



## End of Preemptive Rights Exercise Period

**Tuesday, November 20<sup>th</sup>, 2018.** The preemptive rights exercise period of Falabella's capital increase ended last Saturday. Almost 90% of the total shares issued were subscribed. With this capital injection, the company achieved the purpose of diversifying its shareholder base and providing greater liquidity to the share by increasing its free float, which grew 9.5%, from 26.5% to 29.0%.

The CEO of S.A.C.I Falabella, Gaston Bottazzini, said that in a context of high volatility in financial markets, the result is satisfactory and is a signal of confidence in the company's strategic plan to consolidate it as the leading online and offline platform in Latin America. "This capital injection allows us to maintain a healthy financial position and make the necessary investments to transform Falabella into a digital ecosystem leveraged in its physical capabilities, which delivers a quick and comprehensive response to the needs of its customers, in a constantly changing world".

On August 20<sup>th</sup>, at an Extraordinary General Meeting, Falabella shareholders approved the issuance of 84.3 million shares. Of these, 12.3 million (equivalent to US\$ 96 million) were subscribed by the controlling shareholders, while 62.1 million (equivalent to US\$ 485 million) were acquired by national and international investors, including hedge funds, long-term institutional funds and pension funds. The total amount raised was US\$ 581 million.

After capitalization, Falabella will continue its transformation process, which includes, among others, the purchase and development of Linio; the development of the Ikea franchise in Chile, Peru and Colombia; the optimization of the company's logistic capabilities; the development of payments solutions, and investments in cybersecurity & data analytics to deliver a personalized offering.

*Falabella is present in Chile, Peru, Colombia, Argentina, Brazil, Uruguay and Mexico, through five business units (department stores, home improvement, supermarkets, real estate and financial services). At the end of September, the company operated 499 stores and 43 shopping centers in Latin America. The company is part of the Dow Jones Sustainability Index (DJSI World), which brings together the main companies that lead efforts in responsible growth internationally. It was also selected in the indices DJSI Emerging Markets, DJSI Chile and DJSI MILA. More information about Falabella at [investors.falabella.com](http://investors.falabella.com)*