

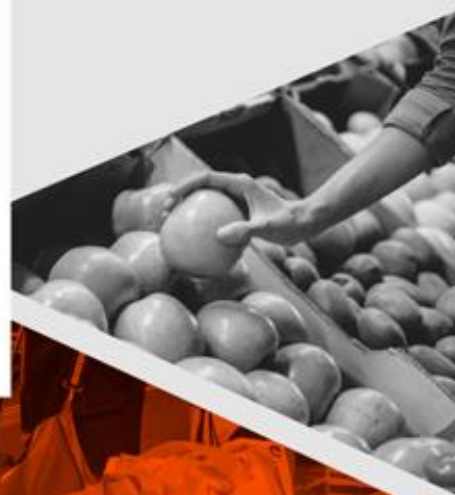


S.A.C.I Falabella

Earnings Report

2018

SECOND
QUARTER



Index

I.	Executive Summary.....	3
II.	Consolidated Financial Results, as of June 2018.....	4
III.	Main Events during the Period.....	6
IV.	2 nd Quarter 2018 Results.....	8
V.	Retail Indicators.....	11
VI.	Financial Business Units.....	15
VII.	Other Indicators.....	19
VIII.	Operating Results by Business Unit.....	20
IX.	Financial Structure.....	22
X.	S.A.C.I. Falabella Financial Statements.....	24

Notes:

- All dollar figures are calculated based on the observed Exchange rate as of April 2nd 2018: 651.21 \$/US\$.
- Symbols for quarters: 1Q, 2Q, 3Q y 4Q.
- Currency symbols: \$ CLP: chilean pesos; US\$: U.S. dollars; PEN: Peruvian soles; COP: Colombian pesos; ARS: Argentine peos; BRL: Brazilian reales.
- Th: thousand; Mn: million.



I. Executive Summary

In the second quarter of 2018, S.A.C.I. Falabella reported consolidated revenue of \$2,290,688 million (US\$ 3,518 Mn), 4.2% higher than the same period last year. Excluding currency variation (by using for 2018 the same exchange rate than in 2017), consolidated revenue growth would have been 10.0%, as sales area grew 3.5% in last 12 months (due to 20 stores opening, and two closings).

The online channel of the retail businesses posted a 32.1% growth compared to 2Q17, reaching \$162,706 million (US\$250 Mn). During this quarter, this channel represented 8.8% of retail businesses total sales, which includes department stores, home improvement and supermarkets in all the countries where we operate.

Consolidated growth in revenue was mainly the result of an 8.8% revenue increase in home improvement in Chile, 10.2% in supermarkets in Peru, 5.4% in department stores in Chile, and 7.0% in supermarkets in Chile. In Colombia, department stores, revenue grew 12.7% explained driven by online sales. The increase in revenues was partially offset by the depreciation of the PEN, BRL, and ARS against the CLP, especially in April and May.

As of June 30th, 2018, the consolidated loan portfolio reached \$4,848,896 million (US\$7,446 Mn), 5.9% higher than the same period last year, explained by growth in Promotora CMR, Banco Falabella Colombia, and Banco Falabella Chile, and partially offset by the performance of Banco Falabella Peru. Promotora CMR's loan portfolio increased 12.1% compared to June 2017, mainly explained by higher sales financial products. Banco Falabella Chile increased its loan portfolio by 6.7% in the period.

Gross profit for the quarter totalled \$850,658 million (US\$1,306 Mn) a 4.7% YoY increase, while gross margin showed a slight expansion compared to the same period last year. Growth was driven by home improvement in Chile (9.5% growth YoY), due to better margins among all categories; Mallplaza in Chile (9.9% growth YoY); and Supermarkets in Chile (11.1% growth YoY) due to greater contribution from private labels. Department Stores in Colombia also contributed to gross profit growth, mainly driven by apparel sales.

The operating result reached \$229,080 million (US\$352 Mn), 1.9% higher than the one reported one year ago. Operating margin was 10.0%, slightly lower than in 2Q17. Home improvement in Chile, Mallplaza in Chile and department stores in Colombia explained most of the growth.

The consolidated non-operating expense of the quarter reached a \$44,184 million (US\$68 Mn) loss, 13.6% higher than in 2Q17. The difference was mainly explained by a contraction in other income /(expenses) related to an insurance compensation received in 2Q17, which partially compensated losses for damages to inventories and assets which resulted from the El Niño Costero floods in the north of Peru. Net financial cost decreased 18.0% YoY, and exchange rate differences registered a loss of \$6,444 million (US\$10 Mn), 104.1% higher than the one reported one year ago.

The consolidated net income of this quarter reached \$127,629 million (US\$196 Mn), a 0.3% YoY contraction. The consolidated net income does not include gains or losses from asset revaluation, as the Company adopted the historic cost method.

During this quarter, S.A.C.I. Falabella opened four stores and one shopping center. Falabella opened one store in Arica, Chile, with a sales area of 5,300 m². Sodimac opened two stores in Chile. One in La Serena, with a sales area of 12,200 m²; and another one in San Antonio, with a sales area of 8,900 m². In Arica, Chile, Mallplaza Arica opened with a GLA of 34,000 m², three main stores (Falabella, Ripley and Lider), a Cinemark and more than 100 specialized stores.



II. Consolidated Financial Results, as of June 2018

Consolidated Income Statement 2Q 2018 (CLP Mn)¹

	2Q17	% Rev.	2Q18	% Rev.	Var %
Revenues of Non-Banking Operations	2,009,925		2,106,537		4.8%
Revenues of Banking Operations	187,391		184,151		-1.7%
Total Revenues	2,197,316	100.0%	2,290,688	100.0%	4.2%
COGS of Non-Banking Operations	(1,291,871)	-64.3%	(1,360,544)	-64.6%	5.3%
COGS of Banking Operations	(92,752)	-49.5%	(79,486)	-43.2%	-14.3%
Gross Profit	812,693	37.0%	850,658	37.1%	4.7%
SG&A Expenses	(587,952)	-26.8%	(621,578)	-27.1%	5.7%
Operational Income	224,741	10.2%	229,080	10.0%	1.9%
Depreciation + Amortization	70,719	3.2%	77,077	3.4%	9.0%
EBITDA	295,460	13.4%	306,157	13.4%	3.6%
Other Income / (Expenses)	7,644		(1,555)		-120.3%
Net Financial Income / (Cost)	(46,421)		(38,084)		-18.0%
Profit / (Loss) in Associates	3,025		1,899		-37.2%
Exchange Rate Differences	(3,157)		(6,444)		104.1%
Non-Operating Profit	(38,909)	-1.8%	(44,184)	-1.9%	13.6%
Profit Before Tax Expenses	185,832	8.5%	184,896	8.1%	-0.5%
Income Tax	(47,158)		(37,239)		-21.0%
Minority Interest	(10,721)		(20,028)		86.8%
Net Profit / (Loss)	127,953	5.8%	127,629	5.6%	-0.3%

Consolidated Income Statement 6M 2018 (MM\$)²

	6M17	% Rev.	6M18	% Rev.	Var %
Revenues of Non-Banking Operations	3,957,702		4,116,794		4.0%
Revenues of Banking Operations	367,704		362,328		-1.5%
Total Revenues	4,325,406	100.0%	4,479,122	100.0%	3.6%
COGS of Non-Banking Operations	(2,561,280)	-64.7%	(2,669,219)	-64.8%	4.2%
COGS of Banking Operations	(179,637)	-48.9%	(156,007)	-43.1%	-13.2%
Gross Profit	1,584,489	36.6%	1,653,896	36.9%	4.4%
SG&A Expenses	(1,143,112)	-26.4%	(1,205,823)	-26.9%	5.5%
Operational Income	441,377	10.2%	448,073	10.0%	1.5%
Depreciation + Amortization	139,489	3.2%	153,786	3.4%	10.2%
EBITDA	580,866	13.4%	601,859	13.4%	3.6%
Other Income / (Expenses)	1,141		(1,794)		-257.2%
Net Financial Income / (Cost)	(98,731)		(90,906)		-7.9%
Profit / (Loss) in Associates	7,461		4,374		-41.4%
Exchange Rate Differences	(840)		(5,827)		593.7%
Non-Operating Profit	(90,969)	-2.1%	(94,153)	-2.1%	3.5%
Profit Before Tax Expenses	350,407	8.1%	353,922	7.9%	1.0%
Income Tax	(84,449)		(81,065)		-4.0%
Minority Interest	(22,341)		(31,811)		42.4%
Net Profit / (Loss)	243,617	5.6%	241,046	5.4%	-1.1%

¹ Promotora CMR and CMR Argentina are included in the Non-Banking Operations.² Promotora CMR and CMR Argentina are included in the Non-Banking Operations.

Summary of Consolidated Balance Sheet, as of June 30th 2018 (CLP Mn)

	31-dec-2017	30-jun-2018	Var %
Current Assets - Non Banking Business	3,656,802	3,653,779	-0.1%
Non Current Assets - Non Banking Business	6,938,877	7,152,244	3.1%
Total Assets - Non Banking Business	10,595,679	10,806,023	2.0%
Total Assets - Banking Business	3,744,929	4,036,377	7.8%
Total Assets	14,340,608	14,842,400	3.5%
Current Liabilities - Non Banking Business	2,280,261	2,338,107	2.5%
Non Current Liabilities - Non Banking Business	3,665,604	3,585,529	-2.2%
Total Liabilities - Non Banking Business	5,945,865	5,923,636	-0.4%
Total Liabilities - Banking Business	3,101,286	3,446,605	11.1%
Total Liabilities	9,047,151	9,370,241	3.6%
Total Equity	5,293,457	5,472,159	3.4%
Total Liabilities + Equity	14,340,608	14,842,400	3.5%

Summary of Consolidated Cash Flow, as of June 30th 2018 (CLP Mn)

	30-jun-2017	30-jun-2018	Var %
Cash flow from operating activities - Non Banking Business	327,140	177,409	-45.8%
Cash flow from operating activities - Banking Business	210,253	126,016	-40.1%
Cash flow from operating activities	537,394	303,425	-43.5%
Cash flow from investment activities - Non Banking Business	(254,167)	(222,951)	-12.3%
Cash flow from investment activities - Banking Business	(142,218)	(11,089)	-92.2%
Cash flow from investment activities	(396,385)	(234,040)	-41.0%
Cash flow from financing activities - Non Banking Business	(161,159)	(105,135)	-34.8%
Cash flow from financing activities - Banking Business	(20,681)	15,240	-173.7%
Cash flow from financing activities	(181,840)	(89,895)	-50.6%
Increase (decrease) in cash and cash equivalents	(40,831)	(20,510)	-49.8%
Impact of exchange rate differences on cash and cash equivalents	4,318	7,350	70.2%
Cash and cash equivalents at the beginning of the period	575,993	494,959	-14.1%
Cash and cash equivalents at the end of the period	539,480	481,799	-10.7%



III. Main Events during the Period

- In April 24th, during the Ordinary Annual Shareholder's Meeting, 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 2017.
 - Approval of a \$54 final dividend per share, charged against the earnings of the fiscal year ending December 2017.
 - Approval of a dividend policy consisting in the annual distribution of at least 30% of the net distributable liquid profit of each fiscal year.
 - Approval of the firm Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada to provide external audit services for the company's fiscal year 2018.
 - Lastly, other matters within the scope of this meeting were reviewed.
- At the Board of Directors Meeting of April, Sandro Solari, CEO of S.A.C.I. Falabella, has tendered his resignation to his position with effect in June 1st, 2018. In that same meeting, the Board of Directors appointed Gaston Bottazzini in his replacement, who before served as CEO of Falabella Financiero.
- In April, and in the context of eCommerce Awards Chile 2018, Falabella.com was recognized as leader of Retail eCommerce, while Viajes Falabella won in the category of Tourism Industry eCommerce.
- During this quarter, S.A.C.I. Falabella opened a shopping center and four stores:
 - Mallplaza Arica opened in Arica, Chile, with a pioneer value proposition. This shopping center, a few miles from Chinchorro Beach, aims to become a tourist destination, contribute to Arica's economy and employment creation. It has a GLA of 34,000 m², three anchor stores (Falabella, Ripley and Lider), a Cinemark and more than 100 specialized stores.
 - In Arica, Chile, Falabella opened a new store with a sales area of 5,300 m².
 - Sodimac opened two stores in Chile: one in La Serena, with a sales area of 12,200 m²; and another in San Antonio, with a sales area of 8,900 m².
 - In La Serena, Chile, Tottus opened a new supermarket with a sales area of 2,700 m².
- In May 17th, S.A.C.I. Falabella signed a Memorandum of Understanding (MOU) with Inter IKEA Systems B.V., owner of IKEA and exclusive worldwide franchisor of IKEA, to develop and operate IKEA stores and its e-commerce in Chile, Colombia and Peru. The MOU consider the opening of at least nine IKEA stores in the three countries, and one e-commerce per country within the next nine years, with a total investment of US\$ 600 Mn approx.
- In May 31st, Promotora CMR announced the integration of their operations with Banco Falabella in Chile, with the purpose of consolidating the financial business leadership in consumer finance and to enhance the value proposal for its customers, with focus in simplicity and convenience. CMR will integrate with Banco Falabella as a *Sociedad de Apoyo al Giro (SAG)*, both keeping their brands and attributes. After this integration, the clients will keep their current contractual conditions, having more access to more products and benefits.



Events after the period

- In July 24th, S.A.C.I. Falabella announced the buyout of the minority interest in did not already owned in Construdecor, increasing its stake to 100%. The transaction implies the disbursement of approximately US\$ 60 Mn, and is expected to be completed by end of August. Empresas Falabella entered to Construdecor property in 2013, acquiring 50.1% of the company. Currently, the company has sales of US\$ 282 Mn, with presence in Sao Paulo where it holds 57 stores and a total sales area of 169,000 m². Five of the stores are Sodimac Homecenter.
- In July 27th, Plaza S.A. started to trade its shares in the Santiago Stock Exchange. The process was carried out by the minority shareholders of the Company. 240,000 million stocks were sold, which represents 12.2% of the property. The closing price was \$1,431 per stock.
- In July 31st, Sodimac opened its first store in Mexico, in the Cuatitlan Izcalli County, Mexico City, reaching an important residential and industrial pole at the north of the capital. This opening relates to the agreement subscribed between S.A.C.I. Falabella and Organizacion Soriana in 2016 for developing the home improvement and financial businesses. This first Sodimac store in Mexico has a total sales area of 10,700 m² and integrates both the Homecenter and Constructor formats. The store introduces several innovations to the Mexican market, standing out the Patio Constructor format, which allows vehicle entries for purchasing and loading building materials.
- In August 1st, S.A.C.I. Falabella announced the acquisition of 100% of Linio, a regional marketplace platform, for US\$ 138 Mn. Linio registered annual sales of US\$ 137 Mn (net merchandise value), with a relevant presence in Mexico, Peru, Colombia, Argentina and Chile, also having branches in the U.S. and China. Linio will maintain its brand and its team. Falabella will boost this company, contributing large retail capabilities: logistics, stores network, supplier access and assortment, consumer knowledge and payments. The responsible of leading this task will be Gonzalo Somoza, Corp. CEO of Falabella Retail.
- In August 1st, S.A.C.I. Falabella called an Extraordinary General Meeting (EGM) with the proposal of a capital increase of 84.3 million of shares. In August 20th, the EGM approved the capital increase. Funds will be use for the following: US\$ 285 Mn for Linio acquisition and its repositioning; US\$ 200 Mn for enhancing the value proposal of the marketplace platform through investments in logistics and e-payments, US\$ 120 Mn for improving Data Analytics and Cybersecurity; US\$ 150 Mn for IKEA development in Chile, Peru and Colombia; US\$ 80 Mn to consolidate the Brazilian operation. This capital increase will also provide the company with a robust financial proposition and flexibility to embrace other business opportunities in the future. To support this capital increase, the controlling shareholders will subscribe US\$ 100 Mn. At the same time, Inversiones Los Olivos S.A. was authorized to sell up to 21 million shares in a simultaneous and synchronized secondary offering.
- Mallplaza opened a new shopping center in Manizales, Colombia, with an innovative and differentiated commercial and gastronomic proposition. Mallplaza Manizales has a GLA of more than 40,000 m², with a Falabella store and more than 150 specialized stores.



IV. 2nd Quarter 2018 Results

1. Revenue

In the second quarter of 2018, S.A.C.I. Falabella reported consolidated revenue of \$2,290,688 million (US\$ 3,518 Mn), 4.2% higher than the same period last year. Excluding currency variation (by using for 2018 the same exchange rate than in 2017), consolidated revenue growth would have been 10.0%, as sales area grew 3.5% in last 12 months (due to 20 stores opening, and two closings).

The online channel of the retail businesses posted a 32.1% growth compared to 2Q17, reaching \$162,706 million (US\$250 Mn). During this quarter, this channel represented 8.8% of retail businesses total sales, which includes department stores, home improvement and supermarkets in all the countries where we operate.

Consolidated growth in revenue was mainly the result of an 8.8% revenue increase in home improvement in Chile, 10.2% in supermarkets in Peru, 5.4% in department stores in Chile, and 7.0% in supermarkets in Chile. In Colombia, department stores, revenue grew 12.7% explained driven by online sales. The increase in revenues was partially offset by the depreciation of the PEN, BRL, and ARS against the CLP, especially in April and May.

In Chile, home improvement reported a 8.8% revenue growth, due to SSS growth of 5.8%, explained by improvements in the construction sector and a positive performance of the Imperial format. Department stores reported a 5.4% revenue increase compared to the same period last year, driven mostly by the online channel. Supermarket revenues grew 7.0% YoY, driven by the net opening of four stores in the last twelve months and SSS growth of 1.9%. Promotora CMR also boosted the quarter's growth, with interest income that grew 7.2%, mainly derived of a 12.1% increase in its loan book. Fee income grew 13.5%, explained by an increase in merchant fees due to the increasing use of the card in third-parties' shops. On the other hand, Mallplaza revenues grew 11.4% YoY, driven by 8.2% GLA growth.

In Peru, consolidated revenue varied 1.7% YoY, driven mainly by stronger consumer environment partially explained by the World Cup but was offset by the PEN depreciation against the CLP. Excluding this effect, revenue variation would have been 10.4%. This growth was driven by supermarket revenues, that increased 10.2% (17.3% in local currency) as a result of a 10.3% growth in SSS and six openings in the last twelve months. Department stores revenues grew 5.4% (9.3% in local currency) driven by electronics and the online channel, while home improvement revenues contracted 3.2% (with 3.7% growth in local currency), compared to 2Q17.

In Colombia, revenue increased by 13.7% YoY. This expansion was mainly explained by stronger department store revenue, which grew 12.7% (10.5% in local currency) driven by apparel category and a strong growth in online sales. In addition, Banco Falabella showed an 11.4% growth of revenue in local currency, due to a 24.5% expansion in its loan portfolio.

Revenue decreased 13.1% in Argentina, compared to the same period last year. This loss was explained by the ARS depreciation against CLP. Excluding this effect, revenue growth would have been 37.1% compared to the same period last year, driven by 36.7% growth in SSS in department stores.

In Brazil, this quarter's revenue decreased 16.4% due to the depreciation of the BRL against the CLP and to a 1.3% contraction in SSS, mainly explained by lower traffic in stores as a result of strike that affected the operations during May. In local currency, revenue grew 6.6%.

2. Operating Income

Operating income this quarter totalled \$229,080 million (US\$352 Mn) a 1.9% growth compared to the same period last year.

In Chile, home improvement reported a 40.5% growth in operating income as a result of an expansion of its operating margin of 108 basis points. The improvement was explained by an expansion of the gross margin and by greater dilution of expenses. Supermarkets showed a 52.4% expansion with an expansion of its operating margin of 75 basis points, driven by an improvement in the gross margin of 98 basis points. In department stores, the operating result contracted 43.9%, with S, G&A growing at 13.3%, explained by a higher level of activity in the distribution center during Cyber Day,



and a flattish gross profit, explained by higher contribution of electronics during the World Cup and strong promotional activity during the quarter.

Promotora CMR reported a 4.3% growth YoY in operating income, while Banco Falabella's grew 21.2%. Promotora CMR contracted its operating margin by 145 basis points, due to a deterioration in gross margin because of greater risks expenses related to the adoption of IFRS 9. Banco Falabella, posted a 324-basis points expansion in margin which was mainly explained by lower interest expenses as result of a better funding mix, and a 5.2% decrease in risk associated expenses.

Mallplaza reached a 14.2% growth in operating result, driven by a gross profit increase explained by growth in GLA and lower pressure of marketing expenses.

Operating results in Brazil, Peru and Argentina were affected by the depreciation of the PEN, BRL, and ARS against the CLP. In Brazil, operating margin decreased in 296 basis points (30.6% growth in local currency), driven by a decrease in revenues and in gross margin. In Peru, the operating income contracted 4.9% YoY with an expansion of 1.9% in local currency. In Colombia, the operating income expanded 154.7%, as a result of a 332-basis points expansion in gross margin. In Argentina, the operating income decreased 46.9% with an operating margin 274 basis points lower than that of 2Q17.

3. Non-Operating Results and Net Income

The consolidated non-operating expense of the quarter reached a \$44,184 million (US\$68 Mn) loss, 13.6% higher compared to 2Q17. The difference is mainly explained by a decrease in other income (expenses) of \$9,199 million (US\$ 14 Mn), because of an insurance compensation received in 2Q17, which partially compensated losses for damages to inventories and assets which resulted from the El Niño Costero floods in the north of Peru.

Net income tax expense decreased by 21.0% compared to same period last year, due to a lower effective tax rate. This decrease was mainly explained by a tax benefit of \$11,377 million related to Mallplaza Arica, which is also reflected on higher minority interests.

The consolidated net income of this quarter reached \$127,629 million (US\$196 Mn), a 0.3% YoY contraction. The consolidated net income does not include gains or losses from asset revaluation, as the Company adopted the historic cost method.

4. Consolidated Balance Sheet

Non-banking current assets decreased by \$3,023 million (US\$5 Mn) compared to December 2017, mainly due to a decrease in trade and other accounts receivable and inventories, and in cash and cash equivalents. Non-banking non-current assets increased by \$213,367 million (US\$328 Mn), mainly due to an increase in property, plant and equipment and in investment properties. In the case of the banking business, total assets increased by \$291,448 million (US\$448 Mn) compared to December 2017, mainly due to the increase in transactions with settlement and in securities available for sale. As a result, total assets increased by \$501,791 million (US\$771 Mn).

Non-banking current liabilities increased by \$57,846 million (US\$89 Mn) compared to December 2017, mainly explained by the increase in other current financial liabilities.

Non-banking long-term liabilities decreased by \$80,075 million (US\$123 Mn), mainly explained by the decrease in other financial liabilities. Total liabilities of the banking businesses increased by \$345,319 million (US\$530 Mn), mainly explained by the growth in deposits and other demand liabilities. As a result, total liabilities increased by \$323,090 million (US\$496 Mn).

As of the date of this report, S.A.C.I. Falabella had three dollar denominated bonds, one for US\$ 500 million and two bonds for US\$ 400 million, which are hedged, both at capital and interest level, with swaps until maturity.



5. Consolidated Cash Flow

The non-banking business cash flow from operating activities decreased by \$149,731 million (US\$230 Mn) as of June 2018 compared to the same period of the previous year, mainly due to greater payment to suppliers, offset by higher proceeds from services provided and goods sold. Banking business cash flow from operating activities decreased by \$84,237 million (US\$129 Mn), mainly explained by greater loans and accounts receivable from clients. As a result, cash flow from consolidated operating activities decreased by \$233,969 million (US\$359 Mn) in the period.

Non-banking business cash flow of investment activities was \$31,216 million (US\$48 Mn) less negative than on the same period of previous year, mainly due to lower additions of long term assets. Banking business cash flow from investment activities increased by \$131,129 million (US\$201 Mn) with respect to previous year, mainly due to a lower net increase in investment securities available for sale. As of June 2018, consolidated cash flow from investment activities was \$162,345 million (US\$249 Mn) less negative than the same period of 2017.

Non-banking business cash flow from financing activities as of June 2018 was \$56,024 million (US\$86 Mn) less negative than last year, mainly explained by greater proceeds from long and short-term loans. Banking business cash flow from financing activities increased by \$35,921 million (US\$55 Mn) compared to the same period last year, due to higher long-term loans. As a result, consolidated cash flow from financing activities reached \$91,945 million (US\$141 Mn) less negative than the same period last year.



V. Retail Indicators

1. Retail Business Review ^{3,4}

Retail Revenue 2Q 2018 (CLP million)

	2Q17	2Q18	Var %	Var Local Currency %
Chile				
Department Stores	361,913	381,352	5.4%	5.4%
Home Improvement	504,375	548,509	8.8%	8.8%
Supermarkets	180,000	192,618	7.0%	7.0%
Peru				
Department Stores	149,323	157,333	5.4%	9.3%
Home Improvement	145,891	141,246	-3.2%	3.7%
Supermarkets	168,495	185,613	10.2%	17.3%
Colombia				
Department Stores	82,644	93,143	12.7%	10.5%
Home Improvement	178,092	180,464	1.3%	5.3%
Argentina				
Department Stores	86,343	73,718	-14.6%	38.7%
Home Improvement	42,125	33,136	-21.3%	24.4%
Brazil				
Home Improvement	48,820	40,800	-16.4%	6.6%
Online sales	123,165	162,706	32.1%	

Retail Revenue 6M 2018 (CLP million)

	6M17	6M18	Var %	Var Local Currency %
Chile				
Department Stores	716,785	732,670	2.2%	2.2%
Home Improvement	1,035,632	1,114,641	7.6%	7.6%
Supermarkets	351,566	375,803	6.9%	6.9%
Peru				
Department Stores	266,529	278,240	4.4%	9.1%
Home Improvement	297,569	291,520	-2.0%	4.8%
Supermarkets	332,937	356,242	7.0%	14.1%
Colombia				
Department Stores	150,475	162,359	7.9%	7.1%
Home Improvement	371,051	360,937	-2.7%	2.4%
Argentina				
Department Stores	148,407	136,936	-7.7%	40.1%
Home Improvement	83,815	71,985	-14.1%	25.7%
Brazil				
Home Improvement	90,387	86,582	-4.2%	14.7%
Online sales	208,604	272,589	30.7%	

³ Online sales include revenue generated in the online channel for all retail businesses excluding home improvement in Colombia.

⁴ All revenue variations are in nominal terms and have been calculated in both Chilean pesos and local currency of each country.



Same Store Sales (SSS) Nominal Growth ^{5,6,7}

	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18
Chile												
Department Stores	13.1%	9.6%	13.3%	6.6%	10.1%	8.1%	6.0%	4.7%	1.7%	4.8%	-4.9%	0.2%
Home Improvement	5.9%	5.0%	7.3%	-8.2%	1.1%	-1.7%	-2.4%	-2.5%	13.9%	1.6%	4.6%	5.8%
Supermarkets	2.5%	-0.7%	2.3%	-2.4%	0.3%	-2.0%	3.5%	1.5%	2.6%	1.4%	1.7%	1.9%
Peru												
Department Stores	1.4%	1.4%	-2.0%	-5.0%	-1.6%	-5.9%	5.0%	-0.8%	1.4%	0.3%	12.1%	8.4%
Home Improvement	-3.8%	-4.4%	-5.3%	-5.6%	-4.8%	-2.6%	3.6%	5.5%	4.5%	2.7%	6.0%	1.0%
Supermarkets	0.3%	-2.9%	-1.7%	-1.4%	-1.5%	-1.0%	0.6%	0.2%	1.0%	0.3%	4.8%	10.3%
Colombia												
Department Stores	-1.8%	0.0%	-10.1%	6.9%	0.0%	-2.4%	-4.4%	0.4%	1.2%	-0.9%	0.6%	11.9%
Home Improvement	8.5%	8.5%	1.0%	1.5%	4.6%	-2.7%	-7.1%	-4.2%	-5.4%	-4.8%	-0.9%	4.6%
Argentina												
Department Stores	24.2%	29.0%	16.9%	17.8%	21.5%	16.5%	20.4%	25.4%	29.9%	23.6%	38.3%	36.7%
Home Improvement	29.1%	28.1%	22.2%	11.2%	21.3%	14.1%	18.9%	23.0%	29.9%	23.6%	25.6%	23.4%
Brazil												
Home Improvement	-10.4%	-8.4%	-8.5%	-0.2%	-6.9%	-3.0%	-1.0%	10.6%	3.2%	2.4%	7.9%	-1.3%

⁵ All variations are calculated in nominal terms and in the local currency of each country. In Argentina, SSS are calculated net of IIBB (gross income tax).

⁶ SSS growth includes revenue generated from the online channel of each business unit.

⁷ SSS calculation does not include stores that had significant changes in sales area open to the public, due to remodeling, expansions, reductions or closings.



2. Number of Stores and Sales Area of Retail Businesses ^{8, 9}

	June 2017		June 2018	
	Sales Area (m ²)	Stores (#)	Sales Area (m ²)	Stores (#)
Chile				
Department Stores	305,223	44	321,526	46
Home Improvement	715,667	85	767,913	90
Supermarkets	209,474	62	218,751	66
Peru				
Department Stores	176,962	29	176,962	29
Home Improvement	371,714	56	372,381	56
Supermarkets	224,912	60	237,043	66
Colombia				
Department Stores	174,829	26	174,829	26
Home Improvement	366,286	38	368,579	38
Argentina				
Department Stores	57,847	11	56,320	11
Home Improvement	85,941	8	85,941	8
Brazil				
Home Improvement	158,994	56	168,745	57
Uruguay				
Home Improvement	24,849	3	24,849	3
Total Stores	2,872,698	478	2,973,839	496

3. Number of Shopping Malls and GLA of Real Estate Operators ^{10, 11}

	June 2017		June 2018	
	GLA (m ²)	Shopping Malls (#)	GLA (m ²)	Shopping Malls (#)
Chile				
Mallplaza	1,238,000	15	1,358,000	17
Open Plaza	229,000	10	230,000	10
Peru				
AP/Mallplaza Peru	201,000	3	201,000	3
Open Plaza	316,000	11	316,000	11
Colombia				
Mallplaza	27,000	1	27,000	1
Total Real Estate	2,011,000	40	2,132,000	42

The Company and its subsidiaries own 1,016,000 m² of additional FLA in free standing Falabella, Sodimac, Tottus, Maestro stores and other locations.

⁸ Sales area includes cashiers and check out areas. In the case of Tottus, this represents approximately 8% of total sales area. This definition may differ from how some peers in the industry measure their sales area, and thus, has implications when comparing sales per square meter.

⁹ Department stores Peru and Colombia includes a Crate & Barrel store.

¹⁰ Open Plaza includes Power Centers (shopping malls with only two anchor stores, in addition to smaller shops) and Shopping Centers (shopping malls with three anchor stores, in addition to smaller stores) and is not part of Plaza S.A.

¹¹ Autoplaza is not included as a separate shopping center.



4. Sales per Square Meter of Retail Businesses ¹²Sales per Square Meter - 2Q 2018 (CLP / m²)

	2Q17	2Q18	Var %	Var Local Currency %
Chile				
Department Stores	1,185,116	1,192,096	0.6%	0.6%
Home Improvement	704,763	722,845	2.6%	2.6%
Supermarkets	866,846	886,037	2.2%	2.2%
Peru				
Department Stores	843,813	889,077	5.4%	9.3%
Home Improvement	392,483	379,645	-3.3%	3.6%
Supermarkets	754,993	782,070	3.6%	10.3%
Colombia				
Department Stores	483,669	532,765	10.2%	8.0%
Home Improvement	486,211	489,622	0.7%	4.7%
Argentina				
Department Stores	1,499,840	1,284,884	-14.3%	39.1%
Home Improvement	490,167	385,570	-21.3%	24.4%
Brazil				
Home Improvement	318,326	242,424	-23.8%	-2.9%
TOTAL	687,235	690,365		

Sales per Square Meter - 6M 2018 (CLP / m²)

	6M17	6M18	Var %	Var Local Currency %
Chile				
Department Stores	2,345,178	2,294,055	-2.2%	-2.2%
Home Improvement	1,448,663	1,474,806	1.8%	1.8%
Supermarkets	1,694,656	1,742,782	2.8%	2.8%
Peru				
Department Stores	1,506,134	1,572,315	4.4%	9.1%
Home Improvement	800,531	783,791	-2.1%	4.8%
Supermarkets	1,501,565	1,508,035	0.4%	7.1%
Colombia				
Department Stores	887,503	928,672	4.6%	3.9%
Home Improvement	1,013,013	979,446	-3.3%	1.7%
Argentina				
Department Stores	2,577,535	2,372,251	-8.0%	39.8%
Home Improvement	975,258	837,611	-14.1%	25.7%
Brazil				
Home Improvement	595,812	515,338	-13.5%	3.6%
TOTAL	1,358,978	1,353,801		

¹² Revenue divided by average area of the period. The YoY variation corresponds to the variation in Chilean pesos and the variation in local currency. Total sales per square meter is the sum of revenue from the retail business divided by the average total surface of stores for the period. Online sales are included in the total sales figure of each business unit.



VI. Financial Business Units^{13,14}

CMR Units: Income Statement

	Promotora CMR			CMR Argentina		
	2Q17	2Q18	Var. %	2Q17	2Q18	Var. %
Selected Operating Results	<i>(Mn CLP)</i>			<i>(Th ARS)</i>		
Interest income	100,206	107,470	7.2%	284,171	524,531	84.6%
Fee and commission income	16,257	18,451	13.5%	241,419	375,770	55.7%
Total Income	116,463	125,921	8.1%	525,590	900,301	71.3%
Interest expense	(9,410)	(8,779)	-6.7%	(130,652)	(365,739)	179.9%
Credit risk cost	(24,507)	(28,105)	14.7%	(35,716)	(107,857)	202.0%
Other expenses	(23,328)	(26,468)	13.5%	(68,130)	(118,664)	74.2%
Total expenses	(57,245)	(63,352)	10.7%	(234,498)	(592,260)	152.6%
Gross Profit	59,218	62,569	5.7%	291,092	308,041	5.8%
Administrative expenses	(10,888)	(12,145)	11.5%	(155,809)	(260,595)	67.3%
Operating Income	48,330	50,424	4.3%	135,283	47,446	-64.9%
Net income	37,072	37,964	2.4%	82,913	(9,020)	-110.9%
Efficiency ratio	13.0%	13.4%		47.7%	62.7%	
	6M17	6M18	Var. %	6M17	6M18	Var. %
Selected Operating Results	<i>(Mn CLP)</i>			<i>(Th ARS)</i>		
Interest income	199,917	213,439	6.8%	578,475	937,069	62.0%
Fee and commission income	32,120	35,598	10.8%	447,033	731,104	63.5%
Total Income	232,037	249,037	7.3%	1,025,508	1,668,173	62.7%
Interest expense	(19,345)	(17,375)	-10.2%	(264,536)	(642,506)	142.9%
Provision for loan losses	(53,747)	(49,698)	-7.5%	(71,489)	(162,952)	127.9%
Other expenses	(45,455)	(51,550)	13.4%	(144,273)	(229,774)	59.3%
Total expenses	(118,547)	(118,623)	0.1%	(480,298)	(1,035,232)	115.5%
Gross Profit	113,490	130,414	14.9%	545,210	632,941	16.1%
Administrative expenses	(21,758)	(23,438)	7.7%	(285,085)	(490,153)	71.9%
Operating Income	91,732	106,976	16.6%	260,125	142,788	-45.1%
Net income	70,331	80,465	14.4%	188,709	62,200	-67.0%
Efficiency ratio	13.0%	13.0%		46.2%	61.6%	

CMR Units: Balance Sheet Accounts and Operational Information

	Promotora CMR			CMR Argentina		
	jun 17	jun 18	Var. %	jun 17	jun 18	Var. %
Selected Balance Sheet Accounts	<i>(Mn CLP)</i>			<i>(Th ARS)</i>		
Loans from customers, gross	1,593,154	1,786,322	12.1%	4,147,873	6,814,646	64.3%
Allowance for loan losses	(68,561)	(121,411)	77.1%	(103,707)	(271,518)	161.8%
Loans from customers, net	1,524,593	1,664,911	9.2%	4,044,166	6,543,128	61.8%
Total Assets	1,588,347	1,796,199	13.1%	4,285,409	7,102,543	65.7%
Total Liabilities	1,031,776	1,621,160	57.1%	3,702,760	6,426,859	73.6%
Total Equity	556,571	175,039	-68.6%	582,649	675,684	16.0%
Total Liabilities + Total Equity	1,588,347	1,796,199	13.1%	4,285,409	7,102,543	65.7%
Operational information						
NPL (+90 days)	48,504	54,643	12.7%	55,150	148,832	169.9%
Open Accounts (with balance)	2,387,609	2,543,845	6.5%	512,477	479,573	-6.4%
Average Loan (local currency)	667,259	702,213	5.2%	8,093,774	14,209,820	75.6%
Duration (months)	5.0	6.2	24.6%	3.0	2.6	-13.7%
Ratios						
NPL / Loans from customers, gross	3.0%	3.1%		1.3%	2.2%	
Allowance for loan losses/NPL	1.4	2.2		1.9	1.8	
ROAE	25.9%	31.3%		-19.8%	-21.9%	
ROAA	9.1%	9.2%		-1.3%	2.5%	

¹³ See definitions at the end of the report.¹⁴ "Allowance for loan losses are calculated" upon the information available in Note 6 and Note 20 of the Financial Statements.

Banco Falabella: Income Statement

	Banco Falabella Chile			Banco Falabella Perú			Banco Falabella Colombia		
	2Q17	2Q18	Var. %	2Q17	2Q18	Var. %	2Q17	2Q18	Var. %
	<i>(Mn CLP)</i>			<i>(Th SOL)</i>			<i>(Mn COP)</i>		
Interest income and adjustments	73,281	75,562	3.1%	282,422	192,163	-32.0%	123,681	132,807	7.4%
Interest expense and adjustments	(17,091)	(15,755)	-7.8%	(33,201)	(31,198)	-6.0%	(27,658)	(24,575)	-11.1%
Net interest income and adjustments	56,190	59,807	6.4%	249,221	160,965	-35.4%	96,023	108,232	12.7%
Fee and commission income	8,582	10,657	24.2%	33,082	100,247	203.0%	51,820	59,051	14.0%
Fee and commission expense	(3,357)	(5,311)	58.2%	(33,600)	(23,410)	-30.3%	(12,944)	(15,134)	16.9%
Net fee and commission income	5,225	5,346	2.3%	(518)	76,837	-14933.4%	38,876	43,918	13.0%
Net income (expense) from financial operations	1,840	1,729	-6.0%	1,587	2,603	64.0%	2,285	995	-56.5%
Other operating net income	181	107	-41.0%	10,668	600	-94.4%	1,959	1,876	-4.3%
Net operating profit before provisions for loan losses	63,436	66,989	5.6%	260,958	241,005	-7.6%	139,144	155,021	11.4%
Provision for loan losses	(17,419)	(16,515)	-5.2%	(104,707)	(79,605)	-24.0%	(52,775)	(40,551)	-23.2%
Operating expenses	(28,526)	(29,277)	2.6%	(131,188)	(141,850)	8.1%	(69,382)	(86,419)	24.6%
Operating Income	17,491	21,197	21.2%	25,063	19,550	-22.0%	16,987	28,051	65.1%
Net Income	13,709	15,873	15.8%	17,022	13,428	-21.1%	9,874	16,696	69.1%
Efficiency ratio	45.0%	43.7%		50.3%	58.9%		49.9%	55.7%	
	6M17	6M18	Var. %	6M17	6M18	Var. %	6M17	6M18	Var. %
	<i>(Mn CLP)</i>			<i>(Th SOL)</i>			<i>(Mn COP)</i>		
Interest income and adjustments	143,096	148,963	4.1%	561,680	459,189	-18.2%	248,261	259,205	4.4%
Interest expense and adjustments	(33,536)	(30,695)	-8.5%	(66,905)	(63,022)	-5.8%	(59,412)	(48,151)	-19.0%
Net interest income and adjustments	109,560	118,268	7.9%	494,774	396,167	-19.9%	188,849	211,054	11.8%
Fee and commission income	17,444	20,777	19.1%	65,608	133,216	103.0%	100,478	115,941	15.4%
Fee and commission expense	(7,713)	(10,256)	33.0%	(81,599)	(53,830)	-34.0%	(22,459)	(27,276)	21.4%
Net fee and commission income	9,731	10,520	8.1%	(15,991)	79,386	-596.5%	78,020	88,665	13.6%
Net income (expense) from financial operations	4,551	3,731	-18.0%	3,240	4,263	31.6%	2,550	1,597	-37.4%
Other operating net income	278	217	-21.8%	19,495	12,510	-35.8%	3,097	4,200	35.6%
Net operating profit before provisions for loan losses	124,120	132,736	6.9%	501,519	492,327	-1.8%	272,516	305,517	12.1%
Provision for loan losses	(34,032)	(34,350)	0.9%	(192,797)	(139,250)	-27.8%	(91,272)	(91,999)	0.8%
Operating expenses	(56,554)	(59,882)	5.9%	(254,183)	(288,522)	13.5%	(140,908)	(170,747)	21.2%
Operating Income	33,533	38,505	14.8%	54,538	64,556	18.4%	40,336	42,771	6.0%
Net Income	25,931	29,043	12.0%	37,889	44,284	16.9%	22,797	25,128	10.2%
Efficiency ratio	45.6%	45.1%		50.7%	58.6%		51.7%	55.9%	



Banco Falabella: Balance Sheet Accounts and Operational Information

	Banco Falabella Chile			Banco Falabella Perú			Banco Falabella Colombia		
	jun 17	jun 18	Var. %	jun 17	jun 18	Var. %	jun 17	jun 18	Var. %
Selected Balance Sheet Accounts	<i>(Mn CLP)</i>			<i>(Th SOL)</i>			<i>(Mn COP)</i>		
Cash and deposits in banks	80,699	98,248	21.7%	546,983	438,432	-19.8%	91,813	97,793	6.5%
Trading investments	736,201	707,198	-3.9%	539,207	493,721	-8.4%	115,033	168,985	46.9%
Loans from customers, gross	1,586,195	1,692,189	6.7%	3,828,804	3,325,172	-13.2%	1,988,289	2,476,310	24.5%
Allowance for loan losses	(80,450)	(96,677)	NM	(405,562)	(369,601)	-8.9%	(160,918)	(184,877)	14.9%
Loans from customers, net	1,505,745	1,595,512	6.0%	3,423,242	2,955,571	-13.7%	1,827,371	2,291,433	25.4%
Total Assets	2,450,447	2,606,405	6.4%	4,867,627	4,314,824	-11.4%	2,208,095	2,810,973	27.3%
Deposits	371,588	451,667	21.6%	506,745	492,987	-2.7%	207,600	437,287	110.6%
Time deposits	1,386,608	1,388,106	0.1%	2,271,658	2,386,629	5.1%	1,258,286	1,341,732	6.6%
Total deposits	1,758,196	1,839,773	4.6%	2,778,403	2,879,616	3.6%	1,465,886	1,779,019	21.4%
Other financial liabilities	374,985	383,686	2.3%	123,610	93,281	-24.5%	137,857	247,323	79.4%
Total Liabilities	2,222,804	2,367,525	6.5%	4,120,430	3,538,640	-14.1%	1,809,327	2,385,290	31.8%
Total Equity	227,643	238,879	4.9%	747,197	776,184	3.9%	398,768	425,683	6.7%
Total Liabilities + Total Equity	2,450,447	2,606,405	6.4%	4,867,627	4,314,824	-11.4%	2,208,095	2,810,973	27.3%
Operational information									
NPL (+90 days)	56,419	52,972	-6.1%	133,059	109,725	-17.5%	84,488	71,931	-14.9%
Current, Saving and checking Accounts	971,558	972,691	0.1%	995,149	1,087,405	9.3%	1,381,010	1,696,042	22.8%
Open Accounts (with balance)	61,345	62,909	2.5%	1,011,758	993,129	-1.8%	1,038,592	1,083,931	4.4%
Average Loan (local currency)	NM	NM	NM	3,784	3,348	-11.5%	1,914,408	2,284,564	19.3%
Duration (months)	15.4	15.9	3.2%	8.3	7.8	-5.3%	9.0	11.1	23.8%
ATMs	385	409	6.2%	175	175	0.0%	61	61	0.0%
Branches	98	102	4.1%	78	67	-14.1%	70	87	24.3%
Ratios									
NPL / Loans from customers, gross	3.6%	3.1%		3.5%	3.3%		4.2%	2.9%	
Allowance for loan losses/NPL	1.4	1.8		3.0	3.4		1.9	2.6	
Basilea	15.9%	15.9%		16.5%	16.5%		14.3%	11.6%	
ROAE	25.2%	23.1%		10.8%	8.9%		13.5%	12.4%	
ROAA	2.3%	2.2%		1.6%	1.5%		2.4%	2.2%	



Percentage of Sales with CMR Card ¹⁵

	1Q17	1H17	9M17	2017	1Q18	2Q18
Chile - Falabella	42.0%	45.2%	45.6%	46.1%	44.1%	47.0%
Chile - Sodimac	26.7%	27.8%	27.5%	27.6%	26.0%	26.4%
Chile - Tottus	18.6%	19.4%	19.9%	20.1%	19.1%	19.4%
Peru - Saga, Sodimac & Tottus	35.2%	37.3%	37.3%	37.6%	32.8%	35.6%
Colombia - Falabella & Sodimac	20.4%	22.1%	21.6%	23.1%	19.6%	22.0%
Argentina - Falabella & Sodimac	23.0%	25.0%	25.1%	25.3%	25.7%	23.1%

¹⁵ Percentage of Sales with CMR Card: the amount of sales revenue, as a percentage of total sales for that retail format, that corresponds to transactions made with a CMR credit card.



VII. Other Indicators

Average Collection Period¹⁶, Average Payment Period and Inventory Turnover¹⁷

Chile

	Dep. Stores		Home Improv.		Supermarkets		Promotora CMR		Plaza S.A.	
	2Q17	2Q18	2Q17	2Q18	2Q17	2Q18	2Q17	2Q18	2Q17	2Q18
Average Collection Period	8.6	11.8	22.2	19.2	1.9	2.7	120.0	120.0	27.0	28.0
Average Payment Period	44.0	46.9	42.5	38.2	39.8	37.6	NM	NM	NM	NM
Inventory Turnover (days)	101.2	96.9	77.7	79.1	47.6	48.7	NM	NM	NM	NM

International Operations¹⁸

	Peru		Argentina		Colombia		Brazil	
	2Q17	2Q18	2Q17	2Q18	2Q17	2Q18	2Q17	2Q18
Average Collection Period	5.1	3.5	12.3	13.2	9.3	9.7	38.3	36.4
Average Payment Period	52.8	50.7	68.5	65.1	73.2	67.1	104.8	95.9
Inventory Turnover (day)	91.2	98.1	96.2	89.9	119.3	111.6	164.2	171.8

¹⁶ Collection period does not include accounts receivable of the retail businesses (department stores, home improvement and supermarkets) with Promotora CMR.

¹⁷ Average Collection Period (does not include Promotora CMR and Plaza S.A.): Current trade and other receivables * 90 / Revenue

Average Collection Period for Promotora CMR: Duration (lineal) * 30

Average Collection Period for Plaza S.A. corresponds to the collection period.

Average Payable Period: Current trade and other current accounts payable * 90 / Cost of sales.

Inventory turnover: Inventories (net) * 90 / Cost of sales

¹⁸ Metrics include only retail operations, excepting Peru where the two Maestro's real estate companies are included.



VIII. Operating Results by Business Unit ¹⁹

Operating Results 2Q 2018 (CLP million)

Chile

	Department Stores			Home Improvement			Supermarkets		
	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)
Revenues	361,913	381,352	5.4%	504,375	548,509	8.8%	180,000	192,618	7.0%
Gross Profit	127,115	127,356	0.2%	153,150	167,653	9.5%	45,727	50,815	11.1%
Gross Margin	35.1%	33.4%	-173	30.4%	30.6%	20	25.4%	26.4%	98
SG&A	(97,944)	(110,992)	13.3%	(134,517)	(141,481)	5.2%	(42,560)	(45,989)	8.1%
SG&A / Revenues	-27.1%	-29.1%	-204	-26.7%	-25.8%	88	-23.6%	-23.9%	-23
Operating Profit	29,171	16,363	-43.9%	18,633	26,171	40.5%	3,166	4,826	52.4%
Operating Margin	8.1%	4.3%	-377	3.7%	4.8%	108	1.8%	2.5%	75
EBITDA	37,125	25,684	-30.8%	28,928	38,842	34.3%	7,737	9,974	28.9%
EBITDA Margin	10.3%	6.7%	-352	5.7%	7.1%	135	4.3%	5.2%	88

	Promotora CMR			Banco Falabella Chile		
	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)
Revenues	116,463	125,921	8.1%	82,045	86,326	5.2%
Gross Profit	59,219	62,569	5.7%	46,016	50,474	9.7%
Gross Margin	50.8%	49.7%	-116	56.1%	58.5%	238
SG&A	(10,888)	(12,145)	11.5%	(28,526)	(29,277)	2.6%
SG&A / Revenues	-9.3%	-9.6%	-30	-34.8%	-33.9%	85
Operating Profit	48,331	50,424	4.3%	17,490	21,197	21.2%
Operating Margin	41.5%	40.0%	-145	21.3%	24.6%	324
EBITDA	48,331	50,424	4.3%	19,974	22,223	11.3%
EBITDA Margin	41.5%	40.0%	-145	24.3%	25.7%	140

International Operations

	Peru			Colombia			Argentina			Brazil		
	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)
Revenues	541,384	550,853	1.7%	124,468	141,556	13.7%	149,211	129,711	-13.1%	48,820	40,800	-16.4%
Gross Profit	175,167	176,816	0.9%	47,672	58,927	23.6%	74,134	60,828	-17.9%	18,175	14,128	-22.3%
Gross Margin	32.4%	32.1%	-26	38.3%	41.6%	333	49.7%	46.9%	-279	37.2%	34.6%	-260
SG&A	(133,742)	(137,418)	2.7%	(44,342)	(50,445)	13.8%	(63,646)	(55,264)	-13.2%	(22,921)	(19,303)	-15.8%
SG&A / Revenues	-24.7%	-24.9%	-24	-35.6%	-35.6%	-1	-42.7%	-42.6%	5	-46.9%	-47.3%	-36
Operating Profit	41,425	39,398	-4.9%	3,330	8,482	154.7%	10,487	5,564	-46.9%	(4,746)	(5,175)	9.0%
Operating Margin	7.7%	7.2%	-50	2.7%	6.0%	332	7.0%	4.3%	-274	-9.7%	-12.7%	-296
EBITDA	59,917	58,027	-3.2%	8,433	13,905	64.9%	11,692	6,406	-45.2%	(3,491)	(4,114)	17.8%
EBITDA Margin	11.1%	10.5%	-53	6.8%	9.8%	305	7.8%	4.9%	-290	-7.2%	-10.1%	-293

Otros

	Plaza S.A.			Other, elimination & anulment			S.A.C.I. Falabella		
	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)	2Q17	2Q18	(%, bps)
Revenues	67,713	75,421	11.4%	20,923	17,621	-15.8%	2,197,316	2,290,688	4.2%
Gross Profit	52,757	57,979	9.9%	13,561	23,112	70.4%	812,693	850,658	4.7%
Gross Margin	77.9%	76.9%	-104	64.8%	131.2%	6635	37.0%	37.1%	15
SG&A	(9,612)	(8,711)	-9.4%	747	(10,552)	NM	(587,952)	(621,578)	5.7%
SG&A / Revenues	-14.2%	-11.6%	265	3.6%	-59.9%	-6346	-26.8%	-27.1%	-38
Operating Profit	43,145	49,268	14.2%	14,308	12,560	-12.2%	224,741	229,080	1.9%
Operating Margin	63.7%	65.3%	161	68.4%	71.3%	289	10.2%	10.0%	-23
EBITDA	52,163	60,548	16.1%	24,652	24,238	-1.7%	295,460	306,157	3.6%
EBITDA Margin	77.0%	80.3%	324	117.8%	137.6%	1973	13.4%	13.4%	-8

¹⁹ International Operating Results includes banking Business in Peru and Colombia, credit card Business in Argentina and real estate Business in Peru, as well as the corresponding retail businesses

Operating Results 6M 2018 (CLP million)

Chile

	Department Stores			Home Improvement			Supermarkets		
	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)
Revenues	716,785	732,670	2.2%	1,035,632	1,114,641	7.6%	351,566	375,803	6.9%
Gross Profit	243,423	237,821	-2.3%	312,915	342,848	9.6%	88,157	98,419	11.6%
Gross Margin	34.0%	32.5%	-150	30.2%	30.8%	54	25.1%	26.2%	111
SG&A	(203,446)	(226,090)	11.1%	(259,614)	(279,114)	7.5%	(82,968)	(91,632)	10.4%
SG&A / Revenues	-28.4%	-30.9%	-248	-25.1%	-25.0%	3	-23.6%	-24.4%	-78
Operating Profit	39,977	11,732	-70.7%	53,301	63,734	19.6%	5,190	6,788	30.8%
Operating Margin	5.6%	1.6%	-398	5.1%	5.7%	57	1.5%	1.8%	33
EBITDA	55,443	30,011	-45.9%	73,906	88,673	20.0%	14,231	16,929	19.0%
EBITDA Margin	7.7%	4.1%	-364	7.1%	8.0%	82	4.0%	4.5%	46

	Promotora CMR			Banco Falabella Chile		
	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)
Revenues	232,037	249,036	7.3%	160,818	169,957	5.7%
Gross Profit	113,490	130,413	14.9%	90,088	98,386	9.2%
Gross Margin	48.9%	52.4%	346	56.0%	57.9%	187
SG&A	(21,758)	(23,438)	7.7%	(56,554)	(59,882)	5.9%
SG&A / Revenues	-9.4%	-9.4%	-3	-35.2%	-35.2%	-7
Operating Profit	91,732	106,975	16.6%	33,534	38,504	14.8%
Operating Margin	39.5%	43.0%	342	20.9%	22.7%	180
EBITDA	91,732	106,975	16.6%	38,431	42,242	9.9%
EBITDA Margin	39.5%	43.0%	342	23.9%	24.9%	96

International Operations

	Peru			Colombia			Argentina			Brazil		
	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)
Revenues	1,053,753	1,059,993	0.6%	241,879	256,329	6.0%	272,986	254,370	-6.8%	90,387	86,582	-4.2%
Gross Profit	333,365	339,012	1.7%	93,733	105,658	12.7%	133,093	117,710	-11.6%	31,364	30,291	-3.4%
Gross Margin	31.6%	32.0%	35	38.8%	41.2%	247	48.8%	46.3%	-248	34.7%	35.0%	29
SG&A	(257,738)	(265,671)	3.1%	(89,597)	(96,884)	8.1%	(118,566)	(108,183)	-8.8%	(40,836)	(39,516)	-3.2%
SG&A / Revenues	-24.5%	-25.1%	-60	-37.0%	-37.8%	-75	-43.4%	-42.5%	90	-45.2%	-45.6%	-46
Operating Profit	75,628	73,341	-3.0%	4,136	8,774	112.1%	14,527	9,527	-34.4%	(9,472)	(9,225)	-2.6%
Operating Margin	7.2%	6.9%	-26	1.7%	3.4%	171	5.3%	3.7%	-158	-10.5%	-10.7%	-18
EBITDA	111,911	109,892	-1.8%	13,931	19,252	38.2%	16,937	11,315	-33.2%	(7,062)	(7,096)	0.5%
EBITDA Margin	10.6%	10.4%	-25	5.8%	7.5%	175	6.2%	4.4%	-176	-7.8%	-8.2%	-38

Others

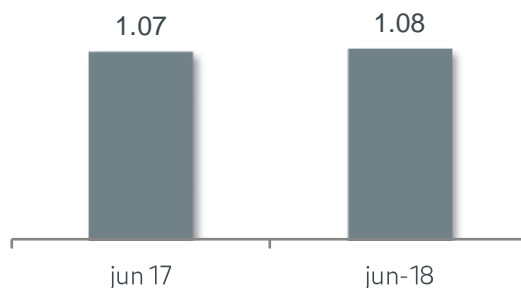
	Plaza S.A.			Other, elimination & anulment			S.A.C.I. Falabella		
	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)	6M17	6M18	(%, bps)
Revenues	133,816	147,165	10.0%	35,748	32,577	-8.9%	4,325,406	4,479,122	3.6%
Gross Profit	104,414	113,227	8.4%	40,447	40,110	-0.8%	1,584,489	1,653,896	4.4%
Gross Margin	78.0%	76.9%	-109	113.1%	123.1%	998	36.6%	36.9%	29
SG&A	(15,572)	(15,995)	2.7%	3,537	582	-83.6%	(1,143,112)	(1,205,823)	5.5%
SG&A / Revenues	-11.6%	-10.9%	77	9.9%	1.8%	-811	-26.4%	-26.9%	-49
Operating Profit	88,842	97,232	9.4%	43,983	40,692	-7.5%	441,377	448,073	1.5%
Operating Margin	66.4%	66.1%	-32	123.0%	124.9%	187	10.2%	10.0%	-20
EBITDA	107,015	119,361	11.5%	64,392	64,304	-0.1%	580,866	601,859	3.6%
EBITDA Margin	80.0%	81.1%	114	180.1%	197.4%	1,726	13.4%	13.4%	1

IX. Financial Structure

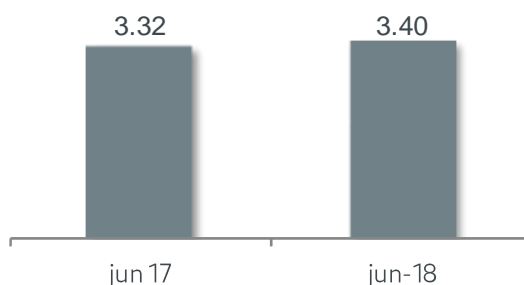
Total liabilities as of June 30th, 2018 reached \$9,370,241 million (MMUS\$ 14.389). In turn, the leverage of the non-banking business²⁰ amounted to 1.08x. Considering the financial debt²¹ of the non-banking business, the ratio of Net Financial Debt / EBITDA was 3,40x.

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

Non-Banking Operations Leverage



Net Financial Debt / EBITDA Non-Banking²²



²⁰ Non-banking operations leverage = total non-banking operations liabilities divided by total equity.

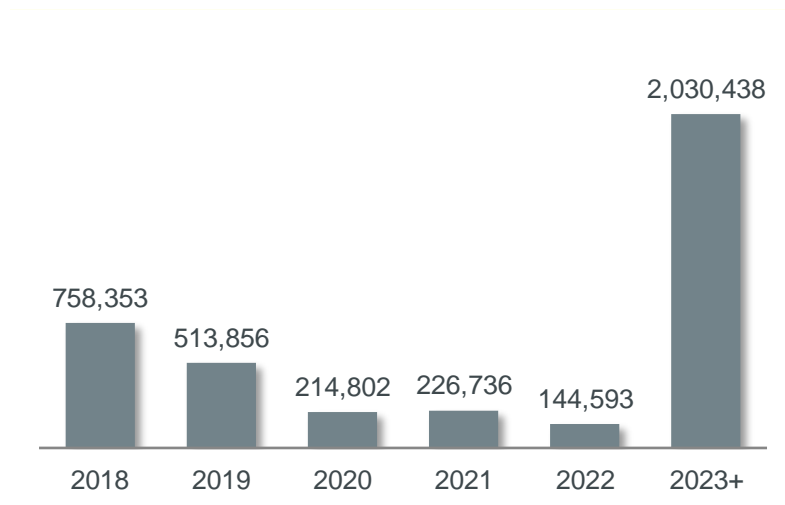
²¹ Non-banking business financial debt = total current non-bank operations liabilities + total non-current non-banking operations liabilities.

²² EBITDA = Gross profit – Distribution costs – Administrative costs – Other expenses, by function + Depreciations; Net Financial Debt = Current financial liabilities + Non-current financial liabilities – Financial Assets (Hedges) – Cash & Cash Equivalents



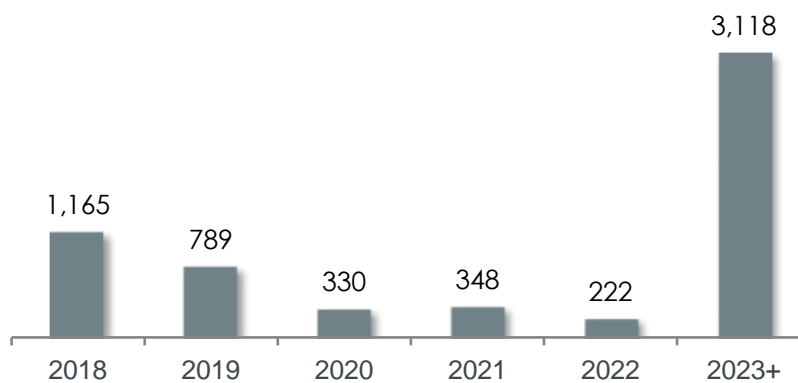
Debt Maturity Profile ²³

Debt Maturity Profile (CLP Mn)



Total Consolidated Financial Debt (excluding banking operations): \$ 3,888,777 Mn

Debt Maturity Profile (US\$ Mn) ²⁴



Total Consolidated Financial Debt (excluding banking operations): US\$ 5,972 Mn

²³ Total consolidated financial debt does not include the banking operations of the Falabella Group (Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia) or accrued interests; however, it does include Promotora CMR and CMR Argentina.

²⁴ Debt converted to US\$ using the local currency exchange rate for each country at the close of the period.



X. S.A.C.I. Falabella Financial Statements ²⁵

	For the year ended as of	For the year ended as of
	30-Jun-18	30-Jun-17
	TH CLP	TH CLP
Statement of Income		
Non-banking Business		
Revenue from continuing operations	4,116,794,472	3,957,701,561
Cost of sales	(2,669,218,955)	(2,561,280,245)
Gross Profit	1,447,575,517	1,396,421,316
Distribution costs	(56,148,144)	(51,602,583)
Administrative expenses	(939,679,894)	(890,455,913)
Other expenses, by function	(62,784,976)	(65,825,487)
Other gains (losses)	(1,793,918)	1,140,909
Financial income	15,183,325	6,733,175
Financial expenses	(94,444,381)	(94,546,126)
Equity interest in profits (losses) of associates accounted for using the equity method	4,035,861	7,103,763
Foreign currency translation	(5,826,501)	(839,968)
Income from indexation units	(11,644,892)	(10,917,796)
Profit (Loss), before Taxes	294,471,997	297,211,290
Income tax expense	(64,039,154)	(69,581,995)
Profit (loss) from Non-banking Business	230,432,843	227,629,295
Banking Services (Presentation)		
Interest and indexation revenue	289,715,307	295,754,523
Interest and indexation expenses	(59,028,686)	(72,708,410)
Net Income from Interest and Indexation	230,686,621	223,046,113
Fee revenue	71,809,324	71,226,234
Fee expenses	(22,420,828)	(19,286,797)
Net Fee Income	49,388,496	51,939,437
Net income from financial operations	12,849,791	5,858,733
Net exchange gains (losses)	(8,014,363)	(80,019)
Other operating income	803,681	723,181
Provision for loan losses	(79,392,573)	(93,421,251)
Total Operating Income, net	206,321,653	188,066,194
Employee remunerations and expenses	(52,558,567)	(50,132,547)
Administrative expenses	(75,670,017)	(67,376,355)
Depreciation and amortization	(9,301,804)	(9,629,359)
Other operating expenses	(9,679,801)	(8,089,357)
Total Operating Expenses	(147,210,189)	(135,227,618)
Operating Income	59,111,464	52,838,576
Income from equity method investments in companies	338,249	356,968
Income before Income Taxes	59,449,713	53,195,544
Income tax expense	(17,026,243)	(14,867,055)
Profit (loss) from Banking Business	42,423,470	38,328,489
Profit (Loss)	272,856,313	265,957,784
Profit (loss), Attributable to:		
Owners of the parent	241,045,437	243,616,309
Non-controlling interests	31,810,876	22,341,475
Profit (Loss)	272,856,313	265,957,784
Earnings per share		
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	0.10	0.10
Basic Earnings (Loss) per Share	0.10	0.10
Diluted Earnings per Share		
From continuing operations	0.10	0.10
Diluted Earnings (Loss) per Share	0.10	0.10

²⁵ Banking Services does not include Promotora CMR nor CMR Argentina.

Balance Sheet	30-jun-2018	31-dec-2017
	TH CLP	TH CLP
Assets		
Non-banking Businesses		
Current assets		
Cash and cash equivalents	213,362,996	232,027,185
Other financial assets	28,863,917	16,161,447
Other non-financial assets	123,894,355	109,045,269
Trade and other accounts receivable	1,899,650,794	1,965,407,382
Accounts receivable from related parties	20,402,297	8,568,867
Inventory	1,260,851,230	1,238,138,783
Tax assets	95,983,741	76,587,049
Total of current assets different from those assets or disposal groups classified as held for sale or as held for distribution to owners	3,643,009,330	3,645,935,982
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	10,769,745	10,866,456
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	10,769,745	10,866,456
Total Current Assets	3,653,779,075	3,656,802,438
Non-current Assets		
Other financial assets	69,643,187	65,197,065
Other non-financial assets	90,597,967	74,750,007
Accounts receivable	279,172,993	275,089,053
Investments accounted for using the equity method	143,461,980	138,296,518
Intangible assets other than goodwill	287,677,987	279,330,294
Goodwill	510,857,386	504,394,517
Property, plant and equipment	2,622,879,055	2,544,923,700
Investment properties	2,951,639,110	2,908,777,208
Non-current tax assets	10,996,881	-
Deferred tax assets	185,317,819	148,118,365
Total Non-current Assets	7,152,244,365	6,938,876,727
Total Assets – Non-banking Business	10,806,023,440	10,595,679,165
Banking Services Assets (Presentation)		
Cash and bank deposits	206,720,842	225,800,376
Transactions with settlement in progress	65,601,639	21,370,300
Financial assets held for trading	179,511,372	71,182,626
Financial derivative contracts	46,622,263	26,600,918
Loans and accounts receivable from clients	2,705,598,300	2,590,709,808
Available for sale instruments	656,184,681	657,507,389
Investments in companies	2,846,612	2,861,251
Intangibles	64,661,177	60,658,539
Property, plant and equipment	35,388,234	33,933,667
Current taxes	5,504,821	7,766,383
Deferred taxes	20,752,950	16,036,209
Other assets	46,983,181	30,501,854
Total Bank Services Assets	4,036,376,072	3,744,929,320
Total Assets	14,842,399,512	14,340,608,485



	30-jun-2018	31-dec-2017
	TH CLP	TH CLP
Net Equity and Liabilities		
Non-banking Business		
Current Liabilities		
Other financial liabilities	1,120,212,081	834,648,234
Trade and other accounts payable	889,152,508	1,085,467,329
Accounts payable to related parties	9,563,530	7,636,329
Other current provisions	41,900,787	14,296,634
Current tax liabilities	20,818,129	37,030,912
Employee benefits provisions	129,453,359	138,464,318
Other non-financial liabilities	127,006,734	162,716,905
Total Current Liabilities	2,338,107,128	2,280,260,661
Non-current Liabilities		
Other financial liabilities	2,911,828,656	3,006,175,090
Other liabilities	1,094,064	1,081,931
Other long-term provisions	11,288,099	11,045,759
Deferred tax liabilities	576,267,677	568,622,314
Employee benefits provision	33,716,458	32,997,676
Other non-financial liabilities	51,334,175	45,681,427
Total Non-current Liabilities	3,585,529,129	3,665,604,197
Total Non-banking Business Liabilities	5,923,636,257	5,945,864,858
Banking Services Liabilities (Presentation)		
Deposits and other demand liabilities	562,189,025	543,154,221
Transactions with settlement in progress	59,885,991	15,139,196
Time deposits and other term deposits	2,219,133,761	1,987,726,066
Financial derivative contracts	43,236,979	31,181,315
Due to banks	90,323,080	81,391,043
Debt instruments issued	271,254,812	242,256,771
Other financial obligations	120,732,085	130,641,388
Current taxes	213,185	-
Provisions	9,439,306	1,669,445
Other liabilities	70,196,357	68,126,678
Total Banking Services Liabilities	3,446,604,581	3,101,286,123
Total Liabilities	9,370,240,838	9,047,150,981
Net Equity		
Issued capital	533,409,643	533,409,643
Retained earnings	4,331,961,232	4,183,008,108
Share premium	93,482,329	93,482,329
Own shares in portfolio	(44,808,966)	(27,042,749)
Other reserves	(368,817,254)	(383,842,804)
Equity attributable to owners of the parent	4,545,226,984	4,399,014,527
Non-controlling interests	926,931,690	894,442,977
Total Equity	5,472,158,674	5,293,457,504
Total Equity and Liabilities	14,842,399,512	14,340,608,485



	30-jun-2018	30-jun-2017
	TH\$	TH\$
Statement of cash flows		
Cash flows provided by (used in) operating activities		
Non-banking Business (Presentation)		
Classes of proceeds from operating activities		
Proceeds from sale of goods and providing services	4,953,368,138	4,691,062,283
Classes of payments		
Payment to suppliers for supplying goods and services	(3,744,274,445)	(3,541,849,757)
Payments to and on account of employees	(544,822,995)	(507,865,503)
Income taxes refunded (paid)	(123,516,580)	(79,686,125)
Other cash inflows (outflows)	(363,344,731)	(234,520,426)
Subtotal net cash flows provided by Non-banking Business operating activities	177,409,387	327,140,472
Banking Services (Presentation)		
Consolidated net income (loss) for the period	42,423,470	38,328,489
Charges (credits) to income that do not involve cash movements:		
Depreciation and amortization	9,301,804	9,629,359
Credit risk provision	91,731,454	105,553,682
Profit losses from equity method investments	(338,249)	(356,968)
Other charges (credits) that do not involve significant cash flow movements	18,738,088	14,867,055
Net change in interest, indexations and fees accrued on assets and liabilities	(166,012)	(2,977,052)
Changes in assets and liabilities affecting cash flow:		
Net increase in loans and accounts receivable from clients	(205,327,465)	(95,001,414)
Net decrease in instruments held for trading	(91,194,427)	(3,438,639)
Increase in deposits and other demand obligations	19,034,804	8,474,212
Increase in deposits and other time deposits	232,239,807	187,458,311
Increase in obligations with banks	8,932,037	(49,697,138)
Other use of cash	640,300	(2,586,452)
Subtotal net cash flows provided by Banking Services operating activities	126,015,611	210,253,445
Net cash flows provided by operating activities	303,424,998	537,393,917
Cash flows provided by (used in) investing activities		
Non-banking Business (Presentation)		
Loans to related parties	(9,906,229)	-
Proceeds from disposal of property, plant and equipment	28,781,185	2,168,518
Additions to property, plant and equipment	(171,053,357)	(158,569,372)
Additions to intangible assets	(28,441,405)	(19,303,205)
Additions to other long-term assets	(51,722,392)	(81,692,602)
Dividends received	5,613,833	5,192,651
Interest received	9,355,085	6,442,863
Other cash inflows (outflows)	(5,577,676)	(8,406,164)
Subtotal net cash flows used in investing activities in the Non-banking Business	(222,950,956)	(254,167,311)
Banking Services (Presentation)		
Net (increase) decrease in investment securities available for sale	1,149,843	(131,063,295)
Additions to property, plant and equipment	(12,564,883)	(12,628,020)
Other sources of cash	326,467	1,473,540
Subtotal net cash flows used in Banking Services investing activities	(11,088,573)	(142,217,775)
Net cash flows used in investing activities	(234,039,529)	(396,385,086)
Cash flows provided by (used in) financing activities		
Non-banking Business (Presentation)		
Proceeds from issuance of shares	5,346,423	1,610,000
Payments to acquire own shares	(14,881,439)	-
Proceeds from long-term loans	91,609,238	108,093,911
Proceeds from short-term loans	1,273,087,827	1,074,733,454
Total proceeds from loans	1,364,697,065	1,182,827,365
Loans (payment) received to related parties	-	-
Payment of loans	(1,178,744,158)	(1,110,942,726)
Payment of financial lease liabilities	(19,298,293)	(9,695,009)
Dividends paid	(149,506,050)	(149,526,484)
Interest paid	(113,412,168)	(72,036,586)
Other cash inflows (outflows)	663,945	403,339
Subtotal net cash flows provided by (used in) Non-banking Business financing activities	(105,134,675)	(161,159,290)
Banking Services (Presentation)		
(Redemption) Letters of credit issuance	(5,512,977)	(2,003,735)
Bond payments and other long term loans	28,998,040	(12,421,250)
Other	(8,244,810)	(6,255,873)
Subtotal net cash flows provided by (used in) Banking Services financing activities	15,240,253	(20,680,858)
Net cash flows used in financing activities	(89,894,422)	(181,840,148)
Net increase in cash and cash equivalents, before the effect of changes in the exchange rate	(20,508,953)	(40,831,317)
Effects of changes in the exchange rate on cash and cash equivalents	-	-
Effects of changes in the exchange rate on cash and cash equivalents	7,349,774	4,318,441
Net increase (decrease) in cash and cash equivalents	(13,159,179)	(36,512,876)
Cash and cash equivalents at beginning of period	494,958,665	575,992,741
Cash and cash equivalents at end of period	481,799,486	539,479,865



Cash Flow – Chilean Operations (CLP Mn)

June 2018	Department Stores	Home Improvement	Supermarkets	Promotora CMR	Banco Falabella	Plaza S.A.
Cash flow from operating activities	21,963,199	60,777,459	10,675,913	12,936,649	32,293,978	109,395,266
Cash flow from investing activities	(38,526,452)	(44,269,478)	(17,371,079)	0	(5,805,085)	(40,224,070)
Cash flow from financing activities	(4,108,783)	(22,103,391)	3,231,429	(11,280,956)	(11,289,287)	(68,288,526)
Increase (decrease) in cash and cash equivalents	(20,672,036)	(5,595,410)	(3,463,737)	1,655,693	15,199,606	882,670
Impact of exchange rate differences on cash and cash equivalents	(15,748)	37,025	7,808	66,882	0	92,168
Cash and cash equivalents at the beginning of the period	50,124,133	21,759,631	11,857,584	26,698,830	144,360,297	28,040,367
Cash and cash equivalents at the end of the period	29,436,349	16,201,246	8,401,655	28,421,405	159,559,903	29,015,205

June 2017	Department Stores	Home Improvement	Supermarkets	Promotora CMR	Banco Falabella	Plaza S.A.
Cash flow from operating activities	(42,380,229)	78,893,088	7,819,269	35,861,886	157,964,615	97,391,078
Cash flow from investing activities	(40,565,404)	(26,895,854)	(9,760,363)	0	(94,891,645)	(83,187,280)
Cash flow from financing activities	62,407,275	(54,491,442)	(3,439,662)	(36,816,255)	(32,096,692)	(19,203,596)
Increase (decrease) in cash and cash equivalents	(20,538,358)	(2,494,208)	(5,380,756)	(954,369)	30,976,278	(4,999,798)
Impact of exchange rate differences on cash and cash equivalents	(308,678)	370,810	(24,339)	68,066	0	1,063,600
Cash and cash equivalents at the beginning of the period	45,426,696	16,786,267	10,134,351	24,300,867	199,466,866	21,736,409
Cash and cash equivalents at the end of the period	24,579,660	14,662,869	4,729,256	23,414,564	230,443,144	17,800,211

Cash Flow – International Operations (CLP Mn)

June 2018	Peru	Colombia	Argentina	Brazil
Cash flow from operating activities	81,453,717	(26,849,245)	(69,192,742)	(18,684,819)
Cash flow from investing activities	(39,405,455)	3,630,334	(3,734,127)	(6,294,844)
Cash flow from financing activities	(47,702,093)	12,961,387	72,571,378	24,656,810
Increase (decrease) in cash and cash equivalents	(5,653,831)	(10,257,524)	(355,491)	(322,853)
Impact of exchange rate differences on cash and cash equivalents	6,362,516	1,924,334	(996,662)	(258,670)
Cash and cash equivalents at the beginning of the period	151,861,440	39,887,477	4,952,531	2,323,389
Cash and cash equivalents at the end of the period	152,570,125	31,554,287	3,600,378	1,741,866

June 2017	Peru	Colombia	Argentina	Brazil
Cash flow from operating activities	91,724,681	(34,385,451)	10,386,349	(4,507,193)
Cash flow from investing activities	(91,358,584)	1,003,706	(2,217,977)	(21,447,210)
Cash flow from financing activities	(35,433,729)	31,341,512	(9,002,948)	25,141,952
Increase (decrease) in cash and cash equivalents	(35,067,632)	(2,040,233)	(834,576)	(812,451)
Impact of exchange rate differences on cash and cash equivalents	4,312,368	(287,762)	(79,739)	(143,413)
Cash and cash equivalents at the beginning of the period	203,524,363	33,809,359	4,417,822	2,522,176
Cash and cash equivalents at the end of the period	172,769,099	31,481,364	3,503,507	1,566,312



Definitions for the Financial Business Units

Selected Balance Sheet Accounts	
Demand deposits	Deposits in current and saving accounts, and other demand deposits.
Other financial liabilities	Debt instruments issued, bank credits and other financial obligations.
Income Statement	
Loan-loss provision expense	Provision expense for loan-losses, plus write-offs net of recoveries
Operational information	
NPL (+90 days)	Loans with +90 days delinquency
Passive accounts	Non-interest bearing accounts, such as checking and saving accounts, with a balance.
Credit cards with a balance	Number of primary credit cards that have a balance, have been used in the last 24 months, and have their payments up to date or have a delinquency of 90 days or less.
Average Loan	Gross customer loans divided by total credit cards with a balance
Duration	Macaulay Duration
ATMs	Number of ATMs
Ratios	
Basilea	Effective equity over risk-weighted assets, as defined by each country's financial services regulator.
Efficiency ratio - CMR	Administrative expenses over gross profit (excluding credit risk cost)
Efficiency ratio - Banks	Operating expense over operating revenue
ROAE - Bancos	Return on Average Equity: is an adjusted version of ROE, in which the denominator is the average of shareholders' equity on the last 13 months.
ROAA - Bancos	Return on Average Assets: is an adjusted version of ROA, in which the denominator is the average of total assets on the last 13 months.
ROAE - CMR	Return on Average Equity: is an adjusted version of ROE, in which the denominator is the average of shareholders' equity on the last 5 quarters.
ROAA - CMR	Return on Average Assets: is an adjusted version of ROA, in which the denominator is the average of total assets on the last 5 quarters.





S.A.C.I. Falabella

Address:

Manuel Rodríguez Norte 730
Santiago, Chile

Contact details:

Andrea González Bayón
Constanza Saver / Pablo Muñoz

Investor Relations

E-mail: inversionistas@falabella.cl

Website:

www.falabella.com/inversionistas