central Banks	66,208,471	54,600,394	55,263,667
Total	566,071,349	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, 2016, have been approved by the Board of Directors at a meeting held on February 28, 2017, which was attended by the following Directors and the Corporate General Manager:

- Carlo Solari Donaggio, Chairman
- Juan Carlos Cortés Solari, Vice-Chairman
- Sergio Cardone Solari, Director
- María Cecilia Karlezi Solari, Director
- Paola Cuneo Queirolo, Director
- Hernán Büchi Buc, Director
- Sandro Solari Donaggio, Corporate General Manager

Subsequent to December 31, 2016, and at the date these financial statements were issued, the Board was not aware of any other event of a financial or other nature that could significantly affect these financial statements or their interpretation.